

CNR : KLHC010059982025



CRP NO. 18 OF 2025

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2026:KER:59034

IN THE HIGH COURT OF KERALA AT ERNAKULAM

PRESENT

THE HONOURABLE MR.JUSTICE MOHAMMED NIAS C.P.

WEDNESDAY, THE 5th DAY OF AUGUST 2026 / 14th SRAVANA, 1948

CRP NO. 18 OF 2025 (B)

AGAINST THE ORDER DATED 16.11.2024 IN OP NO.146 OF
2024 OF DISTRICT COURT, PALAKKAD

REVISION PETITIONERS/PETITIONERS IN OP (TRANSFER):

- 1 S.V. ANNAPURNI, AGED 95 YEARS,
W/O LATE P.N. RAMAKRISHNAN, RESIDING AT SREYAS,
43/870(1), VADAKKANTHARA MAIN ROAD,
NEAR DR. NAIR SCHOOL, PALAKKAD,
PALAKKAD DISTRICT, PIN - 678012
- 2 DR. P. R NARAYANAN, AGED 75 YEARS,
S/O LATE P.N. RAMAKRISHNAN, SREYAS, 43/870(1),
VADAKKANTHARA MAIN ROAD, NEAR DR. NAIR SCHOOL,
PALAKKAD, PALAKKAD DISTRICT, PIN - 678012
- 3 P.R. VENKITARAYAN, AGED 72 YEARS,
S/O LATE P.N. RAMAKRISHNAN, "FORT VIEW",
23/1043 (OLD NO. 18/26), KUNNATHURMEDU,
PALAKKAD, PIN - 678013
- 4 P.R. EASWARAN, AGED 66 YEARS,
S/O LATE P.N. RAMAKRISHNAN, NO.2, KAMAL BUILDING,
OM MATHA CO-OP HOUSING SOCIETY, CHEDDA NAGAR,
CHEMBUR, MUMBAI, PIN - 400089
- 5 P.R. LAKSHMINARAYANAN, AGED 62 YEARS,
S/O LATE P.N. RAMAKRISHNAN, A-15,
FINE HOME APARTMENTS, MAYUR VIHAR PHASE-1,
DELHI, PIN - 110091

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BY ADVS. SRI.MANU VYASAN PETER
SHRI.P.B.KRISHNAN (SR.)
SRI.P.B.SUBRAMANYAN
SRI.SABU GEORGE
SMT.B.ANUSREE

RESPONDENTS/RESPONDENTS IN OP (TRANSFER):

- 1 M/S. BHARAT PETROLEUM CORPORATIVE LTD.
BHARAT BHAVAN, 4 & 6 CURRIMBOY ROAD,
BALLARD ESTATE, MUMBAI, REPRESENTED BY ITS
MANAGING DIRECTOR, PIN - 400001
- 2 M/S. BHARAT PETROLEUM CORPORATIVE LTD.
TERRITORY OFFICE, 2845 YMCA CROSS ROAD (BANK
ROAD), KOZHIKODE, REPRESENTED BY ITS TERRITORY
MANAGER, PIN - 673001

BY ADVS. SHRI.M.GOPIKRISHNAN NAMBIAR
SHRI.K.JOHN MATHAI
SRI.JOSON MANAVALAN
SRI.KURYAN THOMAS
SHRI.PAULOSE C. ABRAHAM
SHRI.RAJA KANNAN

THIS CIVIL REVISION PETITION HAVING BEEN FINALLY HEARD
ON 30.07.2026, THE COURT ON 05.08.2026 DELIVERED THE
FOLLOWING:



ORDER

The present revision petition challenges the order dated 16.11.2024 passed in O.P. (Transfer) No. 146 of 2024 by the District Court, Palakkad, whereby the petitioners' application seeking transfer of O.S. No. 398 of 2024 from the Munsiff Court, Palakkad to the Commercial Court, Palakkad for joint trial with C.S. No. 15 of 2023 was dismissed.

2. The facts necessary for the disposal of the present revision are set out hereinbelow.

The predecessors of the petitioners herein and the respondent entered into a lease deed dated 1.1.1978, with respect to the property owned by the petitioners for the purpose of running a retail outlet in petrol and high-speed diesel. The said arrangement was subsequently renewed in 1989, 1999 and ultimately in 2011 for a period expiring on 31.12.2021.

3. Upon expiry of the lease on 31.12.2021, the petitioners



declined to renew the arrangement and called upon the respondent to surrender vacant possession. Alleging that the respondent failed to do so, the petitioners instituted C.S. No. 15 of 2023 before the Commercial Court, Palakkad seeking eviction, damages and a mandatory injunction directing removal of the structures, installations and fixtures erected on the property. The respondent thereafter instituted O.S. No. 398 of 2024 before the Munsiff Court, Palakkad seeking specific performance of the alleged agreement for renewal of the lease and a permanent prohibitory injunction in respect of the same property.

4. Since both suits concern the same property and arise out of the same lease transaction, the petitioners filed O.P. (Transfer) No. 146 of 2024 seeking transfer of O.S. No. 398 of 2024 to the Commercial Court for joint trial with C.S. No. 15 of 2023, as the petitioners contended that separate trials would result in multiplicity of proceedings and the possibility of conflicting findings.



5. The Court below, by the impugned order, dismissed O.P (Transfer) No 146/2024 holding that the Commercial Court does not have the power to try a non- commercial suit jointly with a commercial suit. The Court further held that the petitioners' apprehension regarding conflicting findings was unfounded, observing that Sections 10 and 11 of the Code of Civil Procedure adequately addressed such concerns, holding that once the subsequent suit is stayed under Section 10 CPC, the decision in the earlier suit would operate as res judicata under Section 11 CPC. Aggrieved thereby, the present revision has been preferred.

6. The principal contention of the petitioners is that the respondent deliberately undervalued O.S. No. 398 of 2024 by adopting the valuation under the Kerala Court Fees and Suits Valuation Act, 1959 instead of determining the specified value in accordance with Section 12 of the Commercial Courts Act, 2015. Consequently, though the dispute is commercial in nature, the suit came to be instituted before the Munsiff Court by showing the



specified value as below ₹10,00,000/- (Rs. Ten Lakhs only), the pecuniary threshold applicable under the Commercial Courts Act. It is further contended that both suits concern the same property, arise from the same lease transaction and involve interconnected reliefs, necessitating a joint trial before the Commercial Court.

7. Respondents contend that the suit instituted by them is one for the relief of specific performance directing the petitioners to execute the lease deed and for this reason, it was filed before the Munsiff Court and contend that the transfer has been rightly rejected by the court below.

8. Heard both sides and perused the records.

9. When the matter came up on 05.02.2025, this court stayed both the suits taking note of the fact that the question with respect to valuation of the properties for the purpose of payment of court fees under the Kerala Court Fees and Suits Valuation Act, 1959, was pending before a larger Bench.

10. The Full Bench by judgment dated 24.09.2025 in C.R.P



133/2024 and OP(C) 753/2024 answered the reference by holding that, to determine the specified value under S.12(1)(c) of the Commercial Courts Act, the valuation for the purpose of court fee under the Court Fee Act is not determinative, and that the valuation for ascertainment of the specified value is to be on the market value of the immovable property.

11. Section 2(c)(vii) of the Commercial Courts Act, 2015 is reproduced below.

“2. Definitions

....

(c) “commercial dispute” means a dispute arising out of--

....

(vii) agreements relating to immovable property used exclusively in trade or commerce;”

12. In the present case, the dispute arises out of a lease relating to immovable property admittedly used exclusively for running a retail outlet dealing in petroleum products. The respondent seeks specific performance of the alleged renewal of



that lease. The dispute therefore squarely falls within Section 2(c) (vii) of the Commercial Courts Act as one arising out of an agreement relating to immovable property used exclusively in trade or commerce.

13. The only other condition to be a commercial dispute is the valuation. Section 12(1)(c) of the Commercial Courts Act is reproduced below.

12. Determination of Specified Value.—(1) The Specified Value of the subject-matter of the commercial dispute in a suit, appeal or application shall be determined in the following manner:--

...(c) where the relief sought in a suit, appeal or application relates to immovable property or to a right therein, the market value of the immovable property, as on the date of filing of the suit, appeal or application, as the case may be, shall be taken into account for determining Specified Value;

A reading of the provision along with the ratio of the larger Bench decision, it is beyond cavil that the valuation of the respondent's suit ought to be as per section 12(1)(c), i.e., for any suit



where the relief sought relates to immovable property *or a right thereto*, the valuation is to be *on the market value* of the immovable property.

14. Section 15 (2) of the Commercial Courts Act is also relevant and is reproduced below.

*“15. **Transfer of pending cases** — (2) All suits and applications, including applications under the Arbitration and Conciliation Act, 1996 (26 of 1996), relating to a commercial dispute of a Specified Value pending in any civil court in any district or area in respect of which a Commercial Court has been constituted, shall be transferred to such Commercial Court”*

15. Having held that the respondent’s suit constitutes a commercial dispute and that its specified value is liable to be determined under Section 12(1)(c) of the Commercial Courts Act based on the market value of the property, the inevitable legal consequence is that, by virtue of Section 15(2) of the Commercial Courts Act, the suit, being one pending before a Civil Court other



than a commercial court, was required to be transferred to the jurisdictional commercial court. Such transfer follows as a matter of statutory mandate and leaves no scope for exercise of discretion. The provision is peremptory in nature and admits of no discretion. The failure of the court below to act in accordance with the statutory mandate amounts to an error of law.

16. The Court below also went wrong in resting its conclusion on the purported applicability of Sections 10 and 11 of the Code of Civil Procedure. Once it is assumed that the subsequent suit would remain stayed under Section 10 and that the decision in the earlier suit would operate as res judicata under Section 11, the necessity for transfer itself would become redundant.

Given the above, the impugned order is set aside and the transfer is allowed as follows:

- (i) O.S. No.398 of 2024 is transferred from the Munsiff Court, Palakkad, to the Commercial Court, Palakkad.
- (ii) The Registry shall forward a copy of this order to the Munsiff



Court, Palakkad, with instructions to forthwith transmit the records in O.S. No.398 of 2024 to the Commercial Court, Palakkad.

(iii) The Commercial Court, Palakkad, shall, immediately on the receipt of the records in O.S. No.398 of 2024, issue notice to the parties for their appearance.

(iv) The parties would be at liberty to move the Commercial Court, Palakkad and seek the consolidation and joint trial of all the cases between them.

(v) The question of the valuation for the purpose of determining the Court fee payable, is left open.

Sd/-

MOHAMMED NIAS C.P.

JUDGE

DMR/-

Judgment reserved	30/07/26
Date of Judgment	05/08/26
Judgment dictated	03/08/26
Draft judgment placed	03/08/26
Judgment corrected	05/08/26
Final judgment uploaded	05/08/26

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APPENDIX OF CRP NO. 18 OF 2025

RESPONDENT'S ANNEXURES

Annexure R1(a)	TRUE COPY OF PLAINT IN OS NO 398 OF 2024 MUNSIFF COURT, PALAKKAD
Annexure R1(b)	TRUE COPY OF WRITTEN STATEMENT FILED BY DEFENDANTS 1 TO 3 IN OS 398 OF 2024 MUNSIFF COURT, PALAKKAD
Annexure R1(c)	TRUE COPY OF WRITTEN STATEMENT FILED BY 4TH DEFENDANT IN OS NO 398 OF 2024 MUNSIFF COURT PALAKKAD