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CNR No: PHHC010174992026
2026:PHHC:110121



IN THE HIGH COURT OF PUNJAB AND HARYANA
AT CHANDIGARH

CR-1200-2026(O&M)

VISHWAJEET SHARMA AND ANOTHER

..... Petitioners

VERSUS

SATISH CHANDER SHARMA AND OTHERS

..... Respondents

1.	Judgment reserved on	07.05.2026
2.	Judgment pronounced on	03.08.2026
3.	Judgment uploaded on	11.08.2026
4.	Whether only operative part of the judgment is pronounced or whether the full judgment is pronounced.	Full
5.	The delay, if any of the pronouncement of full judgment and reason thereof.	Nil

CORAM: HON'BLE MR. JUSTICE YASHVIR SINGH RATHOR

Argued by : Mr. Pankaj Katia, Advocate and
Mr. Amit Kaushik, Advocate
for the petitioners.

Mr. Rajat Sehgal, Advocate (through V.C.),
Mr. Abhyudaya Paliwal, Advocate and
Mr. Satyaveer Singh, Advocate for the respondents.

YASHVIR SINGH RATHOR, J.

1. This revision petition is directed against the order dated 18.11.2025 (Annexure P-8) passed by the learned Civil Judge (Junior Division), Sonipat vide which an application under Order VII Rule 11 Code of Civil Procedure, 1908, moved by the petitioners/defendants No.

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1 and 2 has been dismissed.

2. By way of application under Order VII Rule 11 C.P.C., defendants No. 1 and 2 contended that the suit is not maintainable. Plaintiffs have filed the suit for cancellation of lease deed, declaration, possession, and permanent injunction, whereas the dispute is purely commercial in nature and falls under the ambit of the Commercial Courts Act, 2015 (**hereinafter referred to as “Act”**). It was contended that the provisions of Section 12A of the Act, which are mandatory in nature, have not been complied with as no pre-institution mediation was conducted. It was further contended that the suit does not disclose any cause of action, and that the relief claimed is undervalued and proper court fee has not been paid. It has been prayed that the plaintiffs have no right to sue and no cause of action has arisen in their favour and the plaint be thus rejected.

3. Plaintiffs filed reply to the application submitting that the application is an abuse of process of law and is not maintainable. It has been denied that the dispute is commercial in nature. Plaintiffs asserted that the suit has been filed seeking cancellation of the lease deed on the ground of fraud and forgery played by the defendants in getting the lease deed executed, and a criminal case (FIR No. 680 dated 30.11.2024 under PS Kundli) has already been registered against defendants. It was contended that the plaint discloses a valid cause of action and the valuation has been done in accordance with the Court Fees Act and Suits Valuation Act, and since allegations of fraud and forgery are involved,

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the dispute is a general civil dispute triable by Civil Court and dismissal of the application was prayed for.

4. Learned Trial Court after appreciating the material on file dismissed the application vide impugned order dated 18.11.2025.

5. Feeling aggrieved, the present petition has been instituted. I have heard the learned counsel for the parties and have gone through the material on record.

6. As per version of the plaintiffs, plaintiff No. 1 is the sole proprietor of plaintiff No. 2 and the absolute owner of the suit property consisting of Warehouses and land situated with in the revenue estate of Village Piao Manyari, Kundli, Sonipat. Defendants approached the plaintiffs to take the premises on lease and an agreement of lease deed was executed on 13.05.2024. However, the plaintiffs alleged that the defendants, in active connivance with the deed writer, played a fraud and altered the terms of the lease deed unilaterally (such as reducing the penalty for holding over from Rs. 15,000 per day to Rs. 1,500 per month, and inserting unauthorized subletting and assignment clauses) without the plaintiffs' knowledge. A criminal case (FIR No. 680 dated 30.11.2024) was also registered against them at Police Station Kundli. Plaintiffs subsequently terminated the lease by serving a notice and filed the suit for cancellation of the lease deed, recovery of vacant possession and mesne profits.

7. It is well settled that while deciding an application under

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Order VII Rule 11 CPC, only the averments in the plaint and documents annexed therewith are to be taken into consideration to find out whether the plaint discloses a cause of action or not or whether the same is barred by any law. The defence taken by the defendants or the documents relied upon by them cannot be taken into consideration.

8. The Act in question has been enacted to provide for Constitution of Commercial Courts for adjudicating commercial disputes of specified value and matters connected therewith or incidental thereto. The term “Commercial Court” has been defined in Section 2(b) and its relevant portion as applicable to the present case is reproduced as under:-

“2. Definitions-(1) In this Act, unless the context otherwise requires-
(a) XXX
(aa) XXX
(c) “commercial dispute” means a dispute arising out of-
(vii) agreements relating to immovable property and exclusively in trade or commerce;
Explanation- A commercial dispute shall not cease to be a commercial dispute merely because-
(a) it also involves action for recovery of immovable property or for realisation of monies out of immovable property given as security or involves any other relief pertaining to immovable property;”

9. A perusal of aforesaid provision makes it abundantly clear that commercial dispute means a dispute arising out of agreement subjecting to immovable property used exclusively in trade or commerce. Explanation (a) further provides that a commercial dispute shall not cease to be a commercial dispute merely because it also involves action for recovery of immovable property or for realisation of monies out of immovable property given as security or involves **any other relief**

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pertaining to immovable property. In the present suit, plaintiffs have come up with a specific averment that the property in question was leased out in favour of defendants for running the business of scrapping of old vehicles. The suit property is immovable property over which Warehouses have been constructed and some land is vacant. However, it has been alleged by the plaintiffs that defendants have played fraud upon them in connivance with the deed writer and have altered the terms and conditions of the lease deed unilaterally. Learned Trial Court has rejected the application under Order VII Rule 11 CPC with the observations that the suit in question seeking declaration of lease deed as a nullity on the ground of fraud is a civil dispute involving personal rights and title, rather than standard commercial dispute under Commercial Courts Act, 2015. Such dispute involves questions of general civil law requiring a full trial and are cognizable by the regular Civil Courts under Section 9 of CPC and the suit cannot be tried under the Commercial Courts Act. However, the suit property is immovable and has been leased out by way of agreement for its use exclusively in trade or commerce. Merely because the plaintiffs have alleged that some fraud has been committed at the time of execution of the lease deed will not divest the Commercial Court of the Jurisdiction to try the suit as Explanation (a) to Section 2(1) of the Act specifically provides that a commercial dispute shall not cease to be a commercial dispute merely because it involves any other relief pertaining to immovable property. The term “involves any other relief” has wide connotations and the Commercial Court can also determine the

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question whether any fraud has been played upon the plaintiffs or not and can adjudicate the dispute involved in the present suit. As such, the reasoning given by the trial Court is contrary to the definition of the term “commercial dispute” under the Act and same being erroneous is not sustainable and the impugned order dated 18.11.2025 (Annexure P-8) deserves to be set aside.

10. In view of the aforesaid discussion, the present revision petition is allowed. However, instead of rejecting the plaint, it would be appropriate if the plaint is ordered to be returned in terms of under Order VII Rule 10 CPC in view of law laid down by Hon’ble Supreme Court in Civil Appeal No.9481/2025 titled “**Aase Ram Vs. Amit Kumar**” decided vide judgment dated 14.07.2025. Accordingly, it is ordered that plaint be returned to the plaintiffs for being presented before the Court of competent jurisdiction.

11. Pending miscellaneous application(s), if any, shall also stand disposed of

03.08.2026

Priyanka Thakur

(YASHVIR SINGH RATHOR)**JUDGE**

Whether speaking/reasoned
Whether Reportable

Yes/No
Yes/No