

IN THE HIGH COURT OF ANDHRA PRADESH: AT AMARAVATI

**Civil Revision Petition Nos.1847/2024, 1172/2022
and 1685, 1686, 1688 and 1689 of 2024**

Between

3F INDUSTRIES LIMITED,, REP. BY ITS AUTHORISED SIGNATORY, MR.
G. SRINIVASA RAO AND OTHERS

...PETITIONERS**and**

TRANSPARENT TECHNOLOGIES SOLUTIONS PRIVATE LIMITED, Rep.
by its Director, Sri Ajit Apte, Pushpa Heights, 1st Floor, Bibwewadi Comer,
Pune-411 037, Maharashtra and others

...RESPONDENTS

Date of Reserve : 12-02-2026
Date of Judgment pronounced : 18-5-2026
Date of Upload : 21-5-2026

**HON'BLE SRI JUSTICE CHEEKATI MANAVENDRANATH ROY
HON'BLE SRI JUSTICE RAVI NATH TILHARI
AND
HON'BLE SRI JUSTICE BATTU DEVANAND**

- | | | |
|----------|---|---------------|
| 1 | Whether Reporters of Local newspapers may be allowed to see the Judgments? | Yes/No |
| 2 | Whether the copies of judgment may be marked to Law Reports/Journals | Yes/No |
| 3 | Whether Their Ladyship/Lordship wish to see the fair copy of the Judgment? | Yes/No |

CHEEKATI MANAVENDRANATH ROY, J.

*** HON'BLE SRI JUSTICE CHEEKATI MANAVENDRANATH ROY
HON'BLE SRI JUSTICE RAVI NATH TILHARI
AND
HON'BLE SRI JUSTICE BATTU DEVANAND**

**+ Civil Revision Petition Nos.1847/2024, 1172/2022
and 1685, 1686, 1688 and 1689 of 2024**

% 18-5-2026

3F INDUSTRIES LIMITED,, REP. BY ITS AUTHORISED SIGNATORY,
MR. G. SRINIVASA RAO AND OTHERS

...PETITIONERS

vs.

\$ TRANSPARENT TECHNOLOGIES SOLUTIONS PRIVATE LIMITED,
Rep. by its Director, Sri Ajit Apte, Pushpa Heights, 1st Floor, Bibwewadi
Comer, Pune-411 037, Maharashtra and others

...RESPONDENTS

! Counsel for the Petitioners: Sri Venkat Challa, Sri G.V.S. Kishore Kumar
and Sri S.V.S.S. Siva Ram

Counsel for Respondents: Sri V. Yatendra Kumar and
Sri Somu Krishna Murthy

< Gist:

> Head Note:

? Cases referred:

1. CRP No.2183/2022, dt.12-9-2023
2. CRP No.1749/2023, dt.28-8-2023
3. CRP No.740/2024, dt.04-7-2024
4. CRP No.1932/2025, dt.22-9-2025
5. (2002) 2 SCC 542

APHC010335012024



**IN THE HIGH COURT OF ANDHRA PRADESH
AT AMARAVATI
(Special Original Jurisdiction)**

[3571]

MONDAY, THE EIGHTEENTH DAY OF MAY
TWO THOUSAND AND TWENTY SIX

PRESENT

THE HONOURABLE SRI JUSTICE CHEEKATI MANAVENDRANATH ROY

THE HONOURABLE SRI JUSTICE RAVI NATH TILHARI

AND

THE HONOURABLE SRI JUSTICE BATTU DEVANAND

**CIVIL REVISION PETITION NOS: 1847 OF 2024, 1172 OF 2022
AND 1685, 1686, 1688 AND 1689 OF 2024**

CIVIL REVISION PETITION NO: 1847 OF 2024

Between:

1.3F INDUSTRIES LIMITED,, REP. BY ITS AUTHORISED SIGNATORY,
MR. G. SRINIVASA RAO, S/O RAMADASU, AGED ABOUT 64 YEARS,
R/O PLOT NO. 43, MOTHE RAJKUMAR NAGAR, PATHEBAD, ELURU,
ANDHRA PRADESH. HAVING REGISTRED OFFICE AT P.O. BOX NO
15, TANUKU ROAD, TADEPALLIGUDEM, WEST GODAVARI DISTRICT,
ANDHRA PRADESH-534 101.

...PETITIONER

AND

1. TRANSPARENT TECHNOLOGIES SOLUTIONS PRIVATE LIMITED, Rep.
by its Director, Sri Ajit Apte, Pushpa Heights, 1st Floor, Bibwewadi
Comer, Pune-411 037, Maharashtra.

...RESPONDENT

Petition under Article 227 of the Constitution of India,praying that in the circumstances stated in the grounds filed herein,the High Court may be pleased toprays this Hon'ble Court to allow the instant Revision Petition by setting aside the order dated 26.07.2024 in E.P.No. 20 of 2024 passed by the Hon'ble XI Addl District Judge, Tadepalligudem and pass

IA NO: 1 OF 2024

Petition under Section 151 CPC praying that in the circumstances stated in the affidavit filed in support of the petition, the High Court may be pleased prayed that this Hon'ble Court may suspend the operation of the order dated 26.07.2024 ("Impugned Order") passed by the Hon'ble XI Addl District Judge. Tadepalligudem in E.P.No. 20 of 2024 and set aside the consequential actions pursuant to the said impugned order and pass

IA NO: 2 OF 2024

Petition under Section 151 CPC praying that in the circumstances stated in the affidavit filed in support of the petition, the High Court may be pleased pleased to permit the Petitioner/ Respondent/DHR to withdraw the amount of Rs: 15,75,000/- deposited by theRespondent/Petitioner/JDR on 11.09.2024 before the Hon'ble XI Addl.District Court at Tadepalligudem and pass

Counsel for the Petitioner:

1.VENKAT CHALLA

Counsel for the Respondent:

1.V YATENDRA KUMAR

CIVIL REVISION PETITION NO: 1172 OF 2022

Between:

1.M/S. SURESH SURGICALS,, BEING REPRESENTED BY ITS PROPRIETOR, MR.MUPPARAJU SURESH, S/O.VENKATESWARLU, HINDU, AGED ABOUT 49 YEARS, WITH ITS OFFICE AT FLAT NO.202, 1ST FLOOR, SRINIVASA CHAMBERS, OPP KGH OUT GATE, VISAKHAPATNAM- 53002.

2.M/S. SURESH CRYOGENIC GASES,, BEING REPRESENTED BY MR.MUPPARAJU SURESH, S/O.VENKATESWARLU, HINDU, AGED ABOUT 49 YEARS, WITH ITS OFFICE AT FLAT NO.202, 1 FLOOR, SRINIVASA CHAMBERS, OPP KGH OUT GATE, VISAKHAPATNAM-53002.

...PETITIONER(S)

AND

1.ELLENBARIE INDUSTRIAL GASES LTD EIGL, BEING REPRESENTED BY ITS AUTHORIZED SIGNATORY, SANTAMAYA MOHAPATRA, S/O.RAMESH CHANDRA MOHAPATRA, HINDU, AGED 47 YEARS, OFFICE SITUATED AT 3A, RIPON STREET, 2ND FLOOR, KOLKATA-700016 WITH ONE OF ITS BRANCHES/UNITS SITUATED AT PLOT NO.57A, JN PHARMA CITY, PARAWADA MANDAL, VISAKHAPATNAM-531 021, ANDHRA PRADESH. .. RESPONDENT/PLAINTIFF

2.M/S CHAITRA MULTI SPECIALTY HOSPITAL, REPRESENTED BY ITS DIRECTOR, ASHOK NAGAR ROAD, OPP KPDT HIGH SCHOOL, ASHOK NAGAR, ELURU, WEST GODAVARI DISTRICT- 534002.

3.M/S SEVEN HILLS HOSPITAL, REPRESENTED BY ITS DIRECTOR, SITUATED AT D.NO.114-4/A, WALTAIR MAIN ROAD, RAMNAGAR, ROCKDALE LAYOUT, VISAKHAPATNAM-53 0002.

4.ALLURI SITARAMA RAJU ACADEMY OF MEDICAL SCIENCES, REPRESENTED BY ITS DIRECTOR, SITUATED AT NH-5, MALKAPURAM, ELURU, WEST GODAVARI DISTRICT-534005.

5.M/S PINNACLE HOSPITAL, REPRESENTED BY ITS DIRECTOR, SITUATED AT D.NO.10- 1112, APIIC HEALTH CITY, MUDASARLOVA ROAD, CHINAGADHILI, ARILOVA, VISAKHAPATNAM- 530040.

6.M/S SUNRISE MULTI SPECIALTY HOSPITAL, REPRESENTED BY ITS DIRECTOR, SITUATED AT D.NO.2-27-15, GOKUL STREET, NEAR SAFE HOSPITAL, SRI NAGAR, KAKINADA, EAST GODAVARI DISTRICT-53001.

...RESPONDENT(S):

Petition under Article 227 of the Constitution of India,praying that in the circumstances stated in the grounds filed herein,the High Court may be pleased tobegs to present this Memorandum of Civil Revision Petition aggrieved by the order in I.A.no. 82 of 2022 in O.S.No. 253 of 2021 dt. 30.03.2022 passed by the learned Addl. Sessions Judge, Visakhapatnam

IA NO: 1 OF 2022

Petition under Section 151 CPC praying that in the circumstances stated in the affidavit filed in support of the petition, the High Court may be pleased pleased to grant stay of all further proceedings in OS.No. 253 of 2021 on the file of the court of the Honourable Special Sessions'Judge for the trail of cases under SC's and ST's (POA)-Cum XIth Additgional District and Sessions Judge at Visakhapatnam, pending disposal of the main CRP and pass

Counsel for the Petitioner(S):

1.G V S KISHORE KUMAR

Counsel for the Respondent(S):

1.S.V.S.S.SIVA RAM

2.THE ADVOCATE GENERAL

CIVIL REVISION PETITION NO: 1685 OF 2024

Between:

1.ATIURI VENKATA SATYA VARA PRASAD,, S/O.A.V.S.R.ANJANEYULU, AGED ABOUT 54 YEARS, HINDU, R/O.11-62-112 AND 115, KODURU CASITA CANAL ROAD, VIJAYAWADA, KRISHNA DISTRICT-520001

...PETITIONER

AND

1.REDDIMI GANESH, S/o.Veerraju, Aged about 50 years, Hindu, Flat No.FF-2, Koduru Residency, Vishunuvardhana Rao Street, Labbipet, Vijayawada-520010, Krishna District. Presently residing at Abu Dhabi, United Arab Emirates. Represented by his GPA Holder, Sri Y.S.V.V.R.K.S.R. Naidu, S/o.Y.U.Bhaskara Rao Naidu, 39-2-17, FF-2,

Koduru Residency, Vishnuvardhana Rao Street, Labbipet, Vijayawada-520010, Krishna District,

...RESPONDENT

Petition under Article 227 of the Constitution of India,praying that in the circumstances stated in the grounds filed herein,the High Court may be pleased topleased to set aside the Impugned Order dated 01.07.2024 passed in I.A. No.719 of 2023 in O.S. No. 526 of 2021 on the file of the Court of the Hon'ble Principal Civil Judge (Junior Division), Vijayawada and pass

IA NO: 1 OF 2024

Petition under Section 151 CPC praying that in the circumstances stated in the affidavit filed in support of the petition, the High Court may be pleased pleased to stay all further proceedings in O.S. No. 526 of 2021 on the file of the Court of the Hon'ble Principal Civil Judge (Junior Division), Vijayawada, pending the present Civil Revision Petition and pass

Counsel for the Petitioner:

1.N SAI PHANINDRA KUMAR

Counsel for the Respondent:

1.SOMU KRISHNA MURTHY

CIVIL REVISION PETITION NO: 1686 OF 2024

Between:

1.ATLURI VENKATA SATYA VARA PRASAD,, S/O.A.V.S.R.ANJANEYULU, AGED ABOUT 54 YEARS, HINDU, R/O.11-62-112 AND 115, KODURU CASITA, CANAL ROAD, VIJAYAWADA, KRISHNA DISTRICT-520001

...PETITIONER

AND

1.GALLA PRAVEEN, , S/o.Bhaskara Rao, Aged about 36 years, Hindu, R/o.9-113, Ashok Nagar, Bundar Road, Penamaluru Mandal, Krishna District. Represented by his GPA Holder, Sri Bhaskara Rao Galla,

S/o.Veera Raghavaulu, aged about 68 years, Hindu, 9-113, Mahatma Gandhi Road, Ashok Nagar, Auto Nagar, Vijayawada-520007, Krishna District,

...RESPONDENT

Petition under Article 227 of the Constitution of India,praying that in the circumstances stated in the grounds filed herein,the High Court may be pleased topleased to set aside the Impugned Order dated 01.07.2024 passed in I.A. No.718 of 2023 in O.S. No. 525 of 2021 on the file of the Court of the Hon'ble Principal Junior Civil Judge, Vijayawada

IA NO: 1 OF 2024

Petition under Section 151 CPC praying that in the circumstances stated in the affidavit filed in support of the petition, the High Court may be pleased pleased to stay all further proceedings in O.S. No. 525 of 2021 on the file of the Court of the Hon'ble Principal Civil Judge (Junior Division), Vijayawada, pending the present Civil Revision Petition and pass

Counsel for the Petitioner:

1.N SAI PHANINDRA KUMAR

Counsel for the Respondent:

1.SOMU KRISHNA MURTHY

CIVIL REVISION PETITION NO: 1688 OF 2024

Between:

1.ATLURI VENKATA SATYA VARA PRASAD, S/O.A.V.S.R.ANJANEYULU, AGED ABOUT 54 YEARS, HINDU, R/O 11-62-112 AND 115, KODURU CASITA, CANAL ROAD, VIJAYAWADA, KRISHNA DISTRICT-520001

...PETITIONER

AND

1.MARRI SRIDHAR, S/o.Raghava Rao, Aged about 45 years, Hindu, House No.2/12, Beside Panchayat Office, Ramavarappadu, Vijayawada Rural

Mandal, Vijayawada, Presently residing at 306 B Punggol Place, 03-29, Singapore-822306. Represented by his GPA Holder, Sri Bhaskara Rao Galla, S/o.Veera Raghavaulu aged about 68 years, Hindu, 9-113, Mahatma Gandhi Road, Ashok Nagar, Auto Nagar, Vijayawada-520007, Krishna District

...RESPONDENT

Petition under Article 227 of the Constitution of India,praying that in the circumstances stated in the grounds filed herein,the High Court may be pleased to may be pleased to set aside the Impugned Order dated 01.07.2024 passed in I.A. No.716 of 2023 in O.S. No. 501 of 2021 on the file of the Court of the Honble Principal Civil Judge (Junior Division), Vijayawada and pass such

IA NO: 1 OF 2024

Petition under Section 151 CPC praying that in the circumstances stated in the affidavit filed in support of the petition, the High Court may be pleased may be pleased to stay all further proceedings in O S. No. 501 of 2021 on the file of the Court of the Hon'ble Principal Civil Judge (Junior Division), Vijayawada, pending the present Civil Revision Petition and pass such

Counsel for the Petitioner:

1.N SAI PHANINDRA KUMAR

Counsel for the Respondent:

1.SOMU KRISHNA MURTHY

CIVIL REVISION PETITION NO: 1689 OF 2024

Between:

1.ATIURI VENKATA SATYA VARA PRASAD,, S/O.A.V.S.R.ANJANEYULU, AGED ABOUT 54 YEARS, HINDU, R/O.11-62-112 AND 115, KODURU CASITA, CANAL ROAD, VIJAYAWADA, KRISHNA DISTRICT-520001

...PETITIONER

AND

1.JUTURU CHANDRA MOHAN, S/O.LATE RAMA SUBBAIAH, AGED ABOUT 56 YEARS, HINDU, FLAT.NO.61, GREEN PARK ENCLAVE, KAPRA, HYDERABAD-500062.

2.JUTURU BHARATHA LAKSHMI, W/O.JUTURU CHANDRA MOHAN, AGED ABOUT 53 YEARS, HINDU, FLAT.NO.61, GREEN PARK ENCLAVE, KAPRA, HYDERABAD-500062.

...RESPONDENT(S):

Petition under Article 227 of the Constitution of India,praying that in the circumstances stated in the grounds filed herein,the High Court may be pleased topleased to set aside the Impugned Order dated 01.07.2024 passed in I.A. No.717 of 2023 in O.S. No. 500 of 2021 on the file of the Court of the Hon'ble Principal Civil Judge (Junior Division), Vijayawada and pass

IA NO: 1 OF 2024

Petition under Section 151 CPC praying that in the circumstances stated in the affidavit filed in support of the petition, the High Court may be pleased pleased to stay all further proceedings in O.S. No. 500 of 2021 on the file of the Court of the Hon'ble Principal Civil Judge (Junior Division), Vijayawada, pending the present Civil Revision Petition and pass

Counsel for the Petitioner:

1.N SAI PHANINDRA KUMAR

Counsel for the Respondent(S):

1.SOMU KRISHNA MURTHY

The Court made the following:

Common Order: (per *Cheekati Manavendranath Roy, J.*)

Pursuant to the order dated 23-8-2024 of a Division Bench of this Court passed in C.R.P.No.1847 of 2024 referring the following questions to a Larger Bench, this Full Bench is constituted to answer the questions formulated by the Division Bench for reference:

- A. Whether the Amendment Act No.28 of 2018, in respect of Sections 2(1)(i) & 3(1A) of the Commercial Courts Act, 2015, by itself amends the ‘specified value’ as ‘not less than three lakhs rupees’, for the jurisdiction of the Commercial Court or it only enables the Central Government & the State Government(s) to do so, by notification specifying any amount, which shall not be less than three lakhs, as ‘specified value’, and it is only after such notification, the specified value shall stand amended ?
- B. Whether the ‘specified value’ in Section 2(1)(i) in Commercial Courts Act, 2015, as substituted by Act 28 of 2018 to the effect “which shall not be less than Rupees three lakhs” in the place of “which shall not be less than Rupees One Crore” shall be operative and effective from
- i) the date of amendment i.e., w.e.f. 03.05.2018; or
 - ii) on the date notified in the notification being issued by the Central Government under Section 2(1)(i) of the Act; or
 - iii) on the date notified in the notification being issued by the Andhra Pradesh State Government in consultation with the High Court of Andhra Pradesh, as provided under Section 3(1A) of the Commercial Courts Act ?
- C. Which judgment, **U.V. Satyanarayana** or **Bellam Balakrishna**, lays down the law correctly ?

2. Brief overview of the facts leading to the lis in C.R.P.No.1847 of 2024 before the learned Division Bench may be delineated as follows:

(a) An execution petition seeking attachment of property under Order XXI, Rule 54 of CPC was filed in E.P.No.20 of 2024 on the file of the XI Additional District Judge, Tadepalligudem, to execute an arbitral award passed by the Arbitral Tribunal. The executing Court by an order dated 26-7-2024 ordered to post the said matter on 23-8-2024 to issue notice and attachment under Order XXI, Rule 54 of CPC on payment of process. The said execution proceedings initiated before the executing Court which is the XI Additional District Judge's Court, Tadepalligudem, are questioned before a Division Bench of this Court in the aforesaid civil revision petition on the ground that the XI Additional District Judge, Tadepalligudem, which is a civil court and not a commercial court, has no jurisdiction to execute the award as it lacks inherent jurisdiction to entertain the said execution petition. It is contended before the Division Bench that only the Commercial Court at Visakhapatnam alone is competent to entertain the execution petition and not by the Civil Court in view Sections 10 and 15 read with Section 2(1)(i) of the Commercial Courts Act, 2015 (hereinafter referred to as "the Act"). In support of the said contention, the petitioner has placed reliance on a judgment of another Division Bench of this Court rendered in the case of ***M/s. Obulapuram Mining Company Pvt. Ltd. v. R.K. Mining Private Limited***¹. In the case of ***Obulapuram Mining Company Pvt. Ltd.*** (1 *supra*), the Division Bench of this Court held that application for execution is also an application within the meaning of Sections 10 and 15 of the Act and after the Commercial Courts are constituted in the State of Andhra Pradesh, only the said Commercial Courts have jurisdiction over the commercial disputes of Specified Value even for execution and not the Civil Courts. It is further held that all the orders passed by the Civil Courts in a commercial dispute after 16-5-2019 were by a *coram non-judice* and were bad in law.

(b) While addressing arguments in the said civil revision petition before the Division Bench of this Court, the learned counsel for the respondent therein

¹ CRP No.2183/2022, dt.12-9-2023

relied on a judgment of another Division Bench of this Court rendered in the case of **Bellam Balakrishna v. Greenmount Developers**² and contended that until the State Government issues a notification in consultation with the High Court, the pecuniary value of three lakh rupees as fixed in Section 2(1)(i) of the Act will not come into operation. Another judgment of other Division Bench of this Court rendered in the case of **U.V. Satyanarayana v. M/s. Shriram City Union Finance Ltd.**³ was also cited before the Division Bench in the above civil revision petition wherein it is held that the execution petition to execute an order passed by the Commercial Court is to be filed only in the Commercial Court and not in the Civil Court. Considering the said two judgments rendered by two coordinate Division Benches of this Court both in the cases of **Bellam Balakrishna** and **U.V. Satyanarayana** (2 and 3 *supra*), the Division Bench in the above civil revision petition was of the opinion that there is an apparent conflict between the two judgments inasmuch as in the case of **Bellam Balakrishna** (2 *supra*) the Court held that without notification, the Commercial Courts, Commercial Division and Commercial Appellate Division of High Courts (Amendment) Act, 2018 (No. 28 of 2018) (hereinafter referred to as “the Amendment Act”) was held not to be operative so as to make the specified value not less than three lakh rupees whereas in the case of **U.V. Satyanarayana** (3 *supra*), the Specified Value has been taken as amended by Act 28 of 2018 itself to be not less than three lakh rupees. The Court after considering the Amendment Act 28 of 2018 amending the Specified Value in Section 2(1)(i) of the Act and inserting a new provision under Section 3(1A) of the Act relating to pecuniary value and the aforesaid two judgments rendered in the cases of **Bellam Balakrishna** and **U.V. Satyanarayana** (2 and 3 *supra*) formulated the above questions for reference to the Larger Bench on the ground that the Court found that there is an apparent conflict between the aforesaid two judgments of coordinate Division

² CRP No.1749/2023, dt.28-8-2023

³ CRP No.740/2024, dt.04-7-2024

Benches of this Court in the cases of **Bellam Balakrishna** and **U.V. Satyanarayana** (2 and 3 *supra*).

(c) After the Division Bench in the above C.R.P.No.1847 of 2024 has referred the matter after formulating the above questions to a Larger Bench as per the order passed on 23-8-2024, a similar issue came up for consideration before a learned single Judge of this Court in C.R.P.No.1172 of 2022. The learned counsel for the petitioner in the said C.R.P.No.1172 of 2022 has taken to the notice of the learned single Judge that the issue involved in the said case is also an issue involved in batch of other cases pending before the Division Bench and cited the judgment of the Division Bench dated 23-8-2024 in C.R.P.No.1847 of 2024 before the learned single Judge. The learned single Judge after considering the decision of the Division Bench formulating the aforesaid questions to refer the same to a Larger Bench, ordered to place the said matter also pending before the learned single Judge before the Hon'ble Chief Justice to pass necessary orders to post the matter before the Division Bench. Accordingly, the said matter is also placed before the Division Bench. Thereafter, a batch of civil revision petitions in C.R.P.Nos.1685, 1686, 1688 and 1689 of 2024 involving the same question and issue came up for consideration before another Division Bench of this Court. The learned counsel for both the parties in the said batch of civil revision petitions have taken to the notice of the said Division Bench that similar matters are directed to be placed before the Hon'ble Chief Justice by a coordinate Bench of this Court for constitution of a Larger Bench in C.R.P.No.1847 of 2024 as per order dated 23-8-2024. Therefore, the said Division Bench also as per order dated 03-4-2025 directed the Registry to post the above batch of civil revision petitions along with C.R.P.No.1847 of 2024 before the appropriate Bench after obtaining necessary orders from the Hon'ble the Chief Justice.

(d) The above batch of civil revision petitions were initially heard by a learned single Judge of this Court. The learned single Judge found that the

judgment of the Division Bench in **Bellam Balakrishna's** case appears to be contrary to the provisions of Section 3 of the Commercial Courts Act, 2015 and directed the Registry to place the said batch of civil revision petitions before the Hon'ble Chief Justice for placing those matters before the Division Bench to consider the issue. Thereafter, the said batch of civil revision petitions are placed before the Division Bench and the Division Bench after noticing that another Division Bench has referred the matter to a Larger Bench, ordered to place those matters also before the appropriate Bench. Thus, all these batch of civil revision petitions are referred to the Full Bench to answer the reference.

(e) This is how the matter has come up before this Full Bench to consider the reference and to answer the questions formulated by the Division Bench.

3. Heard Sri Venkat Challa, Sri G.V.S. Kishore Kumar and Sri S.V.S.S. Siva Ram, learned counsel for the petitioners and Sri V. Yatendra Kumar and Sri Somu Krishna Murthy, learned counsel for the respondents.

4. Before deciding the controversy involved in the lis, it is expedient to consider the legislative history of the Act and the object of the enactment i.e., the Commercial Courts Act, 2015. The proposal to provide for speedy disposal and high value commercial disputes has been under consideration of the Central Government for quite a long time. As high value commercial disputes involve complex facts and question of law, it is felt that there is a need to provide for an **independent mechanism** for early resolution of the commercial disputes. The Government was of the view that the early resolution of commercial disputes shall create a positive image to the investor world about the independent and responsive Indian Legal System. Considering the said proposal of the Central Government, the Law Commission of India in its 188th Report had recommended for constitution of commercial division in each High Court. Accordingly, the Commercial Division of High Courts Bill, 2009 was introduced and passed by the

Rajya Sabha. However, during the discussion of the said Bill in the Rajya Sabha, some members raised certain issues. Therefore, the matter was again referred to the Law Commission of India for its examination. The Law Commission of India in its 253rd Report has recommended for establishment of the Commercial Courts, the Commercial Division and the Commercial Appellate Division in the High Courts for disposal of commercial disputes of a Specified Value. Based on the said recommendation of the Law Commission of India, a Bill viz., the Commercial Courts, Commercial Division and Commercial Appellate Division of High Courts Bill, 2015 was introduced in the Rajya Sabha. It was referred to the Standing Committee. As per the said Bill, all suits, appeals or applications related to commercial disputes of Specified Value i.e., one crore rupees or above are to be dealt with by the Commercial Courts or Commercial Division of the High Court. As the Parliament was not in session at that time and as urgent steps were needed to be taken, the Commercial Courts, Commercial Division and Commercial Appellate Division in High Courts Ordinance, 2015 was promulgated on 23-10-2015. Thereafter, the Bill has been passed by both the Houses of the Parliament and received the assent of the President of India on 31-12-2015. Thus, it came on to the Statute Book as the Commercial Courts, Commercial Division and Commercial Appellate Division of High Courts Act, 2015 (4 of 2016). By Section 3 of the said Act, the nomenclature of the said Act was changed as "The Commercial Courts Act, 2015".

5. Thus, from the object of the enactment, it is very much clear that for the purpose of speedy disposal of commercial disputes which involve complex facts and questions of law, as an independent mechanism for the early resolution of such commercial disputes is needed to create a positive image to the investor world about the independent and responsive Indian Legal System, the Act came to be enacted with the above laudable objective. It is to be noticed here that as independent mechanism for early resolution of such commercial disputes is

required, appropriate provisions are incorporated in the Act constituting special courts for resolution of the said commercial disputes of Specified Value. Initially, the Specified Value of commercial disputes is fixed at not less than one crore rupees in the year 2015 when the Act was introduced. Subsequently, by the Amendment Act 28 of 2018, the definition of “Specified Value” as defined under Section 2(1)(i) of the Act was amended with effect from 03-5-2018 fixing the Specified Value as not less than three lakh rupees or such higher value as may be notified by the Central Government. So, at present, the Specified Value as amended by the Statute is not less than three lakh rupees or such higher value as may be notified by the Central Government.

6. Bearing in mind the statement of object and reasons of the enactment as detailed above and the purpose of introducing the Act, interpretation to any section in the Act is required to be given to achieve the object of the enactment. It is settled law that while interpreting any provision or section in the Act, no attempt should be made to dilute the legislative intent and a purposive interpretation to achieve the object of the enactment is to be given.

7. We have meticulously gone through the judgment of the Division Bench which referred the matter to the Full Bench with the aforesaid questions formulated by it. At the outset, it is to be noticed that the Division Bench obviously did not notice and consider the difference and distinction between the “Specified Value” as defined under Section 2(1)(i) of the Act and the “pecuniary value” as contemplated under Section 3(1A) of the Act. From the tenor of the judgment and the questions that are formulated, it is very much clear and apparent that the Division Bench proceeded on the premise that both the Sections 2(1)(i) and 3(1A) of the Act deals with and speaks of the Specified Value, which in fact is not correct. Both the terms “Specified Value” as defined under Section 2(1)(i) in Chapter I of the Act and the “pecuniary value”

as contemplated in Section 3(1A) in Chapter II of the Act are two different and distinct terms which operate in two different fields. They are not one and the same. So, the whole problem arose in formulating the above questions for reference as the said difference and distinction between the two terms “Specified Value” and “pecuniary value” is not noticed and as they are taken as one and the same.

8. Therefore, in order to answer the questions formulated by the Division Bench which are under reference, few relevant provisions in the scheme of the Commercial Courts Act, 2015 are required to be noticed. Chapter I of the Act deals with definitions of various terms and expressions used in various sections of the Act. Section 2(1)(i) is part of Chapter I of the Act. Section 2(1)(i) of the Act defines “Specified Value”, whereas Chapter II of the Act deals with constitution of Commercial Courts and Section 3(1A) of the Act was newly incorporated in the Chapter by the Amendment Act 28 of 2018 with effect from 03-5-2018 in Section 3 of Chapter II of the Act. In fact, Section 2(1)(i) of the Act defining “Specified Value” was also amended by the same Amendment Act 28 of 2018 deleting the words “which shall not be less than one crore rupees” and substituting the same with the words “which shall not be less than three lakh rupees”. “Commercial dispute” is defined in Section 2(1)(c) of the Act and all disputes arising out of the transactions enumerated in Section 2(1)(c)(i) to (xxii) of the Act fall within the definition of “commercial dispute”. A dispute, in order to be qualified as a commercial dispute to be tried by a Commercial Court, it must satisfy the definition of “Specified Value” as defined in Section 2(1)(i) of the Act which reads thus:

“2. Definitions.—(1) In this Act, unless the context otherwise requires,—

(a) to (c)(i) to (xxii)

*Explanation.—*A commercial dispute shall not cease to be a commercial dispute merely because—

(a) to (h)

- (i) “Specified Value”, in relation to a commercial dispute, shall mean the value of the subject-matter in respect of a suit as determined in accordance with section 12 which shall not be less than three lakh rupees or such higher value, as may be notified by the Central Government.

(2)

9. Therefore, when a dispute falls within the definition of a “commercial dispute” as defined in Section 2(1)(c) of the Act, it must further pass the test of falling within the definition of “Specified Value” as defined in Section 2(1)(i) of the Act for the purpose of resolving the said dispute by the Commercial Court. As “Specified Value” in relation to commercial dispute means, the value of the subject-matter in respect of a suit as determined in accordance with Section 12 of the Act, which shall not be less than three lakh rupees or such higher value, as may be notified by the Central Government, Section 2(1)(i) of the Act defining the “Specified Value” is to be read along with Section 12(1) of the Act in Chapter III of the Act which deals with the determination of Specified Value. Section 12 of the Act contains clauses (a) to (d). As per clause (a), if the suit is for recovery of money, then if the money sought to be recovered is not less than three lakh rupees and in other words, if it is above three lakh rupees and if the dispute is a “commercial dispute” as defined in Section 2(1)(c) of the Act, then it would be a commercial dispute which is to be tried only by a Commercial Court constituted under Section 3 of the Act. As per clause (b), if the suit relates to movable property or to a right therein, if the market value of the movable property is not less than three lakh rupees or if it is above three lakh rupees, then again it would be a commercial dispute which is to be tried only by a Commercial Court. As per clause (c), if the suit relates to immovable property or to a right therein, then if the market value of the immovable property is not less than three lakh rupees or if it is above three lakh rupees, then it would be a commercial dispute to be tried only by the Commercial Court. As per clause (d), if the relief sought in a suit relates to any other intangible right, then the market value of the said right

as estimated by the plaintiff shall be taken into account for determining the Specified Value. Therefore, the test to determine whether a particular dispute is a commercial dispute and whether it is to be tried by a Commercial Court is to first see whether the transaction relating to the dispute falls within the definition of Section 2(1)(c)(i) to (xxii) of the Act and if the dispute satisfies the definition of “commercial dispute” as defined in the said section, it has to be considered as a commercial dispute. Then, the Specified Value in relation to the said “commercial dispute” as defined under Section 2(1)(i) of the Act is to be considered and if the value of the subject-matter in respect of a suit as determined in accordance with Section 12 of the Act is found to be not less than three lakh rupees or in other words, if it is more than three lakh rupees, then the said commercial dispute has to be tried only by a Commercial Court constituted under Section 3 of the Act. Section 2(1)(i) of the Act envisages that if the value of the subject-matter is not less than three lakh rupees or such higher value as may be notified by the Central Government, then it is qualified to be considered as a commercial dispute. As noticed supra, earlier when the Act came into force in the year 2015, for the first time, the base level limit is fixed at not less than one crore rupees and it was amended by substituting the same with the wording “which shall not be less than three lakh rupees”. Therefore, Specified Value in relation to a commercial dispute is determined by the Act itself by clearly stating that if the value of the subject-matter is not less than three lakh rupees that the said Specified Value of the said commercial dispute is to be taken into consideration to decide whether it is to be tried by the Commercial Court or not. So, no separate notification is required to be issued fixing the Specified Value at not less than three lakh rupees. The Statute itself has fixed the value as not less than three lakh rupees. Therefore, no separate notification is required to be issued for the said purpose. However, a right has been conferred on the Central Government by the Parliament under the Statute by way of delegated legislation to fix such higher value i.e. more than the base limit prescribed in the Act as not

less than three lakh rupees by way of issuing notification. Therefore, if the Central Government intends to fix the higher value than the value fixed in the Statute, then a notification is required to be given fixing the said higher value. The disjunctive word “or” has been used after the wording “which shall not be less than three lakh rupees”, which clearly separates the first part of the section with the second part of the section which conferred power on the Central Government to fix such higher value by way of issuing notification. Therefore, we have absolutely no hesitation to hold that notification again for fixing the Specified Value at not less than three lakh rupees is not required as the Statute itself has prescribed the said base limit. We emphatically hold that it is only when the Central Government intends to fix such higher value, then a separate notification is required to be given in terms of the second part of Section 2(1)(i) of the Act.

10. Legislative power is the exclusive function vested with the Parliament. To amend the Act or even a section in the Act is the exclusive function of the Parliament. So, when the Parliament in exercise of the said legislative power has amended Section 2(1)(i) of the Act reducing the Specified Value from not less than one Crore rupees to not less than three lakh rupees, it is really beyond our comprehension as to why again a separate notification by the Central Government is required to bring the amendment into force and to make it operative. It is only when the Central Government in exercise of the power delegated to it by the Parliament specifies higher value then only issuance of notification to that effect is required to bring such higher value into force.

11. A power is conferred by the Statute itself under Section 2(1)(i) of the Act on the Central Government to issue notification to fix such higher value than not less than three lakh rupees to determine the Specified Value of a commercial dispute. If any such notification is issued by the Central Government in exercise

of its power conferred on it by the Statute, it amounts to law under Article 13(3)(a) of the Constitution of India. Article 13(3)(a) of the Constitution of India reads thus:

“13. Laws inconsistent with or in derogation of the fundamental rights.—

(1)

(2)

(3) In this article, unless the context otherwise requires,--

(a) “law” includes any Ordinance, order, bye-law, rule, regulation, **notification**, custom or usage having in the territory of India the force of law;

(b)

12. Since a notification is to be issued in terms of the power conferred on the Central Government by the Statute itself, it has to be termed as a statutory notification which amounts to a delegated legislation. The Parliament itself has delegated its legislative power to the Central Government to fix higher value by way of issuing notification. Delegated legislation is also a “law” under Article 13(3)(a) of the Constitution of India. Issuance of a notification by the Central Government or a State Government under the statutory authority have force of law and they are legislative in character. The law is well settled that a notification issued under the statutory authority is of a form of delegated (subordinate) legislation and it has legislative character and force of law once validly published. As no such notification is issued by the Central Government, the Specified Value as determined by the Parliament as not less than three lakh rupees would continue to prevail and the same has to be taken into consideration.

13. A Division Bench of the High Court for the State of Telangana at Hyderabad had an occasion to deal with the similar issue in the case of ***M/s. Janset Labs Pvt. Ltd. v. Agilent Technologies India Pvt. Ltd.***⁴. After considering the definition of the “Specified Value” under Section 2(1)(i) of the Act,

⁴ CRP No.1932/2025, dt.22-9-2025

the Division Bench of the Telangana High Court has also at para-12 of the judgment in no uncertain terms and in specific terms clearly held that the section does not contain any requirement of issuing a separate notification by the Government for giving effect to the amendment to reduce the Specified Value from one crore rupees to three lakh rupees and further held that in fact, Section 2(1)(i) of the Act only mentions notification by the Central Government for raising the base limit level from three lakh rupees to a higher value with regard to Specified Value of a commercial dispute. The Division Bench of the Telangana High Court also referred the judgment rendered by a learned single Judge of the said Court who has taken the same view in ***M/s. Srinivasa Construction v. D. Muralidhar Rao*** (CRP No.297/2025, dated 21-3-2025). We fully concur with the said view taken by the Division Bench of the Telangana High Court in view of our above discussion and the said decision is quoted with approval to answer question No.'A' formulated by the Division Bench of this Court under reference.

14. As regards the newly inserted provision of Section 3(1A) of the Act is concerned, it was earlier not there when the Act came into force for the first time in the year 2015. It was inserted by way of the Amendment Act 28 of 2018 with effect from 03-5-2018. It was incorporated in Chapter II of the Act. As noticed supra, Chapter II of the Act deals with constitution of the Commercial Courts. As per Section 3(1) of the Act, the State Government, in consultation with the concerned High Court may, by notification, constitute such number of Commercial Courts at District level for exercising the jurisdiction and powers conferred on those Courts under the Act. The first proviso to Section 3(1) of the Act mandates that the State Government, in consultation with the concerned High Court, by notification, constitute Commercial Courts at the District Judge level where the High Court is exercising ordinary original civil jurisdiction. The second proviso to Section 3(1) of the Act deals with specifying the pecuniary

jurisdiction where the High Court is exercising ordinary original civil jurisdiction, by the State Government by notification in respect of the District Courts fixing it at not less than three lakh rupees and not more than the pecuniary jurisdiction exercised by the District Courts. So, the first proviso envisages that with respect to the High Courts having ordinary original civil jurisdiction, the State Government may, after consultation with the concerned High Court, constitute Commercial Courts at the District Judge level by issuing notification to that effect. Similarly, the second proviso envisages that with respect to a territory over which the High Courts have ordinary original civil jurisdiction, the State Government may specify such pecuniary value which shall not be less than three lakh rupees and not more than the pecuniary jurisdiction exercisable by the District Courts as it may consider necessary by way of issuing notification to that effect. Therefore, both the first proviso and the second proviso apply only when the concerned High Court of a State exercises ordinary original civil jurisdiction. The High Court of Andhra Pradesh has no ordinary original civil jurisdiction. Therefore, both the first and the second provisos are not applicable insofar as they relate to Commercial Courts established in the State of Andhra Pradesh.

15. The first proviso to Section 3(1) of the Act is also amended by Act 28 of 2018 with effect from 03-5-2018. Earlier, the first proviso reads thus:

“Provided that no Commercial Court shall be constituted in the territory over which the High Court has ordinary original civil jurisdiction.”

Therefore, as per the original first proviso, when the concerned High Court exercises ordinary original civil jurisdiction, the Statute mandates that no Commercial Court shall be constituted in the said territory. The first proviso is completely amended by Act 28 of 2018 and now it reads thus:

“Provided that with respect to the High Court having ordinary original civil jurisdiction, by notification, constitute Commercial Courts at the District Judge level.”

Therefore, now the amended provision enables the State Government by way of issuing notification to constitute Commercial Courts at the District Judge

level even when the concerned High Court is exercising ordinary original civil jurisdiction in the said territory. As already noticed supra, as the High Court of Andhra Pradesh is not exercising any ordinary original civil jurisdiction in the State of Andhra Pradesh, the first proviso has absolutely no application insofar as the State of Andhra Pradesh is concerned. So, both the first proviso and the second proviso are not applicable to the State of Andhra Pradesh.

16. This newly inserted Section 3(1A) of the Act was not there earlier when the Act came into force in the year 2015. It was introduced for the first time in the year 2018 with effect from 03-5-2018. In our considered view, this new insertion of Section 3(1A) of the Act is made consequent to the amendment of the definition of "Specified Value" under Section 2(1)(i) of the Act reducing the value of the subject matter of a commercial dispute to not less than three lakh rupees from not less than one crore rupees. As the base limit is now drastically reduced to three lakh rupees from one crore rupees, visualizing a situation that there may be heavy increase in the pendency of commercial disputes in the special courts and the special courts constituted at district level would be flooded with thousands of cases and will be overburdened, to enable the State Government in case of any necessity to constitute more special courts even below the level of a District Judge to try and dispose of the commercial suits of less value, the said Section 3(1A) of the Act was incorporated in the Act. It is significant to note that Section 3(1)(3) of the Act earlier prior to its amendment mandates that Commercial Courts are to be presided over by officers from amongst the cadre of Higher Judicial Service in the State. Therefore, as the Specified Value is not less than one crore rupees as per the unamended provision when the Act came into force, in Section 3(1)(3) of the Act, it was stated that the Commercial Courts are to be presided over by the officers of the cadre of Higher Judicial Service in the State i.e., the District Judges. Now, this Section 3(1)(3) of the Act is also amended by the same Amendment Act 28 of 2018 with effect from 03-5-2018.

The wording “Commercial Court, from amongst the cadre of Higher Judicial Service in the State” is deleted and it is substituted by the wording “Commercial Court either at the level of District Judge or a Court below the level of a District Judge”. Obviously to enable the State Government to constitute Commercial Courts even at the level below the Court of a District Judge, as the Specified Value is now reduced to three lakh rupees, the said amendment is made.

17. The newly inserted provision of Section 3(1A) of the Act contains a non-obstante clause giving overriding effect over all provisions of the Act and it mandates that the State Government, after consultation with the concerned High Court, by notification, specify such **pecuniary value** which shall not be less than three lakh rupees or such higher value for whole or part of the State as it may consider necessary by way of issuing notification in consultation with the High Court. This amended provision Section 3(1A) of the Act is to be read along with Section 3(3) of the Act which says that the State Government may, with the concurrence of the Chief Justice of the High Court appoint one or more persons having experience in dealing with commercial disputes to be the Judge or Judges of a Commercial Court either at the level of District Judge or a court below the level of a District Judge. Here, it is to be noticed that it is stated in Section 3(1) of the Act that Commercial Courts are to be constituted at District level which means at the District Judge level. In Section 3(3) of the Act it was earlier stated to be presided over by from amongst the cadre of Higher Judicial Service in the State. Now, the amended provision Section 3(1A) read with Section 3(3) of the Act makes it clear that a power is conferred on the State Government to issue notification in consultation with the High Court specifying such pecuniary value which shall not be less than three lakh rupees or such higher value for whole or part of the State and to appoint a Judge for a Commercial Court either at the level of District Judge or a Court below the level of a District Judge. Obviously, the power to specify the pecuniary value by way of notification on the State

Government in consultation with the High Court is conferred on the State Government to confer jurisdiction on a Court below the level of a District Judge also. Probably to reduce the burden on the Courts at District Judge level in case of increase in pendency of commercial disputes then to enable the State Government to confer jurisdiction on the Courts below the level of District Judge the said power appears to have been conferred on the State Government. The said intention of the Parliament to confer jurisdiction of Commercial Courts on the courts below the level of District Judge is clear and apparent from the object of the Amendment Act 28 of 2018 in incorporating the newly introduced Section 3(1A) in Chapter II of the Act. It is clearly stated in the statement of objects and reasons of the Amendment Act 28 of 2015 as follows:

“4. It is proposed to introduce the Commercial Courts, Commercial Division and Commercial Appellate Division of High Courts (Amendment) Bill, 2018 to replace the Commercial Courts, Commercial Division and Commercial Appellate Division of High Courts (Amendment) Ordinance, 2018, which inter alia, provides for the following namely:--

- (i) to reduce the specified value of commercial disputes from the existing one crore rupees to three lakh rupees, **and** to enable the parties to approach the lowest level of subordinate courts for speedy resolution of commercial disputes;
- (ii) to (v)

18. Therefore, a careful perusal of the amended provision under Section 3(1A) of the Act along with amended Section 3(3) of the Act makes it very clear that for the purpose of fixing the pecuniary value at more than three lakh rupees for whole or any part of the State a notification is required to be given by the State Government in consultation with the High Court. This Section 3(1A) of the Act inserted in Chapter II of the Act dealing with “pecuniary value” of Commercial Courts has absolutely nothing to do with the “Specified Value” as defined in Section 2(1)(i) contained in Chapter I of the Act. Specified Value is altogether different from the pecuniary value. They are two separate and distinct

expressions and terms which wholly operate in two different fields. Specified Value deals with the value of the subject-matter in relation to a commercial dispute, whereas the pecuniary value relates to the pecuniary jurisdiction of the Court which tries the said commercial dispute. Though the term “pecuniary value” used in Section 3(1A) of the Act is not defined in the Act, Section 2(2) of the Act dealing with the definitions clearly mandates that the words and expressions used and not defined in the Act but defined in the Code of Civil Procedure, 1908 and the Indian Evidence Act, 1872 shall have the same meanings respectively assigned to them in that Code and the Act. For better appreciation, Section 2(2) of the Act is extracted hereunder and it reads thus:

“2. Definitions.—(1)

(2) The words and expressions used and not defined in this Act but defined in the Code of Civil Procedure, 1908 (5 of 1908) and the Indian Evidence Act, 1872 (1 of 1872), shall have the same meanings respectively assigned to them in that Code and the Act.”

19. Now, it is relevant to note that Section 6 of CPC deals with “pecuniary jurisdiction”. It reads thus:

“6. Pecuniary jurisdiction.—Save in so far as is otherwise expressly provided, nothing herein contained shall operate to give any Court jurisdiction over suits the amount or value of the subject-matter of which exceeds the pecuniary limits (if any) of its ordinary jurisdiction.”

A reading of Section 6 of CPC makes it clear that no Court would have jurisdiction over suits when the amount or value of the subject-matter exceeds the pecuniary limits of its ordinary jurisdiction. As Section 3(3) of the Act empowers the State Government to appoint a person dealing with commercial disputes to be a Judge of a Commercial Court with the concurrence of the Chief Justice of the High Court even to a Court below the level of a District Judge, it is obvious that the power to confer jurisdiction to try commercial dispute can also be conferred on a Court below the level of a District Judge i.e. on a Civil Judge

(Senior Division) or a Civil Judge (Junior Division) when a need or necessity arises to establish more courts at the level below the District Judge level. So, if the State Government feels the necessity then a notification is to be issued by the State Government in terms of Section 3(1A) of the Act specifying the pecuniary value. Till such time even without such notification, the present Commercial Courts can try the commercial suits of a Specified Value irrespective of its pecuniary value. A careful and conjoint reading of Section 3(1A) and 3(3) of the Act shows that the above is the intention of the Parliament in introducing Section 3(1A) of the Act by way of the Amendment Act 28 of 2018. Therefore, for the purpose of specifying the pecuniary value which shall not be less than three lakh rupees or such higher value for whole or any part of the State, we have absolutely no hesitation to hold that notification by a State Government is required to be given for the said purpose. No such notification in terms of Section 3(1A) of the Act has been issued by the State Government till now specifying the pecuniary value in consultation with the High Court. Probably as jurisdiction to try commercial dispute is not conferred till now on the Courts below the District Judge level, such notification is not issued by the State Government.

20. The contention raised at the time of hearing the reference that as no notification in exercise of the powers conferred by the State Government under Section 3(1A) of the Act was given specifying the pecuniary value, the two Commercial Courts which are now constituted in the State of Andhra Pradesh have no pecuniary jurisdiction to entertain the commercial disputes and as such that two special courts are not competent to try and dispose of any such commercial disputes is absolutely devoid of any merit. Though the said contention is not elaborated, obviously the idea that is sought to be conveyed is that the pecuniary jurisdiction conferred on the District Judge under Section 16 of the A.P. Civil Courts Act to try a suit is above fifty lakh rupees with unlimited jurisdiction and as such in respect of disputes involving below fifty lakh rupees,

the District Judge is not competent to entertain the dispute in the absence of any notification issued by the State Government in exercise of the power conferred on it under Section 3(1A) of the Act specifying the pecuniary value of a Commercial Court below fifty lakh rupees and that he has no pecuniary jurisdiction to entertain the commercial dispute. The said argument is wholly misplaced and the contention is untenable.

21. In this regard, it is to be noted that the Commercial Courts Act, 2015 is a special enactment and it is a Central Act. So, the Commercial Courts are constituted and established under the special enactment. So, they are special courts established for the purpose of dealing with a particular nature of disputes viz., the commercial disputes of a Specified Value. When a special court is constituted under a special enactment to decide a particular nature of dispute i.e., a commercial dispute of a Specified Value, irrespective of the pecuniary limits or jurisdiction conferred on an ordinary Civil Court under the Andhra Pradesh Civil Courts Act, 1972 which is a State enactment, the special court would have jurisdiction to try the said particular nature of dispute. Therefore, the Commercial Court, which is a special court constituted under the special enactment, would have ample jurisdiction to try the dispute involving above the value of three lakh rupees and it is perfectly competent to try and dispose of the said cases. Though two Commercial Courts in the State of Andhra Pradesh were established under the Act, one in Vijayawada and another in Visakhapatnam conferring territorial jurisdiction in terms of Section 3(2) of the Act and the officers at the level of District Judges are presiding over the said Courts, it is well within their competence to try the said commercial disputes as per the territorial jurisdiction conferred on them irrespective of the pecuniary limits conferred on the District Judge under the A.P. Civil Courts Act. It is to be noticed that as per Section 2 of the A.P. Civil Courts Act dealing with definition clause, "Court" means a Civil Court established or deemed to be established under this

Act i.e., the A.P. Civil Courts Act. District Court is established under Section 10 of the A.P. Civil Courts Act. Civil Judges (Senior Division) and Civil Judges (Junior Division) are also established under Section 12 of the A.P. Civil Courts Act. So, these are the ordinary Civil Courts established at three levels i.e., District Judge level, Civil Judge (Senior Division) and Civil Judge (Junior Division) level in the State of Andhra Pradesh under the aforesaid A.P. Civil Courts Act which is the State Act. Pecuniary jurisdiction or limits is conferred on the said Courts under Section 16 of the Act. The District Judge is conferred with the jurisdiction to try all suits of civil nature, the amount or value of the subject matter which exceeds rupees fifty lakhs. Civil Judge (Senior Division) is conferred with the jurisdiction to try all suits of civil nature which exceeds rupees twenty lakhs but does not exceed rupees fifty lakhs and similarly, Civil Judge (Junior Division) can try suits of civil nature involving the amount or value of the subject matter which does not exceed rupees twenty lakhs. Thus, the said pecuniary jurisdiction or limits is conferred on ordinary Civil Courts constituted under the A.P. Civil Courts Act. Now, it is significant to note that the Commercial Courts, which are special courts, are not constituted under the A.P. Civil Courts Act to make the said pecuniary limits conferred on the ordinary Civil Courts constituted under the A.P. Civil Courts Act apply to the Commercial Courts which are special courts constituted under the Commercial Courts Act, 2015. Therefore, one should not get confused with the pecuniary limits or jurisdiction conferred on the ordinary Civil Courts in the A.P. Civil Courts Act to decide whether the Commercial Courts which are special courts constituted under the Commercial Courts Act got jurisdiction to try the disputes as per the pecuniary limits conferred on the Civil Courts. Jurisdiction conferred on Commercial Courts is a special jurisdiction under the special enactment.

22. It is also well established law that when a special court is constituted under the special enactment to deal with the particular nature of disputes, the

jurisdiction of the ordinary Civil Courts is impliedly barred and excluded. In view of the said law also, the said contention is bereft of any legal foundation and cannot be countenanced. A three-Judge Bench of the Apex Court in the case of ***Chandrakant Tukaram Nikam v. Municipal Corporation of Ahmedabad***⁵ held while dealing with a dispute relating to termination of services of an employee that such a dispute is an industrial dispute and the appropriate forum to decide it is the forum constituted under the Industrial Disputes Act, 1947 and the jurisdiction of the Civil Court in such cases is impliedly barred. The Apex Court further held that the dispute is essentially an industrial dispute under the Industrial Disputes Act and the jurisdiction of the Civil Court to hear such a suit was barred.

23. The analogy squarely applies to the present case also. Here also, the dispute is a commercial dispute of a Specified Value and special court is constituted under the Commercial Courts Act to resolve the said dispute. Therefore, the jurisdiction of an ordinary Civil Court is impliedly barred. So, the A.P. Civil Courts Act cannot be applied for the purpose of deciding the pecuniary jurisdiction of the special court.

24. The present two Commercial Courts established in the State of Andhra Pradesh in Vijayawada and Visakhapatnam are being presided over by an officer of a District Judge cadre. Probably as Section 3(1)(3) of the Act as it stood prior to its amendment mandates that Commercial Courts are to be presided over by the officers amongst the cadre of Higher Judicial Service i.e. District Judges in the State as the Specified Value at that time was not less than one crore rupees, Commercial Courts are established with the officers of a District Judge cadre. But no steps are taken subsequent to the various amendments which are made in the Act and particularly in Section 3 of the Act as discussed above to give

⁵ (2002) 2 SCC 542

effect to the said amended provisions. So, the two Commercial Courts are still being presided over by the officers of District Judge cadre. As even the amended Section 3(3) of the Act mandates that they can be presided over by the officers either at the District Judge level or below the level of a District Judge, the Courts are being continued with the same cadre officers. But even then, on the ground that pecuniary limits in terms of Section 3(1A) of the Act are not specified by way of issuing a notification by the State Government, it cannot be said that the said officers of the two Courts are not competent to try and adjudicate the commercial disputes. As long as the Commercial Courts are being presided over only by one cadre officer i.e., the District Judge, the need for specifying or question of fixing the pecuniary limits does not arise. It is only when the Commercial Courts are presided over by more than one level officers or one cadre officers, then a need or necessity to specify the pecuniary limits of the said Courts would arise to determine as to which cadre officer has to try the said suits of particular pecuniary value. For example, if officers at the District Judge level and also at the level below the District Judge i.e., the Senior Civil Judge are appointed to preside over the Commercial Courts in view Section 3(3) of the Act, then to decide which dispute is to be tried by the District Judge level officer and which dispute is to be decided by the Senior Civil Judge officer, pecuniary limits are to be specified. As long as there is only one cadre officer presiding over the Commercial Courts, the question of deciding the pecuniary limits does not arise at all. When only one cadre officer i.e., the District Judge level officers are presiding over the Commercial Courts and if a notification is issued under Section 3(1A) of the Act specifying the pecuniary limits when there is no officer below the level of a District Judge to preside over the Commercial Courts and a pecuniary limit of fifty lakh rupees and above is fixed for the District Judge to try the commercial disputes, then what would be the fate of the cases pending in the said Courts below the value of fifty lakh rupees. The question would be who has to try the said cases below the value of fifty lakh rupees when the Commercial

Courts are not presided over by the officers below the level of a District Judge. This is the practical problem that may arise at present if a notification fixing the pecuniary limit under Section 3(1A) of the Act is issued. It is only if the State Government decides to establish Commercial Courts to be presided over by the officers below the level of a District Judge also then only issuance of notification under Section 3(1A) of the Act specifying the pecuniary limits or value assumes significance. Therefore, if the State Government in consultation with the High Court in future decides to appoint an officer below the level of District Judge also to preside over the Commercial Courts then it has to issue notification under Section 3(1A) of the act specifying the pecuniary limits. As the Specified Value is reduced from one crore rupees to three lakh rupees by way of amendment, it will no way affect the competency or jurisdiction of the District Judge to preside over the Commercial Court and again it is to be clarified that Specified Value has nothing to do with the pecuniary limits and it is only to determine whether a commercial dispute is qualified to be decided by a Commercial Court or not, the Specified Value is to be considered but not to decide the pecuniary limits or jurisdiction of the Commercial Courts. When more than one level officer are presiding over the Commercial Courts then only a notification fixing the pecuniary limits is required.

Therefore, the contention raised to that effect holds no water and it is devoid of merit and the same is liable to be rejected.

25. The same view which we have taken that “Specified Value” as defined in Section 2(1)(i) of the Act is different from “pecuniary value” as mentioned in Section 3(1A) of the Act has been also taken by the Division Bench of the Telangana High Court in the case of **M/s. Janset Labs Pvt. Ltd.** (4 *supra*). At para-13 of the judgment, it is held as follows:

“13. Second, the expression ‘Specified Value’ in section 2(1)(i) is distinct and different from ‘pecuniary value’ in section 3(1A) of the 2015 Act.”

At para-15 of the judgment, it is held by the Division Bench of the Telangana High Court that the second proviso to section 3(1) looks at the territorial limits of the concerned High Courts having ordinary original civil jurisdiction and gives **the State Government the option**, through Notification, to specify the pecuniary value of the Courts within such territory which shall not be less than three lakh rupees and not more than the pecuniary jurisdiction exercisable by the District Courts.

Ultimately, at para-17 of the judgment, it is held that both the provisions i.e. Section 2(1)(i) of the Act relating to Specified Value and Section 3(1A) of the Act relating to pecuniary value are distinct and marked by different parameters altogether. Paras-18 and 19 of the judgment are relevant in the context to consider and it is held as follows:

“18. The difference would further be evident from of the Amendment Act, 2018. Section 2(1)(i) was substituted by section 4(II), while section 3(1A) was inserted by section 6(b) of the Amendment Act, 2018. A more substantive difference would be evident from the definition of ‘specified value’ which focuses on the value of the subject matter of the suit in relation to the commercial dispute, that is whether the suit qualifies for a commercial suit in terms of a minimum value in monetary terms. Section 3(1A) on the other hand is concerned with the pecuniary limits of the Commercial Court within the territorial jurisdiction of the concerned High Court.

19. In other words, while specified value forms the core of the commercial dispute for admission into the regime of The Commercial Courts Act, 2015, pecuniary value fixes the competence-parameters of the Court for receiving a commercial suit. While the former focuses on the value of the dispute, the latter sets the floor-limit capability of the receiving Court. The distinguishing features are being repeated in order to avoid confusion between ‘specified’ and ‘pecuniary’ values as envisaged in the 2015 Act.”

26. Therefore, in view of the foregoing discussion and after analyzing the relevant provisions of the Statute, the three questions that are formulated are answered as follows:

A. Sections 2(1)(i) and 3(1A) of the Act are two distinct and separate provisions and they are not one and the same. Section 2(1)(i) of the Act defines “Specified Value” which focuses on the value of the subject-matter of the suit in relation to a commercial dispute to decide whether the said commercial dispute is to be adjudicated by the Commercial Court or not and Section 3(1A) of the Act, on the other hand, is concerned with pecuniary limits of the Commercial Courts when they are being presided over by officers of various cadres. Amending Section 2(1)(i) of the Act by way of deleting the words “not less than one crore rupees” and substituting the same with the words “not less than three lakh rupees” by way of the Amendment Act 28 of 2018 by itself amends the “Specified Value” as “not less than three lakh rupees” and no separate notification by the Central Government is required to be given to bring the amendment into force and to make it operative. The Statute itself has amended the “Specified Value” as “not less than three lakh rupees”. It is only when the Central Government intends to fix such higher value, then a separate notification in exercise of its power of delegated legislation is required to be given by the Central Government and it comes into force on the date of issuance of notification and publishing in the Gazette.

B. This question again contains sub-questions (i) to (iii). Sub-questions (i) and (ii) are interrelated to each other. Therefore, the said two sub-questions are answered together. The Amendment Act 28 of 2018 relating to Section 2(1)(i) of the Act shall be operative and effective from the date of amendment itself with effect from 03-5-2018. No notification is required to be given by the Central Government to make the said amendment operative and effective and to bring the same into force. It is only when the Central Government issues notification fixing the higher value of the Specified Value, then the said higher value comes into force on the date notified in the notification. As no such notification is issued by the Central Government in exercise of the power conferred on it under Section 2(1)(i) of the Act, the value fixed as not less than three lakh rupees by the Statute

under the Amendment Act 28 of 2018 will prevail and it has to be taken into consideration for deciding the Specified Value of the commercial dispute. As regards sub-question (iii) is concerned, the Amendment Act 28 of 2018 amending Section 2(1)(i) of the Act has absolutely nothing to do with the notification to be issued by the State Government of Andhra Pradesh in exercise of its power conferred on it under Section 3(1A) of the Act to specify pecuniary value. It is made clear and reiterated that “Specified Value” under Section 2(1)(i) of the Act is altogether different from “pecuniary value” as contained in Section 3(1A) of the Act and they are two separate and distinct terms which operate in two different fields.

C. The Division Bench of this Court in the case of ***Bellam Balakrishna*** (2 *supra*) held that until the State Government issues a notification in consultation with the High Court, the pecuniary value of three lakh rupees as fixed in Section 2(1)(i) of the Act will not come into operation is not correct and the law has not been correctly laid down to that effect. In fact, Section 2(1)(i) of the Act does not deal with the pecuniary value. It only defines the “Specified Value”. Therefore, the judgment of the Division Bench of this Court in the case of ***Bellam Balakrishna*** (2 *supra*) that till the notification is issued by the State Government in consultation with the High Court the pecuniary value as fixed in Section 2(1)(i) of the Act will not come into operation is not the correct proposition of law laid down in the said judgment. The controversy involved in this reference as per the questions that are formulated has not been dealt with in the case of ***U.V. Satyanarayana*** (3 *supra*). All that is decided in the case of ***U.V. Satyanarayana*** (3 *supra*) by the other Division Bench of this Court is whether the Court of Principal District Judge, East Godavari District, which is a Civil Court, has got jurisdiction to entertain an execution petition in respect of a commercial dispute arising out of arbitration matters. Therefore, considering Section 10(3) of the Act which mandates that where the subject-matter of an arbitration is a commercial dispute of a specified value and if such arbitration

is other than an international commercial arbitration that all applications arising out of such arbitration under the provisions of the Arbitration and Conciliation Act, 1996 would ordinarily lie before any principal civil court of original jurisdiction in a district shall be filed in, and heard and disposed of by the Commercial Court exercising territorial jurisdiction over such arbitration where such Commercial Court has been constituted, the Court has held that the execution petition has to be filed before the Commercial Court at Visakhapatnam as the Commercial Court at Visakhapatnam has territorial jurisdiction over East Godavari District. But, the Bench which disposed of ***U.V. Satyanarayana***'s case (3 *supra*) has completely missed its attention to a material fact relating to value of the subject matter of the arbitration to decide whether the subject matter of the arbitration is a commercial dispute of a Specified Value or not. The execution petition was filed prior to 03-5-2018 on which day the amendment to Section 2(1)(i) of the Act defining "Specified Value" came into force. Earlier, the Specified Value was above one crore rupees. So, only when the value of the subject matter of the said arbitration is above one crore rupees then only it is qualified to be tried as a commercial dispute in a Commercial Court. The value of the subject matter in the arbitration is only forty five lakhs. So, it is below one crore rupees. So, it does not satisfy the definition of "Specified Value" under Section 2(1)(i) of the Act as per the unamended provision. It is only when the value of the subject matter is more than one crore rupees and if it is a commercial dispute then only it comes within the jurisdiction of the Commercial Court to entertain an execution petition. Even Section 10 of the Act which was invoked by the Bench clearly envisages that when the subject matter of an arbitration is a commercial dispute **of a Specified Value** then the section applies. Section 19 of the Amendment Act 28 of 2018 clearly mandates that the said amendments apply to the transactions took place only from the date of amendment i.e. 03-5-2018 and the said amendments will not apply to the past transactions prior to 03-5-2018. So, the amendment is prospective in nature. As the present transaction relating to the

said arbitration is pertaining prior to 03-5-2018 and as the value of the subject matter is forty five lakhs which is less than one crore rupees it is not qualified to be taken up by the Commercial Court. The Bench in **U.V. Satyanarayana's** case (3 *supra*) did not notice that the Specified Value of the subject matter of the arbitration is only forty five lakhs which is below the amount of one crore rupees and it does not satisfy the definition of "Specified Value" under Section 2(1)(i) of the Act prevailing at that time and it is not qualified to be taken up by the Commercial Courts. So, to that extent, the law has not been correctly decided in **U.V. Satyanarayana's** case (3 *supra*). Therefore, question No.C is answered accordingly.

The reference is answered accordingly. Registry shall take steps to list the civil revision petitions before the respective benches to decide the same according to law.

27. Before parting with the matter, we would like to make certain observations and also recommendation to the State Government and the High Court for effective implementation of the Commercial Courts Act as amended to achieve the object of the enactment. It is noticed that no effect is given to the amendments that are made to Sections 2(1)(i), 3(1A) and 3(3) of the Act, both by the High Court and the State Government. Except passing resolutions in terms of the said amendments and making correspondence by the High Court with the Government and issuing G.O.Rt.No.609, dated 05-6-2023 by the Government in response to the letter correspondence made by the High Court, till now the amendments are not implemented in its true spirit. It is brought to our notice that still the Specified Value as not less than one crore rupees as per the unamended provision of Section 2(1)(i) of the Act is being taken into consideration for the purpose of receiving the suits relating to commercial disputes by the Commercial Courts in Vijayawada and Visakhapatnam. The commercial disputes above three lakh rupees and up to one crore rupees are not being entertained by the

said two special courts. Earlier proceedings of High Court specifying the Specified Value as not less than one crore rupees is not withdrawn and fresh proceedings specifying the Specified Value as not less than three lakh rupees is not yet given. Consequently, the Commercial Courts are not receiving and entertaining the commercial disputes from above three lakh rupees till one crore rupees. It is a lapse on the part of the concerned. It is resulting into causing grave injustice to the litigant public as they could not obtain speedy justice in respect of the commercial disputes involving Specified Value up to one crore rupees. Therefore, steps are to be immediately taken by the concerned to issue fresh proceedings to the two existing Commercial Courts specifying the Specified Value in terms of the amended Section 2(1)(i) of the Act. The High Court also has to take steps to direct the presiding officers of the two Commercial Courts to receive the suits relating to commercial disputes involving value of above three lakh rupees with effect from 03-5-2018. After fresh proceedings are issued by the High Court to the two Commercial Courts which are in existence in the State of Andhra Pradesh at present mentioning the Specified Value as not less than three lakh rupees in terms of amended Section 2(1)(i) of the Act, the Commercial Courts shall receive all the commercial suits filed in the said Courts involving more than three lakh rupees and resolve the same. After issuing such proceedings, all commercial disputes which are of more than three lakh rupees value shall stand transferred to the Commercial Courts pending in the ordinary Civil Courts with effect from 03-5-2018 under Section 15(2) of the Commercial Courts Act.

28. The State Government may also, in consultation with the High Court, shall thereafter in case of necessity in view of increase in the pendency of commercial disputes in the special courts take steps to appoint officers below the level of District Judge also to preside over the Commercial Courts, in which event they have to issue notification under Section 3(1A) of the Act specifying the

pecuniary value which shall not be less than three lakh rupees or such higher value for whole or part of the State it may consider necessary. Since the Parliament conferred the power on the State Governments to confer jurisdiction to deal with the cases of commercial disputes even on the courts below the level of District Judge as and when the need arises for establishment of more courts to reduce the burden on the existing Commercial Courts, which are established at District Judge level, in case there is increase in the commercial disputes in the said courts, it is desirable for the State Government to take a decision in consultation with the High Court of Andhra Pradesh to establish more Commercial Courts even below the level of a District Judge after considering the pendency of cases in the existing Commercial Courts Act subsequent to issuing fresh proceedings to the Commercial Courts specifying the Specified Value as not less than three lakh rupees.

29. To verify as to what steps the High Court and the Government have taken to give effect to the amendments that are made in the Act to Sections 2(1)(i), 3(1A) and 3(3) of the Act, we have called for the record from the concerned Registry and we have gone through the same. The record reveals that after the amendments came into force on 03-5-2018, the Administrative Committee of the High Court in its meeting held on 25-3-2019 made certain recommendations to the Government by way of passing a resolution. The two important resolutions among them are the Committee resolved to confer pecuniary jurisdiction from three lakh rupees to fifty lakh rupees on Commercial Courts in the cadre of Senior Civil Judges to be established one court in each district and further resolved to request the Government to make the 13 existing Fast Track Courts one in each of the 13 districts in the State of Andhra Pradesh as permanent Commercial Courts in the cadre of Senior Civil Judge Courts with pecuniary jurisdiction from three lakh rupees to fifty lakh rupees. Thus, it is now evident that the said resolution is passed in view of Sections 3(1A) and 3(1)(3) of

the Act as amended. Thereafter, the Registry has also addressed various letters to the Government requesting to establish the said Commercial Courts in the cadre of Senior Civil Judge Courts below the level of District Judge with the above pecuniary jurisdiction. But, the Government has only issued a belated G.O.Rt. No.609 on 05-6-2023 after lapse of four years period from the date on which the aforesaid resolution was passed, ordering to convert the existing 13 Fast Track Courts as Commercial Courts in the cadre of Senior Civil Judge. However, para-2 of the said G.O. reads that the **pecuniary** and geographical jurisdiction of the converted courts and their headquarters will be decided by way of issuing orders to that effect separately. Thus, everything is only on paper till now to implement the amended provisions of Sections 3(1A) and 3(1)(3) of the Act. Even though the aforesaid G.O.Rt.No.609 was issued about three years ago on 05-6-2023 to convert the existing 13 Fast Track Courts as Commercial Courts in the cadre of Senior Civil Judge, till now the said G.O. is not implemented and the Fast Track Courts in the cadre of Senior Civil Judge are not converted into Commercial Courts and they are not established and made functional. The High Court also did not further pursue the matter. It is not clarified as to why the 13 Fast Track Courts which are converted into Commercial Courts in the cadre of Senior Civil Judge are not made functional till now. Thus everything is only on paper and the amendments are not actually implemented in its true spirit and letter. Therefore, to achieve the object of the amendment, the High Court is directed to pursue the matter with the Government and the Government shall also immediately take steps to implement G.O.Rt.No.609, dated 05-6-2023 and make the said Commercial Courts in the cadre of Senior Civil Judge functional. The State Government of Andhra Pradesh should also give notification in terms of Section 3(1A) of the Act specifying the pecuniary value of the said Commercial Courts in the cadre of Senior Civil Judge as recommended by the High Court in its resolution dated 25-3-2019 conferring pecuniary jurisdiction on the said Courts from three lakh rupees to fifty lakh

rupees. The Government should give a notification under Section 3(1A) of the Act fixing the pecuniary limits of the Commercial Courts of the District Judge cadre also conferring pecuniary jurisdiction on the said Courts from above fifty lakh rupees with unlimited jurisdiction. As now the Commercial Courts in two different cadres i.e., at the District Judge level and at the level of Senior Civil Judge would come into existence, issuance of notification under Section 3(1A) of the Act conferring pecuniary jurisdiction on the said courts is imperative. The said notification issued in terms of Section 3(1A) of the Act would be independent of the A.P. Civil Courts Act and this notification conferring pecuniary jurisdiction on the Commercial Courts would be issued for the purpose of the Commercial Courts Act, 2015. Section 16 of the A.P. Civil Courts Act confers pecuniary jurisdiction on the ordinary Civil Courts established under the Act whereas notification to be issued under Section 3(1A) of the Commercial Courts Act confers pecuniary jurisdiction on the Commercial Courts established under the Commercial Courts Act.

CHEEKATI MANAVENDRANATH ROY, J.

BATTU DEVANAND, J.

18th May, 2026.

Note:-

L.R. Copy to be marked.

(B/o)

Ak

**HON'BLE SRI JUSTICE CHEEKATI MANAVENDRANATH ROY
HON'BLE SRI JUSTICE RAVI NATH TILHARI
AND
HON'BLE SRI JUSTICE BATTU DEVANAND**

**Civil Revision Petition Nos.1847/2024, 1172/2022
and 1685, 1686, 1688 and 1689 of 2024**
(per CMR, J.)

18th May, 2026.
(Ak)