



IN THE HIGH COURT OF KARNATAKA AT BENGALURU

DATED THIS THE 26TH DAY OF FEBRUARY, 2026

BEFORE

THE HON'BLE MR. JUSTICE ASHOK S.KINAGI

CIVIL MISC. PETITION NO. 346 OF 2025

BETWEEN:

M/S. SAPTHAGIRI BUILDERS AND DEVELOPERS
A FIRM REGISTERED UNDER THE
PARTNERSHIP ACT 1936
HAVING ITS REGISTERED OFFICE
AT NO. 18, BSK COMPLEX
21ST MAIN , BSK 2ND STAGE
BENGALURU 560 070
REP. BY ITS PARTNERS
V CHITTIBABU AND V ANAND NAIDU.

... PETITIONER

(BY SRI. ABHINAY Y T.,ADVOCATE)

AND:

1 ZERKALO PROPRIETIES PRIVATE LTD.,
A COMPANY INCORPORATED UNDER
THE COMPANIES ACT 1956
HAVING ITS REGISTERED OFFICE AT
D NO. 478
12TH CROSS WILSON GARDEN
BENGALURU – 560 027

OFFICE AT J M PLAZA 1ST FLOOR
35 (OLD NO. 196)
2ND MAIN
SANKEY ROAD
SADASHIVANAGAR





BENGALURU 560 080
REP BY ITS DIRECTOR
K KRANTI KIRAN REDDY.

2. JANAPRIYA TOWNSHIPS PRIVATE LTD.,
A COMPANY INCORPORATED UNDER
THE COMPANIES ACT 1956
HAVING ITS REGISTERED OFFICE AT D NO. 82
125/86 AND 8-2 120/86/1
KEERTHI AND PRIDE TOWERS
ROAD NO. 2
BANJARA HILLS HYDERABAD
TELANGANA
REP BY ITS DIRECTOR
K RAVINDER REDDY.

3. IDBI TRUSTEESHIP SERVICES LIMITED
C/O IDBI BANK
IDBI HOUSE
MISSION ROAD
BENGALURU 560 027
REP BY ITS AUTHORISED SIGNATORY.

...RESPONDENTS

(BY SRI. AKANKSH ASHOK., ADVOCATE FOR R-1;
NOTICE TO R-2 SERVED AS PER POASTAL TRACK;
NOTICE SERVED TO R-3)

THIS CMP IS FILED UNDER SECTION 11(6) OF
ARBITRATION AND CONCILIATION ACT, 1996, PRAYING TO
APPOINT AN INDEPENDENT ARBITRATOR TO HEAR AND DECIDE
THE DISPUTES BETWEEN THE PETITIONER AND RESPONDENTS
PURSUANT TO ARBITRATION CLAUSE 26 OF THE JDA CUM
GENERAL POWER OF ATTORNEY DATED 06.02.2013 VIDE
ANNEUXRE B ENTERED INTO BETWEEN THE PARTIES, IN THE
INTEREST OF JUSTICE.

THIS PETITION, COMING ON FOR FINAL HEARING, THIS
DAY, ORDER WAS MADE THEREIN AS UNDER:



CORAM: HON'BLE MR. JUSTICE ASHOK S.KINAGI

ORAL ORDER

This civil miscellaneous petition is filed under Section 11(5) of the Arbitration and Conciliation Act, 1996 ('Act' for short) for appointment of an Arbitrator to resolve the dispute between the parties to the petition in terms of clause 26 of the joint development agreement -cum- general power of attorney dated 06.02.2013 vide Annexure B.

2. Brief facts giving rise to the filing of this petition are as follows:

2.1. The petitioner and the respondents have entered into joint development agreement -cum- general power of attorney on 19.07.2011 for development of integrated township consisting of multi-storied residential apartment. The joint development agreement -cum- general power of attorney was executed on 06.02.2013 between the petitioner and respondents and they also executed a supplemental development agreement on



24.05.2013. The respondent committed a breach of terms and conditions of joint development agreement cum general power of attorney. The petitioner, invoking an arbitration clause, issued a notice on 19.10.2023 under Section 21 of the Act proposing the name of an Arbitrator. The respondent did not reply to the arbitration notice. Hence, this petition.

3. Respondent No.1 filed a counter affidavit contending that the petition may be disposed of by appointing a sole and independent Arbitrator, preferably a Former Judge of the Hon'ble Supreme Court.

4. Heard the arguments of learned counsel for the petitioner and learned counsel for the respondents.

5. Learned counsel for the respondents submits no objection to allow the petition and appoint Arbitrator to adjudicate the dispute between the parties to the petition.

6. Perused the records and considered the submissions of the learned counsel for the parties.



7. The point that would arise for consideration is as follows:

Whether the petitioner has made out a ground to refer the dispute to the arbitration as per the clause 26 of the joint development agreement -cum- general power of attorney dated 06.02.2013 as per the provisions of the Act, 1996 and the Rules?

8. It is undisputed that the petitioner and the respondents have entered into a joint development agreement -cum- general power of attorney on 06.02.2013 and also supplemental development agreement on 24.05.2013 for development of integrated township consisting of a multi-storied residential apartment. The respondents have failed to comply with the terms and conditions of the joint development agreement -cum- general power of attorney. There is an arbitration clause in the joint development agreement and general power of attorney, which reads as follows:



"26. Arbitration

26.1 All the disputes and differences which may arise between the parties hereto and which cannot be settled amicably with regard to the construction, meaning and effect of this Development Agreement or any part thereof in any way related to or pertaining thereto shall be resolved by having recourse to arbitration in accordance with the provisions of Arbitration and Conciliation Act, 1996,"

The petitioner, by invoking the arbitration clause, issued an arbitration notice under Section 21 of the Act dated 19.10.2023 proposing the name of an Arbitrator. The respondents did not reply to the arbitration notice.

9. There is an arbitration clause in the agreement and there arose an arbitral dispute between the petitioner and the respondents. The arbitral dispute has to be resolved through arbitration.

10. Learned counsel for the respondent submits no objection to allow the petition.



11. In view of the above discussion, the petitioner has made out a ground to refer the dispute to the arbitration. Accordingly, I answer the point in the affirmative and proceed to pass the following:

ORDER

- i. The CMP is ***allowed***;
- ii. ***Hon'ble Sri. Justice A.S.Bopanna***, Former Judge, Supreme Court of India is nominated as an Arbitrator to adjudicate the dispute between the parties to the petition in terms of clause 26 of the joint development agreement -cum-general power of attorney dated 06.02.2013 as per the provisions of the Act and the Rules;
- iii. The Registry is directed to communicate this order to the Hon'ble Arbitrator and the Director of Arbitration and Conciliation Centre, Bengaluru;
- iv. The Registry is directed to return the original/certified copies of the documents to the parties who have produced, after retaining the photocopies of the same;



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- v. All the contentions of the parties are kept open;
- vi. Pending IA(s), if any, shall stand disposed of.

**Sd/-
(ASHOK S.KINAGI)
JUDGE**

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List No.: 1 Sl No.: 37