



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. 540 OF 2025

BETWEEN:

1. S ARUNA NANDAGOPAL
W/O LATE V NANDAGOPAL
AGED ABOUT 45 YEARS
R/AT 131 DSR RR AVENUES
YELHLANKA NEW TOWN
OPP: TO RAIL WHEEL FACLTORY
BENGLURU 560 064
PREVIOUSLY R/AT D NO 971/1
15TH CROSS A SECTOR
OPP TO SBI YELANKA NEW TOWN
BENGALURU – 560 064
2. MASTER N KRISHNA PRAJWAL
AGED ABOUT 16 YEARS
SINCE MINOR REP. BY NATURAL GUARDIAN
SMT S ARUNA NANDAGOPAL
W/O LATE V NANDAGOPAL
AGED ABOUT 45 YEARS
PRESENTLY R/AT 1312
DSR RR AVENUES YELHANKA NEW TOWN
OPP TORAIL WHEEL FACATORY
BENGALURU 560 064
PREVIOUSLY R/AT
D NO 971/1 15TH CROSS 'A' SECTOR
OPP TONSBI YELANKA NEW TOWN
BENGALURU 560 064

...PETITIONERS

(BY SRI. SANGAMESH R B.,ADVOCATE)





AND:

SRI S RAVI
AGED ABOUT 55 YEARS
PARTNER M/S TRANS CITY DEVELOPERS
HAVING ITS REGD OFFICE AT NO 32
2ND FLOOR, 13TH CROSS
BASHYAM CIRCLE (ABOVE SHANTHI SAGAR HOTEL)
SADASHIVA NAGAR
BENGALURU 560 080
ALSO R/AT NO 205 SAMRUDHI NILAYA
2ND CROSS , 4TH B MAIN
NEAR MEDPLUS AND CVR LAW COLLEGE
BHUVANA GIRI
BENGALURU 560 043

... RESPONDENT

(BY SRI. Y.S. HANUMANTHA REDDY.,ADVOCATE)

THIS CMP IS FILED UNDER SECTION 11(6) OF
ARBITRATION AND CONCILIATION ACT, 1996, PRAYING TO
APPOINT A SOLE ARBITRATOR FOR THE PURPOSE OF
DECIDING THE DISPUTE AND DIFFERENCES ARISING OUT OF
THE MOU DATED 31.05.2019 ENTERED BETWEEN THE PARTIES
HEREIN AT ANNEXURE - A,

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

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



ORAL ORDER

1. This Civil Miscellaneous petition is filed under Section 11(6) of the Arbitration and Conciliation Act, 1996 (for short, 'the Act') for appointment of an arbitrator to resolve the dispute between the petitioners and the respondent arising out of the Memorandum of Understanding dated 31.05.2019, vide Annexure-A.
2. Brief facts leading rise to the filing of this Civil Miscellaneous Petition are as follows:
3. The petitioners and the respondent had entered into a Memorandum of Understanding to settle all the disputes between the parties regarding the assets of M/s.Trans City Developers, in which the husband of petitioner No.1-late V.Nandagopal was the partner, as per the said Memorandum of Understanding. The respondent agreed to pay a sum of ₹1 crore towards the share of the deceased husband of petitioner No.1 within three years. The respondent failed to pay the amount. There is an arbitration clause in the Memorandum of Understanding as per Clause 19 of the Memorandum of Understanding.



The petitioners by invoking the arbitration clause issued a notice under Section 21 of the Act on 19.05.2025, however, despite service of arbitration notice, the respondent did not reply to the same. Hence, this petition.

4. Heard the arguments of the learned counsel for the petitioners, and the learned counsel for the respondent.
5. Learned counsel for the respondent submits no objection to allow 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 petitioners have made out a ground to refer the arbitral dispute to the arbitration in terms of Clause 19 of the Memorandum of Understanding dated 31.05.2019 as per the provisions of the Act and the Rules?"



8. It is an undisputed fact that the petitioners and the respondent have entered into a Memorandum of Understanding on 31.05.2019 regarding the partnership firm of M/s.Trans City Developers. As per the Memorandum of Understanding, the respondent agreed to pay a sum of ₹1 crore towards the share of deceased husband of petitioner No.1 within three years. The respondent failed to pay the amount. There is an arbitration clause in the Memorandum of Understanding as per Clause 19 of the Memorandum of Understanding. The petitioners by invoking the arbitration clause issued a notice under Section 21 of the Act on 19.05.2025, however, despite service of arbitration notice, the respondent did not reply to the arbitration notice.
9. I have perused the arbitration clause in the Memorandum of Understanding at Clause (XIX), which reads as follows:

"XIX. Both the parties hereby mutually agree that, any disputes arising out of this Memorandum of Understanding, shall be sorted out between the parties amicably, as



far as possible without giving any room for any litigation. In case of the same not being possible, the same shall be decided by the sole arbitrator appointed with the consent of both the parties and the same shall be in accordance with the Arbitration and Conciliation Act, 1996, and the seat of arbitration shall be at Bangalore. This is a clause of mutuality which would be beneficial to and in the larger interest of both the parties to this MOU."

10. From the perusal of the aforesaid arbitration clause, it is clear that any dispute arising out of the Memorandum of Understanding shall be resolved between the parties amicably as far as possible, without giving any room for litigation; in case of the same not being possible, the same shall be decided by the sole arbitrator appointed with the consent of both the parties and the same shall be in accordance with the provisions of the Act.
11. The petitioner, invoking the arbitration clause, issued an arbitration notice under Section 21 of the Act dated



19.05.2025, proposing the name of the arbitrator. Despite the service of notice, the respondent did not reply to the arbitration notice. There is an arbitration clause in the agreement and the dispute arose between the parties to the petition and the said arbitral dispute shall be referred to arbitration.

12. The learned counsel for the respondent submits that the respondent has no objection to allow the petition.
13. In view of the submission made by the learned counsel for the respondent and for the foregoing discussion, the petitioner has made out a ground to refer the dispute to the arbitration. The point is answered accordingly in the affirmative.
14. In the result, I proceed to pass the following order:

ORDER

- (i) The Civil Miscellaneous Petition is ***allowed.***
- (ii) Hon'ble Shri. Justice Subhash B.Adi, former Judge, High Court of Karnataka is nominated as an arbitrator to adjudicate



the dispute between the parties to the petition in terms of Clause XIX of the Memorandum of Understanding, as per the provisions of the Act and the Rules thereunder.

- (iii) The Registry is directed to communicate this order to the learned Arbitrator and the Director of Arbitration and Conciliation Center, Bengaluru.
- (iv) All the contentions of the parties are kept open.
- (v) The Registry is directed to return the original and/or certified copies of the documents, if produced, to the respective parties who have produced it/them by following the due procedure.
- (vi) Pending applications if any, shall stand disposed off accordingly.

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

RK
List No.: 1 Sl No.: 47