



IN THE HIGH COURT OF KARNATAKA AT BENGALURU

DATED THIS THE 24TH DAY OF FEBRUARY, 2026

PRESENT

THE HON'BLE MR. VIBHU BAKHRU, CHIEF JUSTICE

AND

THE HON'BLE MR. JUSTICE C.M. POONACHA

COMMERCIAL APPEAL NO. 588 OF 2025

BETWEEN:

1. SMT MUNINARASAMMA
AGED ABOUT 71 YEARS,
W/O LATE SHRI H C ANJINAPPA,
NO.232, MARUTHIKRUPA VILLAGE,
HAGADUR, WHITEFIELD,
BENGALURU-560066
2. SRI H A SATISH KUMAR
AGED ABOUT 47 YEARS,
S/O LATE SHRI H C ANJINAPPA,
HIMARSHA NILAYA,
PENTHOUSE BLOCK B
VIJETHA ELYSIUM APARTMENTS,
HAGADUR MAIN ROAD,
WHITEFIELD, BENGALURU-560066
3. SRI H A SRINIVAS
AGED ABOUT 49 YEARS,
S/O LATE SHRI H C ANJINAPPA,
MARUTHIKRUPA,
HAGADUR, WHITEFIELD,
BENGALURU-560066
4. SRI H A NARENDRA KUMAR
AGED ABOUT 49 YEARS,





S/O LATE SHRI H C ANJINAPPA,
PENTHOUSE, BLOCK E,
VIJETHA ELYSIUM APARTMENTS,
HAGADUR MAIN ROAD
WHITEFIELD, BENGALURU 560066.

5. SRI H A SOMASHEKHAR
AGED ABOUT 47 YEARS,
S/O SHRI H C ANJINAPPA,
PENTHOUSE, BLOCK D,
VIJETHA ELYSIUM,
HAGADUR MAIN ROAD,
WHITEFIELD,BENGALURU-560066
6. SMT ROOPA RANI
AGED ABOUT 45 YEARS,
D/O SHRI. H C ANJINAPPA,
W/O SHRI. CHANDRASHEKHAR GOWDA,
HONGIRANANILAYA,
THANISANDRA,
SHIVARAMAKARANTH NAGAR POST,
BANGALORE-560045
7. SMT. AMBUJA
AGED ABOUT 51 YEARS,
D/O SHRI H C ANJINAPPA,
W/O SHRI. RAMESH,
NO.68/40, DODDAIAH LAYOUT,
ULSOOR, JOGUPALAYA,
BENGALURU-560008
8. SMT. RENUKA
AGED ABOUT 55 YEARS,
D/O SHRI H C ANJINAPPA,
W/O SHRI. G MUNIYAPPA,
FLAT NO. 103,BLOCK A
VIJETHA ELYSIUM APARTMENTS,
HAGADUR MAIN ROAD,
WHITEFIELD, BENGALURU-560066



9. SMT. KAVITHA
AGED ABOUT 41 YEARS,
D/O SHRI H C ANJINAPPA,
W/O SHRI K M CHAKRAPANI
NO.1298, RAJARAJESHWARI ROAD,
KODIGEHALI MAIN ROAD,
BENGALURU-560097

APPELLANTS No.1, 3 TO 9 ARE
REPRESENTED BY SPA HOLDER,
MR H A SATISH KUMAR,
(APPELLANT NO.2 HEREIN)

...APPELLANTS

(BY SMT. B.N. GAURI, ADVOCATE FOR
SRI. SAMMITH S, ADVOCATE)

AND:

M/S KSM NIKETAN PVT LTD
A PRIVATE LIMITED COMPANY
HAVING ITS REGISTERED
OFFICE AT NO.5/1A,
HUNGERFORD STREET,
KOLKATA-700017
REPRESENTED BY ITS AUTHORISED
SIGNATORY,
SHRI. ADITYA KANKARIA

...RESPONDENT

(BY SRI. V. SRINIVASAN RAGHAVAN, SENIOR ADVOCATE A/W
SMT. MANEESHA KONGOVI, ADVOCATE FOR C/R)

THIS COMAP IS FILED UNDER SECTION 13(1-A) OF
COMMERCIAL COURTS ACT 2015, R/W SECTION 37(1) (b) OF
THE ARBITRATION AND CONCILIATION ACT, 1996 PRAYING
TO SET ASIDE THE IMPUGNED ORDER DATED 23.09.2025
PASSED UNDER SEC.9 OF THE ARBITRATION AND
CONCILIATION ACT, 1996 BY THE HONBLE LXXXIX
ADDITIONAL CITY CIVIL AND SESSIONS JUDGE, BENGALURU



(COMMERCIAL COURT - CCH- 90) IN COM.A.A.350/2025, AND ALLOW THE APPLICATION FILED BY THE APPELLANTS AS PRAYED FOR.

THIS APPEAL, COMING ON FOR ADMISSION, THIS DAY, JUDGMENT WAS DELIVERED THEREIN AS UNDER:

CORAM: HON'BLE MR. VIBHU BAKHRU, CHIEF JUSTICE
and
HON'BLE MR. JUSTICE C.M. POONACHA

ORAL JUDGMENT

(PER: HON'BLE MR. VIBHU BAKHRU, CHIEF JUSTICE)

1. The appellants have filed the present appeal under Section 37(1)(b) of the Arbitration and Conciliation Act, 1996 [A&C Act], impugning an order dated 23.09.2025 passed by the LXXXIX Additional City Civil & Sessions Judge, Bengaluru, (CCH-90), [**Commercial Court**] in Com.A.A.No.350/2025. The appellants filed the said petition under Section 9 of the A&C Act, praying for interim measures of protection restraining the respondent from alienating, leasing or creating any third party rights in respect of properties described in Schedule 'B' till the awarded amount is paid.

2. Disputes arose between the parties in connection with the joint development agreement dated 14.06.2012. The said disputes were referred to arbitration. The arbitral proceedings culminated in



an award dated 07.12.2024. In terms of the said award, the arbitral tribunal awarded a sum of ₹7,15,21,270/- in favour of the appellants in respect of one of the claims and a further sum of ₹2,18,75,685/- in respect of another claim. Additionally, the arbitral tribunal awarded interest at the rate of 12% per annum on the awarded amounts.

3. The arbitral tribunal also accepted certain counter-claims raised by the respondent and awarded an amount of ₹75,60,238/- and further directed that interest will be payable, if the payment was not made within a period of thirty days from the date of the award. The respondent had also claimed certain amounts on account of the indirect taxes relating to appellants' share. In this regard, the Arbitral tribunal awarded as under:-

(iii) The respondent No.1 M/s. KSM Niketan Pvt. Ltd., is held entitled for reimbursement from the claimants the cost incurred by it on account of implementation of the GST Act, as per the GST returns in relation to the Owners Share from the date of the respective deduction of the amounts by R1 towards GST or service tax payment with interest at 12% per annum from the date of respective deductions.

4. Both parties have filed their respective applications under Section 34 of the A&C Act, for setting aside the arbitral award.



While the appellants have challenged the counter claims awarded in favour of the respondent; the respondent has challenged the entire award.

5. In the aforesaid context, the appellants filed the application under Section 9 of the A&C Act, essentially, seeking security for ensuring the amount awarded in their favour. The appellants claim that the entire developed property has been alienated or sold and only one Villa-Villa No.7 remains unencumbered. Accordingly, the appellants had sought for an order restraining the respondent from selling, transferring or in any manner alienating the said property.

6. The learned Commercial Court had declined the said prayer *inter alia* on the ground that the appellants had no right in respect of the said property that is Villa No.7.

7. There is no dispute that the appellants have no right in respect of Villa No.7. However, the appellants had sought an interim order only for the purpose of securing their claim.

8. The learned counsel for the respondent resisted the said interim relief *inter alia* on the ground that there is no averments to the effect that the respondent was acting in a manner that would



frustrate the enforcement of the arbitral award. Thus, no interim measures of protection were necessary or warranted.

9. It is important to note that there is no dispute that the entire developed property except Villa No.7 has already been alienated. There are also averments to the effect that if the said property is alienated, the appellants may not be able to recover the amount awarded. In this context, the learned counsel for the respondent had sought time to take instructions as to the manner in which the appellants' claim could be secured.

10. She states on instructions that the respondent will not sell, transfer or in any manner alienate the said Villa, except to lease it out for a short period of eleven months at a time. She submits that keeping the Villa vacant would not further either party's cause. Additionally, the respondent submits that the reimbursement of indirect taxes (which is also a contentious issue) would amount to over ₹9 crore and thus, the appellants are only required to be protected to the extent of ₹50 lakh as is being accepted by the learned Commercial Court.



11. It is not necessary for this Court to examine as to the quantum of the reimbursement awarded by the arbitral tribunal. Since the respondent is willing to undertake not to sell, transfer or alienate Villa No.7, except to lease it out the same, for a period of not more than 11 months at a time, the appellants are not fully secured, but are secured to the extent as claimed.

12. The respondent is bound down to the statement made as noted above. The respondent shall also file an affidavit setting out the undertaking to the aforesaid effect within a period of one week from today, with an advance copy to the learned counsel for the appellants.

13. The appeal is disposed of in the aforesaid terms.

14. All pending applications stand disposed of.

**Sd/-
(VIBHU BAKHRU)
CHIEF JUSTICE**

**Sd/-
(C.M. POONACHA)
JUDGE**

Vmb
List No.: 2 Sl No.: 10