



CNR: KAHC010261702026

NC: 2026:KHC:55220
CMP No. 169 of 2026

IN THE HIGH COURT OF KARNATAKA AT BENGALURU

DATED THIS THE 5TH DAY OF OCTOBER, 2026

BEFORE

THE HON'BLE MR. JUSTICE H.T. NARENDRA PRASAD

CIVIL MISC. PETITION NO. 169 OF 2026

BETWEEN:

M/S KMV PROJECTS LIMITED
REGISTERED OFFICE AT 12A
12TH FLOOR D NO. 2-91/5
TRENDSET JAYABHERI CONNECT
KOTHAGUDA X ROAD, KONDAPUR
HYDERABAD-500084, TELANGANA
REGIONAL OFFICE AT NO. 28
NAGAPPA STREET, NEHRU CIRCLE
(NEXT TO SESHADRIPURAM COLLEGE)
SESHADRIPURAM, BENGALURU-560020
REP. BY ITS VICE PRESIDENT
SRI TARANATH DASARI.

...PETITIONER

(BY SMT. MEGHA SUNIL, ADVOCATE FOR
SRI. G.B. SHARATH GOWDA., ADVOCATE)

AND:

KARNATAKA HOUSING BOARD
OFFICE AT CAUVERY BHAVAN
3RD FLOOR, K G ROAD
BENGALURU-560001
REP. BY ITS CHIEF ENGINEER.

...RESPONDENT

(BY SRI. H L PRADEEP KUMAR., ADVOCATE)

THIS CMP IS FILED UNDER SECTION 11(5) & 11(6) OF
THE ARBITRATION AND CONCILIATION ACT, 1996., PRAYING
TO APPOINT AN ARBITRATOR TO RESOLVE THE DISPUTE
BETWEEN THE PARTIES AND ALLOW THE SAID ARBITRATOR

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HAREKOPPA THIMMANNA GOWDA





TO ENTER UPON THE REFERENCE AND ADJUDICATE THE DISPUTE AND DIFFERENCE BETWEEN THE PARTIES ARISING OUT OF THE CONSTRUCTION AGREEMENT DATED 31.03.2017 ANNEXURE D AND E, CLAUSE AT 4 ARBITRATION (CLAUSE 24) IN SPECIAL CONDITION OF CONTRACT.

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

CORAM: HON'BLE MR. JUSTICE H.T. NARENDRA PRASAD

ORAL ORDER

1. This petition is filed under Section 11(5) or 11(6) of the Arbitration and Conciliation Act, 1996 (for short, "the Act"), seeking appointment of a sole Arbitrator for adjudication of the disputes that have arisen between the parties under the Construction Agreement dated 31.03.2017, particularly in terms of Clause 4 of Special Conditions of Contract thereof, produced at Annexures – D and E, respectively.

2. The brief facts of the case are that the petitioner, a construction company engaged in infrastructure development, was awarded the contract by the respondent for construction of Mini Vidhana Soudha at Chittapura

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Taluk, Kalaburgi District pursuant to a tender process initiated in September 2016. Following issuance of the Letter of Acceptance on 28.02.2017 and execution of the agreement in March 2017, the petitioner commenced the work. During execution of the work, the petitioner faced impediments including delay in handing over the site, revisions in the scope and quantities of work and delay in release of payments, which resulted in extension of time being granted up to 20.10.2019. The work was completed by the said date to the satisfaction of the respondent, without any defect notification. However, despite completion of the work and expiry of the defect liability period, the respondent failed to release the amounts claimed towards RA bills, final bills, price adjustment, escalation, additional quantities, GST and other contractual entitlements, and possession of the completed project was taken only on 18.01.2025. The petitioner claims that, owing to the respondent's defaults, it suffered financial losses and raised a claim of Rs.8,37,70,608/-



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with interest at 18% per annum. Subsequently, disputes arose between the parties in relation to the said Construction Agreement.

3. As the disputes arose between the parties, the petitioner, invoking the arbitration clause contained in the Construction Agreement, issued a notice dated 10.02.2026 along with Corrigendum dated 25.03.2026, vide Annexures-F and G, respectively, to the respondent under Section 21 of the Act. The same were duly served on the respondent. The said arbitration Clause 4 Special Conditions of Contract reads as under:

"4. Arbitration (Clause 24)

4.1 The procedure for arbitration shall be as follows:

(a) In case of dispute or difference arising between the Employer and the Contractor relating to any matter arising out of or connected with this agreement it shall be settled in accordance with the Arbitration and Conciliation Act 1996. The disputes or differences shall be referred to a Sole Arbitrator. The Sole Arbitrator shall be appointed by agreement between the parties; failing such agreement, by the



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*Appointing Authority (any one of the Organizations
as per list enclosed in Annexure)*

*(b) Arbitration proceedings shall be held at
Bangalore, Karnataka, India*

*(c) The cost and expenses of arbitration proceedings
will be paid as determined by the Arbitrator.
However the expenses incurred by each party in
connection with the preparation, presentation, etc.,
shall be borne by each party itself.*

***(d) Performance under the contract shall
continue during the arbitration proceedings and
payments due the Contractor by the Employer
shall not be withheld, unless they are the
subject matter of the arbitration proceedings."***

4. Despite service of the said notice, the respondent did not furnish any response. Hence, the present petition is filed seeking appointment of a sole Arbitrator.

5. The learned counsel for the respondent submits that respondent has no objection for appointment of sole Arbitrator and all the contentions of the parties may be left open.



6. Having regard to the existence of the arbitration clause contained in the Construction Agreement, which provides for resolution of disputes arising between the parties, and the fact that the petitioner has duly invoked the said arbitration clause by issuing notice under Section 21 of the Act, this Court is of the opinion that a Sole Arbitrator is required to be appointed for adjudication of the disputes between the parties.

7. Accordingly, the following:

ORDER

- a) Civil Miscellaneous Petition is **allowed**.
- b) Hon'ble Shri Justice A.N.Venugopala Gowda, Former Judge of High Court of Karnataka, is appointed as the Sole Arbitrator in the present case to arbitrate the disputes between the parties at the Arbitration and Conciliation Centre (Domestic & International), Bengaluru, as per the Rules governing the said Arbitration Centre.



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- c) All the claims and contentions of the parties are left open.
- d) Registry is directed to communicate this order via e-mail to the Arbitration and Conciliation Centre (Domestic & International), Khanija Bhavan, Bengaluru, and also to Hon'ble Shri Justice A.N.Venugopala Gowda, Former Judge of High Court of Karnataka.
- e) Registry is directed to return all the original documents produced by any of the parties after obtaining Photostat copies of the same.
- f) Parties are directed to appear before the Director, Arbitration and Conciliation Centre, Bengaluru, on **04.11.2026** at 11:30 a.m.

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HAREKOPPA THIMMANNA GOWDA

(H.T. NARENDRA PRASAD)
JUDGE

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LIST NO.: 1 SL NO.: 19