HC-KAR

NC: 2026:KHC:17449-DB
COMAP No. 453 of 2025

IN THE HIGH COURT OF KARNATAKA AT BENGALURU

DATED THIS THE 26TH DAY OF MARCH, 2026

PRESENT

THE HON'BLE MR. VIBHU BAKHRU, CHIEF JUSTICE

AND

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

COMMERCIAL APPEAL NO. 453 OF 2025

BETWEEN:

SRI MANJUNATH D R
S/O RANGASWAMY D.H.,
AGED ABOUT 42 YEARS,
RESIDING AT NO.548/B,
14TH MAIN, HANUMANTHANAGAR,
BENGALURU 560 050.

…APPELLANT

(BY SRI. KRISHNA MURTHY N, ADVOCATE)

Digitally signed by VEERENDRA KUMAR K M
Location: High Court of Karnataka

AND:

1. SRI RAVI KUMAR
S/O RAMAKRISHNAIAH,
AGED ABOUT 40 YEARS,
RESIDING AT FLAT NO.101,
3RD FLOOR, S.V. APARTMENT
NO.969, VENKATESH MURTHY ROAD,
GIRINAGAR 2ND PHASE,
BENGALURU - 560 085.

(REPRESENTED BY GPA HOLDER
SMT. ARCHANA V.,
W/O R. RAVI KUMAR,
AGED ABOUT 36 YEARS)

2. SRI. N. VENKATESH,
S/O LATE A. NARAYANAPPA,
AGED ABOUT 65 YEARS, RESIDING AT

3. SMT. D. VIJAYALAKSHMI,
W/O N. VENKATESH,
AGED ABOUT 58 YEARS,

RESPONDENTS 2 & 3 ARE
RESIDING AT NO.41,
1ST 'E' MAIN, 8TH CROSS,
GIRINAGAR,
BENGALURU 560 085.

…RESPONDENTS

(BY DR. PRAJWAL K ARADHYA, ADVOCATE FOR
SRI. S. KALYAN BASAVARAJ, ADVOCATE FOR R1 TO R3)

THIS COMAP IS FILED UNDER SEC..13(1-A) OF COMMERCIAL COURTS ACT, 2015 R/W SECTION 37(1)(B) OF THE ARBITRATION AND CONCILIATION ACT, 1996 PRAYING TO ALLOW THIS APPEAL AND SET ASIDE THE ORDER DATED 15.07.2025 PASSED IN COM.A.A. NO.102/2025 ON THE FILE OF THE LXXXVII ADDITIONAL CITY CIVIL AND SESSIONS JUDGE, BANGALORE, COMMERCIAL COURT (CCH 88)

THIS APPEAL, COMING ON FOR , 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 appellant has filed the present appeal under Section 13(1A) of the Commercial Courts Act, 2015 [**CC Act**] read with Section 37(1)(b) of the Arbitration and Conciliation Act, 1996 [**A&C Act**] impugning an order dated 15.07.2025 passed by the LXXXVII Additional City Civil and Sessions Judge, Commercial Court, Bengaluru, (CCH 88) [**Commercial Court**] in Com.AA.No.102/2025. The said application was filed by the respondents under Section 9 of the A&C Act, *inter alia,* praying that direction be issued to the appellant to deposit a sum of ₹5 crores towards the claim of breach of the Joint Development Agreement [**JDA**] dated 14.03.2019.

2. Respondents claim that respondent no.1 was the sole and absolute owner of a residential site No.15/1, 5th Cross, Avalahalli Layout, Bengaluru and respondent Nos. 2 and 3 were the sole and absolute owners of a residential site bearing No.15, 5th Cross, Avalahalli Layout, Bengaluru (schedule A property and schedule B property). The parties entered into a JDA to develop the said sites.

3. It is the respondents' case that they were to receive 50% share of the developed properties, which comprised five residential flats measuring 1500 sq. ft., each. The respondents allege that the appellant, in breach of the agreement, misused the General Power of Attorney [**GPA**] issued by them and sold three residential flats that fell to their share. It is also stated that the appellant had received a total sum of ₹3,36,00,000/- as sale consideration for the said flats.

4. It is in the aforesaid context that the respondents filed the application under Section 9 of the A&C Act, *inter alia,* alleging that they had learnt that the appellant was attempting to alienate the properties belonging to him to their detriment. The learned Commercial Court had directed the appellant to deposit a sum of ₹3,36,00,000/-, towards the payment to be made by him.

5. In view of the above, the interim application [**IA No.1**] filed by the respondents under Order XXXVIII Rule 5 of the Code of Civil Procedure, 1908 [**CPC**] is also disposed of, as it did not survive for consideration.

6. We note that there is no *prima facie* finding that the appellant is conducting himself in a manner that would frustrate the award if the respondents prevail in the arbitral proceedings.

7. It is also noted that although the appellant had filed a memo of calculations claiming that he had paid a sum of ₹2,40,61,000/-, the impugned order does not contain any mention of the said calculation.

8. The learned counsel for the respondents fairly states that the respondents have received a sum of ₹1.25 crores' and have accordingly reduced their claim before the arbitral tribunal.

9. It is not necessary for this Court to now examine the question whether, in the given facts, an interim measure of protection as directed is sustainable. This is because the learned counsel for the parties have agreed that the amount directed to be deposited under the impugned order may be reduced to ₹45 lakhs.

10. In view of the above, the impugned order is modified to the extent that the quantum of amount to be deposited by the

appellant is reduced to ₹45 lakhs [Rupees forty five lakhs only] instead of ₹3,36,00,000/-.

11. We also clarify that this is without prejudice to the rights and contentions of the parties in the arbitral proceedings.

12. This order would also not preclude the parties from seeking other interim measures of protection under Section 17 of the A&C Act. Needless to state that if any such application is made, the same would be considered in accordance with law.

13. The appeal is partly allowed in the aforementioned terms.

14. All pending applications are also disposed of.

Sd/-
(VIBHU BAKHRU)
CHIEF JUSTICE

Sd/-
(C.M. POONACHA)
JUDGE

ND
List No.: 1 Sl No.: 3