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Arb Appln No.1295 of 2

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Arb O.P.(Com.Div.) No.558 of 2025



IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 26.11.2025

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THE HONOURABLE Mr. JUSTICE N. ANAND VENKATESH

Arb Appln No.1295 of 2025

AND

Arb O.P.(Com.Div.) No.558 of 2025

V.Bala Kumar

S/o Velmurugan

No.69, Chitra Township

No.91, Dargah Road, Pallavaram

Chennai 600 043

Also having office at

Plot No.225 Second Floor,

Srinivasa Nagar Extension Main Road

Velachery, Chennai 600 042

.. Applicant in Arb.Appln./
Petitioner in Arb.O.P.

Vs

1. Mrs.Sony S Bhurani

Unit 2002, F Wing, Tower-II

17th Main Road, Marenahalli

2nd Phase, J.P.Nagar, Begaluru

Karnataka 560 078

2. Mr.Santhosh J Bhurani



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Unit 2002, F wing, Tower- II
17th Main Road, Marenahalli
2nd Phase, J.P.Nagar, Bengaluru
Karnataka 560 078

.. Respondents in both cases

Arb Appln No.1295 of 2025 :

Application filed under Order XIV Rule 8 of O.S.Rules, read with Section 9(1)(ii)(b) of the Arbitration and Conciliation Act, 1996, praying for a direction to the respondents to furnish security for the claim amount of a sum Rs.2,80,00,000/- together with interest at the rate of 12% p.a. till the date of disputes are adjudicated by the arbitral tribunal without fail, failing which, this Hon'ble Court may be pleased to attach the property owned by the respondents and more fully described in the schedule to the accompanying judges summon pending adjudication in the arbitral tribunal.

Arb O.P(Com.Div.) No.558 of 2025

Original Petition filed under Section 11(5) of the Arbitration and Conciliation Act, 1996, praying to appoint an Arbitral Tribunal to decide the disputes between the petitioner and the respondents arising out of the Memorandum of Understanding dated 27.11.2024.

For Applicant/Petitioner : Mr.C.Jagadish
in both cases

For Respondents : Mr.K.Moorthy
in both cases

COMMON ORDER



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Arb.Appln.No.1295 of 2025 has been filed for a direction to the respondents to furnish security for the claim of a sum Rs.2,80,00,000/- together with interest at the rate of 12% p.a. and on failure to do so to attach the schedule property.

2.Arb O.P.(Com. Div.) No.558 of 2025 has been filed for the appointment of a sole Arbitrator to resolve the dispute between the parties arising out of an MOU dated 27.11.2024.

3.When the application came up for hearing on 11.09.2025, this Court passed the following order:

“Heard the learned counsel for the applicant and carefully perused the materials available on record.

2. The parties entered into a Memorandum of Understanding and the respondents agreed to repay a sum of Rs.2,00,00,000/- on or before 31.12.2024. They also agreed to pay a further sum of Rs.2,50,00,000/- along with interest from 15.03.2024. This commitment was not honoured and as on 15.03.2024, there is a total outstanding sum of Rs.2,80,00,000/- which is yet to be repaid by the respondents.



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3. The various demands and requests made by the petitioner did not yield any result and an attempt was made to dispose of the property belonging to the 2nd respondent. It is under these circumstances, this present application has been filed for a direction to the respondents to furnish security for a sum of Rs.2,80,00,000/- together with interest and failing to do so, to attach the schedule property.

4. The trigger notice under Section 21 of the Arbitration and Conciliation Act, 1996, has been issued on 20.05.2025 and in fact, at the time of hearing, the learned counsel for the applicant produced a WhatsApp communication between the parties, wherein, the 2nd respondent had informed the applicant that he is planning to settle the property and wanted to give the first right of refusal to the applicant. Hence, a *prima facie* case has been made out. There shall be a direction to the respondents to furnish security for the claim amount of a sum of Rs.2,80,00,000/- along with interest on or before 14.10.2025.

5. Notice to the respondents returnable by 14.10.2025. Private notice is also permitted.

Post on 14.10.2025.”

On the same day, notice was also ordered in the petition filed under Section 11 of the Arbitration and Conciliation Act, 1996 (in short “the Act”).

4.The respondents have filed counter. The respondents have denied the claim made by the applicant and they have taken a stand that they were coerced to enter into an MOU with the applicant. That apart, there is absolutely no



ground made out by the applicant, for directing the respondents to furnish security and such a claim has been made, only by means of a misleading WhatsApp message that was sent during the period of extreme stress and medical vulnerability faced by the 2nd respondent, who is undergoing chemotherapy.

5.Heard both sides and perused the materials available on record.

6.Taking into consideration the facts and circumstances of the case and considering the stand taken by the respondents in the counter and taking note of the total claim that is made by the applicant, it will suffice to direct the respondents not to deal with the schedule property, until the commencement of the arbitration proceedings before the sole Arbitrator. This interim protection will sufficiently take care of the grievance expressed by the applicant.

7.It is not in dispute that there is a valid MOU/agreement entered into



between the parties, in line with Section 7 of the Act. The MOU also contains an arbitration clause. Hence, this Court is inclined to appoint a sole Arbitrator to decide the dispute between the parties. All the other issues can be raised by the respondents before the sole Arbitrator and the same will be considered on its own merits and in accordance with law.

8.In view of the above, this Court is inclined to appoint *Mr.E.Omprakash, Senior Advocate, (Mobile No.94440 45745, E-mail:e.omprakash@yahoo.com), residing at Apt.1104, II Floor, 'A' Tower, Newry Park Towers, Park Road, Anna Nagar West Extn., Chennai 600 101, having office at Old No.155, New No.321, II Floor, Thambu Chetty Street, Chennai 600 001, is appointed as sole Arbitrator.* The venue of arbitration shall be decided by the sole Arbitrator, subject to the convenience of the parties. The fees of the learned Arbitrator shall be in accordance with the Madras High Court Arbitration Centre (MHCAC) (Administrative Cost and Arbitrator's Fees) Rules, 2017.

9.The respondents are directed not alienate/encumber the schedule



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mentioned property, till the first date of hearing before the sole Arbitrator. This

application filed under Section 9 of the Act, shall be placed before the sole

Arbitrator which will be dealt with under Section 17 of the Act.

The application and the petition are disposed of in the above terms.

No costs.

26.11.2025

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N.ANAND VENKATESH, J.

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Arb O.P(Com.Div.) No. 558 of 2025

26.11.2025