HC-KAR

NC: 2026:KHC:55696-DB
MFA No. 7182 of 2026

CNR: KAHC010680942026

IN THE HIGH COURT OF KARNATAKA AT BENGALURU

DATED THIS THE 6TH DAY OF OCTOBER, 2026

PRESENT

THE HON'BLE MR. JUSTICE D K SINGH

AND

THE HON'BLE MR. JUSTICE H.SHANTHI BHUSHAN

MISCELLANEOUS FIRST APPEAL NO. 7182 OF 2026 (AA)

BETWEEN:

1. M/S. VIDHYAASHRAM EDUCATION
FOUNDATION
A PUBLIC CHARITABLE TRUST,
HAVING REGISTERED OFFICE AT
NO.22, CRESCENT ROAD CROSS,
HIGH GROUNDS,
KUMARA PARK EAST,
BENGALURU 560 001.
REPRESENTED BY ITS
FOUNDER TRUSTEE
MR. K. RAKESH RAJE URS,
AGED ABOUT 50 YEARS.

...APPELLANT

(BY SRI. PRABHULING K NAVADGI, SENIOR COUNSEL FOR
SRI. RAJESWARA.P.N., ADVOCATE)

Digitally signed by VASANTHA KUMARY B K
Location: HIGH COURT OF KARNATAKA

AND:

1. M/S GEETANJALI EDUCATIONAL TRUST
A REGISTERED TRUST HAVING
ITS REGISTERED OFFICE AT
NO.77/7, PANATHUR VILLAGE,
VARTHUR HOBLI,
BENGALURU 560 087,
REP. BY ITS CHAIRMAN
TRUSTEE,
NIKHIL SHIVAPRASAD

THROUGH GPA HOLDER
N. SHIVAPRASAD.

2. M/S. ACADEMY OF ART AND
ARCHITECTURE
A REGISTERED TRUST HAVING
REGISTERED OFFICE AT
CA-2, BOGADI II,
MYSURU-570026.
REP. BY TRUSTEE ITS CHAIRMAN
NIKHIL SHIVAPRASAD
THROUGH GPA HOLDER
N. SHIVAPRASAD.

3. SRI N. SHIVAPRASAD
S/O. LATE NANJAPPA,
AGED ABOUT 60 YEARS,

4. SMT. UMAPRASAD
W/O N. SHIVAPRASAD,
AGED ABOUT 55 YEARS,

BOTH R3 AND R4 ARE
R/AT NO.415, 6TH A MAIN,
HRBR LAYOUT, 2ND BOCK,
KALYAN NAGAR,
BENGALURU 560 043.

…RESPONDENTS

(BY SRI. DHYAN CHINNAPPA, SENIOR COUNSEL FOR
SMT. SANJANA RAO FOR C/R1 AND C/R3 IN CP 18803/26)

THIS MFA IS FILED UNDER SECTION 37(1)(b) OF THE ARBITRATION AND CONCILIATION ACT, PRAYING TO CALL FOR RECORDS IN A.A.No.09/2024 PENDING ON THE FILE OF THE HON'BLE XVI ADDITIONAL CITY CIVIL AND SESSIONS JUDGE AT BENGALURU (CCH-12) AND SET ASIDE THE FINAL ORDER DATED 29.07.2026 PASSED BY THE XVI ADDITIONAL CITY CIVIL AND SESSIONS JUDGE (CCH-12) AT BENGALURU IN ARBITRATION APPLICATION No.9/2024, FILED BY THE RESPONDENTS UNDER SECTION 9 OF THE ARBITRATION AND CONCILIATION ACT, 1996.

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

CORAM: HON'BLE MR. JUSTICE D K SINGH
and
HON'BLE MR. JUSTICE H.SHANTHI BHUSHAN

ORAL JUDGMENT

(PER: HON'BLE MR. JUSTICE D K SINGH)

The present appeal under Section 37(1)(b) of the Arbitration and Conciliation Act, 1996 (hereinafter referred to as "the Arbitration Act"), is filed impugning the order dated 29.07.2026 passed by the learned Court below in Arbitration Application No. 9/2024, whereby the application filed by the respondent under Section 9 of the Arbitration Act, seeking interim measures in anticipation arbitral proceedings, came to be allowed.

2. From the impugned order passed by the learned Court, it is evident that the Court below has not only allowed the application but has granted final relief and determined the issues regarding the claims of the respondents on merit.

3. The scope of Section 9 of the Arbitration Act is to grant interim measures so that the subject matter of the

dispute is protected or preserved until the arbitral dispute is decided by the arbitrator. In the garb of exercising interim jurisdiction under Section 9, the Court cannot decide the issues of claims and counter-claims. Section 9 gives Courts wide jurisdiction, but not an independent power to decide or enforce substantive dispute between the parties. The Court may intervene before, during or after arbitration, upto the enforcement of the award, where necessary to preserve the property, secure the claim, protect evidence, prevent dissipation or otherwise prevent the arbitral process from becoming ineffective. The applicant must show a *bona fide* intention to arbitrate, satisfy the ordinary tests for interim relief, act with reasonable expedition.

4. We, therefore, set aside the findings of the Court below insofar as the merits are concerned. However, we direct the appellant to furnish a bank guarantee for Rs.4 crores for the claims of the respondent till the Section 17 application is decided by the Arbitral Tribunal.

5. With the consent of the parties, instead of the three arbitrators provided for in the agreement, we appoint Mr.

Justice A.V. Chandrashekhar, Hon'ble Judge (Retd.), to act as the sole Arbitrator and enter into the reference.

6. We direct the parties to cooperate for the early disposal of the arbitration proceedings by the learned Arbitrator. The arbitration shall take place at the Arbitration and Conciliation Centre, Bengaluru under its aegis. The bank guarantee shall be furnished within a period of four weeks. This order passed today, shall be subject to any further orders passed by the Arbitrator under Section 17 of the Arbitration Act.

7. The appeal is accordingly **allowed in part** in the aforesaid terms.

Sd/-
(D K SINGH)
JUDGE

Sd/-
(H.SHANTHI BHUSHAN)
JUDGE

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