HC-KAR

NC: 2026:KHC:53488-DB
COMAP No. 190 of 2026

CNR: KAHC010249772026

IN THE HIGH COURT OF KARNATAKA AT BENGALURU

DATED THIS THE 28TH DAY OF SEPTEMBER, 2026

PRESENT

THE HON'BLE MR. JUSTICE D K SINGH

AND

THE HON'BLE MR. JUSTICE H.SHANTHI BHUSHAN

COMMERCIAL APPEAL NO. 190 OF 2026

BETWEEN:

1. SMT. VIMALA,
   W/O HOOVE GOWDA B E,
   AGED ABOUT 55 YEARS,

2. SRI. HARSHAVARDHANA,
   S/O SRI HOOVE GOWDA B E,
   AGED ABOUT 28 YEARS,

   APPELLANT NO.1 & 2 ARE
   R/A NO 158, PHASE 1, CLUB HOUSE ROAD,
   CLASSIC ORCHARDS LAYOUT,
   BEHIND MEENAKSHI TEMPLE, SOS POST,
   BANNERGHATA ROAD, BENGALURU 560 076.

   ALSO VILLAGE NO 253, HIMAGIRI MEADOWS,
   BENNERGHATTA MAIN ROAD,
   NEAR CARMEL SCHOOL, GOTIGERE,
   BANGALORE SOUTH 560 083.

...APPELLANTS

(BY SMT.RAKSHITHA.P., ADVOCATE FOR
SRI. AJIT P.B., ADVOCATE)

AND:

1. SRI. G V SHANKAR,
   S/O VENKATAPPA G S,
   AGED ABOUT 69 YEARS,

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2. SMT. LAVANYA G S,
D/O SRI G V SHANKAR,
AGED ABOUT 35 YEARS,

BOTH ARE R/A NO.2597,
OPP CRYSTAL BERYL APARTMENTS,
GOTTIGERE, B G ROAD,
BENGALURU 560 083.

…RESPONDENTS

(BY SRI.K.R.NAGARAJA, ADVOCATE FOR
SRI.V.VISHWANATH SETTY, ADVOCATE FOR C/R1
(CP 1480/26))

THIS COMAP/ COMMMERCIAL APPEAL FILED UNDER SEC.13(1A) OF THE COMMERCIAL COURTS ACT, 2015, PRAYING TO SET ASIDE THE JUDGMENT DATED.12.01.2026 PASSED IN COM.A.P.NO.05/2024 ON THE FILE OF THE LEARNED XI ADDITIONAL DISTRICT AND SESSIONS JUDGE, (DEDICATED COMMERCIAL COURT), BENGALURU RURAL DISTRICT, BENGALURU, (ANNEXURE-A), AND CONSEQUENTLY SET ASIDE THE AWARD DATED.06.08.2024 PASSED IN AC NO.503/2022 (ANNEXURE-B) PASSED BY THE SOLE ARBITRATOR, SHRI M.G.SUDHEENDRA, IN A.C.NO.503/2022 AT THE ARBITRATION AND CONCILIATION CENTRE, BENGALURU, (DOMESTIC AND INTERNATIONAL).

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

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ORAL JUDGMENT

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

The present company appeal under Section 13(1)(A) of the Commercial Court Act read with Section 37 of the Arbitration and Conciliation Act, 1996 (hereinafter referred to as Act, 1996 for short) has been filed impugning the order dated 12.01.2026 passed in Commercial appeal No.5/2024 by the Court of XI Additional District and Sessions Judge, Bengaluru Rural District, Bengaluru under Section 34 of the Act, 1996.

2. During the pendency of this appeal, the parties have settled their dispute amicably and have presented consent terms for passing a consent decree under Order XXIII Rule 3 of the Code of Civil Procedure, 1908 (hereinafter referred to as CPC for short).

3. The parties are present before this Court. They have been identified by their respective learned counsel. The parties present before the Court submit that the consent terms have been entered into between the parties out of their free Will, without any force, coercion or undue influence. The

consent terms have been signed by the parties to the appeal as well as their respective counsels. The consent terms read as under:

> *"1. xxx*
>
> *2. xxx*
>
> *3. xxx*
>
> *4. xxx*
>
> *5. xxx*
>
> *6. It is submitted that after filing of the present appeal, at the intervention of well-wishers and in their mutual interest, the Appellants and the Respondents have agreed to put a quietus to all disputes and to settle the same on the following terms and conditions:*
>
> *a. That the Appellants agrees that the present rent as on August 2026 is Rs.1,20,000/- with respect to Schedule B property and Rs.3,60,000/- with respect to Schedule A property.*
>
> *b. That the Appellant further agrees that they will pay the enhanced rent once in every three years as per the dates mentioned in the registered lease deeds.*
>
> *c. That the Appellants, in pursuance of the lease deeds, will continue in possession and enjoyment of both Schedule B and Schedule A properties (8117.5 sq. ft. + 13548.5 sq. ft.) totally measuring 21666 sq. ft., establishing Essar Aegis Retail Outlet under the name and style of M/s Harsha Enterprises Dealers ESSAR MS HSD and AEGIS Auto LPG.*
>
> *d. That the Appellants herein agree to pay a sum of Rs.75,00,000/-(Rupees Seventy-Five Lakhs only) as against the award amount towards full and final settlement of the claim of the*

Respondents pursuant to the award passed by the Hon'ble Arbitrator.

e. *That the Respondents have agreed to receive a sum of Rs. Rs.75,00,000/- (Rupees Seventy-Five Lakhs only) towards full and final settlement of their claim, including the rent, which covers up to 31.08.2026.In pursuance of the above settlement, the Appellants have agreed to pay a sum of Rs.75,00,000/- (Rupees Seventy-Five Lakhs only) in the following manner.*

i. *Rs. 10,00,000/- (Rupees Ten Lakhs only) by way of cheque bearing No.751383 dated 10.10.2026 drawn on State Bank of India, Gottigere Branch in favour of G V Shankar.*

ii. *Rs.10,00,000/- (Rupees Ten Lakhs only) by way of cheque bearing No.751384 dated 10.11.2026 drawn on State Bank of India, Gottigere Branch in favour of G V Shankar.*

iii. *Rs.10,00,000/- (Rupees Ten Lakhs only) by way of cheque bearing No.751385 dated 10.12.2026 drawn on State Bank of India, Gottigere Branch in favour of G V Shankar.*

iv. *Rs.10,00,000/- (Rupees Ten Lakhs only) by way of cheque bearing No.751386 dated 10.01.2027 drawn on State Bank of India, Gottigere Branch in favour of G V Shankar.*

v. *A sum of Rs.35,00,000/- (Rupees Thirty-Five Lakhs) is deposited by the Appellants before the XI Addl District and Sessions Judge (Dedicated Commercial Court), Bengaluru Rural District, Bengaluru on 29.04.2025 through Demand Draft No.681856, as per the directions of the Court in AP No.5/2024 and the said amount is available in court as on today and the Appellants have no objections to the Respondents to withdraw the said sum*

of Rs.35,00,000/- (Rupees Thirty Five Lakhs only).

f. *That the Appellants, as per the above, have totally agreed to pay a sum of Rs.75,00,000/- (Rupees Seventy Five Lakhs only) to the Respondents and the Respondents acknowledge the receipt of the same, subject to the condition of realisation of the cheques on its presentation of the due dates. If the above cheques are not honoured on its due to date and the same are returned unpaid, in such an event the Respondents shall have the right to execute this compromise petition and claim the said amount with interest at the rate of 24% per annum.*

g. *That the Respondents acknowledge the receipt of Rs. 40,00,000/- (Rupees Forty Lakhs only), and the Appellants have agreed the Respondents to withdraw a sum of Rs.35,00,000/- (Rupees Thirty-Five Lakhs only) deposited by the Appellants before the XI Addl. District and Sessions Judge (Dedicated Commercial Court), Bengaluru Rural District, Bengaluru on 29.04.2025 through Demand Draft No.681856.*

h. *That the Appellants have agreed to pay the rents regularly, hereinafter as specifically agreed under the registered lease deeds entered into between the Appellants and the Respondents with respect to Schedule A and B property.*

i. *That the Respondents herein agree not to interfere in the possession of the Appellants with respect to Schedule A and Schedule B property to an extent of 21666 sq. ft*

j. *That the Respondents hereby undertake that they shall not restrain the Appellants from using the entire 21666 sq. Feet.*

k. That the Respondents have agreed to receive a sum of Rs.75,00,000/- (Rupees Seventy-Five Lakhs) only towards the full and final settlement of the award amount and hereby give up their claim in respect of the remaining amount as per the award passed by the Arbitrator.

l. The Appellants and the Respondents hereby agree that there will be no changes in the terms and conditions of the original two registered lease deeds bearing No.10151/2017-18 dated 09.02.2018 and bearing No. 11129/2017-18 dated 07.03.2018, including the Appellants' right to sublet the leased land of 21666 sq.ft partly or fully, which will be compounded to the said extent.

m. That the Respondents and Appellants agree that they shall have no claims against each other between the appellant and the Respondent in respect of the award amount.

n. The parties hereby declare that they have agreed to the above terms out of their own free will and volition, without any force, coercion, or undue influence.

WHEREFORE, the Appellant and the Respondent herein respectfully pray that this Hon'ble Court may be pleased to dispose of the above appeal in terms of the above compromise and to order refund of the court fee to the Appellant, in the interest of justice and equity.

SCHEDULE A PROPERTY.

All that piece and parcel of a large portion of the property, vacant land having an extent of 21666 sq.ft. bearing converted Sy. No.22/1. BBMP Khatha No.3037/2597/3, situated at Gottigere Village, Uttarahalli Hobli. Bannerughatta Main Road, Bengaluru 560 083, coming under the jurisdiction of Ward No.194, BBMP, Karnataka. Out of this extent of land, the lessee and lessor have already leasedeed for an extent of 13548 Sq.ft. (1258.68 Sq.Mtrs.) vide registered lease deed

bearing No.BKI 10151/17-18, dated 9.2.2018, which is marked as 'A' portion (extent 13458 Sq.ft.). The remaining portion of the land in the above said Sy.No.22/1, Gottigere Village & BBMP Khata No.3037/2597/3, measuring North to South 93.5 ft. (28.5 Mtrs.), East to West 87 (26.5 Mtrs.) ft., having total land area 755.6 sq.mtrs (8134 Sq.ft.), having all-round compound wall. In the State of Karnataka (Total extent 21666 Sq.ft. 'A' portion 13458 Sq.ft. + portion 8134 Sq.fts.) and shown with 'B' portion boundary lines on the GPRS Survey plan and bounded as follows:

Schedule property:

On or towards East by: Bannerghatta Main Road
On or towards West by: Lessors Land leased out to the same lessees Vimala M.G. & Harshavardhan vide lease deed No. BKI-10151/17-18, dt.09.02.18.
On or towards North by: Road leading to Lessors house & land leased the same lessees Vimala M.G. & Harshavardhan, vide lease deed No BKT-10151/17-18, dt.09.02.18
On or towards South by: Property of Lessors brother, G.V.Honnappa

Length/ Dimensions of each side of the Plot are as under: (Taken as standing on Main Road Side Front, face towards the plot)

Front Side: 93.5 ft.
Rear side: 93.5 ft.
Left/Towards Southern side: 87 ft.
Right/Towards Northern side: 87ft

SCHEDULE "B" PROPERTY

All that piece and parcel of a large portion of the property, converted land having an extent of 21666 sq.ft. bearing Sy.No.22/1. BBMP Khatha 3037/2597/3. situated at Gottigere Village, Uttarahalli Hobli. Bannerughatta Main Road, Bengaluru 560 083, coming under the jurisdiction of Ward No. 194, BBMP, Karnataka, out of this extent land measuring North-South 85 ft., East (96+95)/2 ft., having total land area 734.13 Sq.Mtrs. (8117.5 Sq.ft.) having anall-round compound wall. In the state of Karnataka and

shown with 'B' portion boundary lines on the plan hereto and bounded as follows (as per the Lease Deed annexure dt.09.02.2018):

Schedule property:

On or towards East by:Bannerghatta Road/property leased out to lessees
On or towards West by: Lessor's residential house
On or towards North by: Road leading to Lessors house & balance portion of the property let out to Lessees.
On or towards South by: Property of Lessors brother G.V.Honnappa Length Dimensions of each side of the Plot are as under: (Taken as standing on Main Road Side Front, face towards the plot)

Front Side: 85ft.
Rear side: 90ft.
Left/Towards Southern side: 96ft.
Right/Towards Northern side: 95 ft."

4. We accept the memorandum of compromise petition presented under Order XXIII Rule 3 of CPC and a consent decree is passed in terms of the settlement terms accepted herein. Let the consent decree be drawn.

The appellants shall be entitled to refund of the Court fee as per the relevant rules.

Sd/-
(D K SINGH)
JUDGE

Sd/-
(H.SHANTHI BHUSHAN)
JUDGE

BVK; List No.: 2 Sl No.: 8