WEB COPY

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 12-10-2026

CORAM

THE HON'BLE MR.JUSTICE D.BHARATHA CHAKRAVARTHY

OA No. 1116 of 2026

M/s.Grand Blue Projects Pvt.Ltd.,
Rep.by its Authorised Signatory,
Mr.G.Hanumantha Rao,
12, Saravana Nagar,
Hanuman Colony,
Injambakkam, Chennai - 600 115.

..Applicant

Vs

1. M/s.True Value Homes India Pvt. Ltd.
   Rep. by its Director,
   Mr.N.Ravichandran,
   No. 21, C.V.Raman Road,
   Alwarpet, Chennai - 600 018.

2. M/s.TVH Estates Chennai Pvt Ltd.,
   Rep.by its Director,
   Mr.N.Ravichandran,
   Having Office at,
   No.21, C.V.Raman Road,
   Alwarpet, Chennai – 600 018.

3. Mr.D.Ramesh
   Director of TVH Property
   Services India Pvt Ltd,
   No.16/17, 3rd Cross Street, R.A.Puram,
   Chennai 600 028.

4. Mr.K.Parthiban
   Rep.by his Power Agent,
   Mr.Sunderrajan R.,
   Liaison Officer of TVH (I) Private Limited,
   S/o.Mr.Rangachari.
   Having office at No.16/17, 3rd Cross Street,
   R.A.Puram,
   Chennai – 600 028.

https://www.mhc.tn.gov.in/judis
IBC Laws | www.ibclaw.in

WEB COPY

5. Mrs.Lakshmi Ammal,
   Rep.by her Power Agent,
   Mrs.M.Priya, W/o.Mr.R.Murali,
   Old No.80, New No.102, Door No.6,
   Subha Kamaraj Avenue,
   2nd Street, VTC Adyar, Chennai – 600 020.

6. Mrs.Pattammal,
   Rep.by her Power Agent,
   Mrs.M.Priya,
   W/o.Mr.R.Murali,
   Old No.80, New No.102, Door No.6,
   Subha Kamaraj Avenue,
   2nd Street, VTC Adyar,
   Chennai – 600 020.

7. Mr.Elumalai
   S/o.Mr.Balaraman,
   Gangaiyamman Kovil Street,
   Thandalam, Thiruporur, Chennai - 603 110.

8. Mr.Chittibabu.B
   S/o.Mr.Balaraman,
   Gangaiyamman Kovil Street,
   Thandalam, Thiruporur, Chennai - 603 110.

9. Mr.K.Ravi
   S/o.Mr.Kailasanadhar
   No.1/152, Gangai Amman Kovil Street,
   Thiruporur, Kancheepuram - 603 110.

..Respondents

Prayer:

Judges Summon filed under Order XIV Rule 8 of O.S. Rules read with Section 9(ii)(d) of the Arbitration and Conciliation Act, 1996, to issue an order of interim injunction restraining the Respondents/their men/representatives/nominees/ agents, employees or any person on their behalf from encumbering, creating a charge, transferring alienating, disposing of / handing over possession or dealing with “Schedule B Property”.

https://www.mhc.tn.gov.in/judis
IBC Laws | www.ibclaw.in

WEB COPY

For Applicant: Mr.A.Abdul Hameed
Senior Counsel for Mr.R.Balaramesh

For Respondent: Mr.Sathish Parasaran
Senior Counsel
for Mr.V.G.Suresh Kumar for R1 & R2

ORDER

The prayer in this application is for an interim injunction restraining the respondents, their men, representatives, nominees, agents, employees or any person acting on their behalf from encumbering, creating a charge, transferring, alienating, disposing of or handing over possession of the scheduled 'B' property and to pass such further or other orders.

2. According to *Mr.A.Abdul Hameed,* the learned Senior Counsel appearing on behalf of the applicant, there is an agreement between the parties, which is termed a Memorandum of Understanding dated 23.12.2022. Clause 14 thereof envisages that any disputes shall be resolved through arbitration. Accordingly, they have come up with the present application under Section 9 of Arbitration and Conciliation Act, 1996, inasmuch as respondents 1 and 2, who are the signatories to the above Memorandum of Understanding and the other respondents, who are claiming through them, being their representatives, and the agreement holders, who had also earlier transferred the property to the applicant, chose to violate the agreement. They have not even issued any termination of the Memorandum of Understanding dated 23.12.2022. The

https://www.mhc.tn.gov.in/judis
IBC Laws | www.ibclaw.in

WEB COPY

portion of the property that was already sold to the applicant has been developed. Keeping in view the further developments, the applicant has invested a huge sum in a manner compatible with the future investment that is to take place in the rest of the property. While so, halfway through, respondents 1 and 2 are going back on their commitment and are causing the properties to be alienated to third parties and hence, the present application.

3. The learned Senior Counsel appearing for the applicant would submit that initially, pre-litigation mediation was invoked by submitting a petition before the District Legal Services Authority under the Rules. While the same was pending, the parties realised that there was an arbitration clause and hence, an application under Section 9 was filed in O.A.(Comm.Div) No. 1010 of 2026. The prayer in the said O.A.(Comm.Div) No.1010 of 2026 was also for an interim injunction restraining the respondents, their men, representatives, nominees, agents, employees or any person acting on their behalf from encumbering, creating a charge, transferring, alienating, disposing of or dealing with the property.

4. After considering the submissions made on both sides, this Court found that the applicant had made a request for invoking Section 12A of the Commercial Courts Act, 2015 on 28.08.2026. The earlier application was presented through e-filing on 21.09.2026, on which date the mediation was also

https://www.mhc.tn.gov.in/judis
IBC Laws | www.ibclaw.in

WEB COPY

being conducted. Those materials were not disclosed by the applicant in the affidavit filed in support of the earlier application under Section 9. Therefore, this Court had decided that, unless the applicant put an end to those proceedings under Section 12A of the Commercial Courts Act, 2015 the provisions of the Arbitration Act could not also be invoked and an application under Section 9 of the Act could not be filed simultaneously. Accordingly, the application under Section 9 of the Act was dismissed, however, with liberty to the applicant to withdraw the proceedings pending before the Commercial Court and thereafter approach this Court afresh. Pursuant thereto, the present application has been filed.

5. The learned Senior Counsel appearing for the applicant would submit that, while the proceedings in the present application are being conducted before this Court, the respondents are, in a hurried manner, further alienating the properties mentioned therein, suppressing the same even in their counter. The sale deeds have now been presented before the concerned Sub-Registrar and the matters are being kept pending because these applications are being heard.

6. In view thereof, the learned Senior Counsel for the applicant would submit that at least, the *status quo* as on today should be maintained, the documents should not be registered and the petitioner's rights and interests should be kept intact so that the further issues can be decided by the Tribunal.

https://www.mhc.tn.gov.in/judis
IBC Laws | www.ibclaw.in

WEB COPY

7. The said prayer is opposed by *Mr.Sathish Parasaran,* the learned Senior Counsel appearing on behalf of the respondents. According to the learned Senior Counsel, having elected a remedy under the Commercial Courts Act, 2015 the applicant cannot once again fall back on the arbitration agreement. The learned Senior Counsel would rely upon the order of this Court made in Application No. 5041 of 2022 in C.S. (Commercial Division) No. 70 of 2022, whereby this Court held that once pre-litigation mediation, as contemplated under Section 12A, is initiated, the same would amount to approaching this Court under the Commercial Division. By applying the doctrine of election, the remedy under the Arbitration and Conciliation Act, 1996, has been abandoned by the applicant herein. Therefore, once again, this second application under Section 9 is not maintainable. Even though liberty was granted in the earlier order, the respondent is aggrieved by the same and they have already filed an appeal, which is pending and has been numbered. In any event, the lands have been further transferred and the sale deeds have been presented. Merely because the Sub-Registrar has not completed the registration on account of the applicant sending a protest and taking other steps, it cannot be said that the title has not yet passed.

8. I have considered the rival submissions made on either side and perused the material records of the case.

https://www.mhc.tn.gov.in/judis
IBC Laws | www.ibclaw.in

WEB COPY

9. The first question is whether, on account of the doctrine of election, the remedies under the Arbitration and Conciliation Act, 1996, are barred. The second question is whether the balance of convenience is in favour of the petitioner so as to grant the reliefs prayed for in order to preserve the applicant's rights under Section 9 of the Arbitration and Conciliation Act. 1996.

10. The remedy of pre-litigation mediation is a mediation process before approaching the Commercial Courts. If the plaintiff does not contemplate any urgent interim relief, Section 12A of the Commercial Courts Act, 2015 mandates that the party should approach pre-litigation mediation. The purpose behind such mediation and the rights of the parties are dealt with extensively by the Hon'ble Supreme Court of India in ***M/s. Patil Automation Private Limited and Others v. Rakheja Engineers Private Limited is reported in (2022) 10 SCC 1.***

11. It is essential to quote the relevant passages for ready reference :

> "***72.*** *Even going by the sublime object of the Act, as we have unravelled, we are fully reinforced in our opinion that the pre-institution mediation is intended to produce results, which has a direct bearing on the fulfilment of the noble goals of the lawgiver. It is apparent that the legislature has manifested a value judgment. We are not called upon to decide the constitutionality of the provision.*

https://www.mhc.tn.gov.in/judis

WEB COPY

Parliament is presumed to be aware of the felt necessities of the times. It best knows the manner in which the problems on the ground are redressed. Section 89CPC, does contemplate mediation ordered by a Court. However, ***it must be noticed that Section 12-A contemplates mediation without any involvement of the Court as it is done prior to the institution of the suit****.*

.....

78. *The realisation has been growing over a period of time, that formal court rooms, long drawn-out proceedings, procedural wrangles, mounting and crippling costs, delay, which never wanes but only increases with the day that at least, in certain categories of cases, mediation can be the way out. It, undoubtedly, requires a complete change in the mindset. The change in approach, undoubtedly, can be achieved only if the litigants become aware of its benefits in comparison with the great disadvantage in waiting in the serpentine queue for the day of reckoning to arrive in a court of law. The role of the Bar is vital in taking mediation forward.*

.....

83. *We may proceed on the basis that if the suit is brought without complying with Section 12-A, where no urgent interim relief is sought, may not in one sense, affect the legal right of the defendant. But this argument overlooks the larger picture which is the real object of the law. This object is not to be viewed narrowly with reference to the impact on the parties alone. This is apart from also remembering that if the parties were to exhaust mediation under Section 12-A, the opposite side may be, if mediation is successful,* ***saved from the ordeal of a proceeding in court****, which, undoubtedly, would entail costs, whereas, the mediation costs, as we have noticed, is minimal, and what is more, a one-time affair, and still further, to be shared equally between the parties.*

https://www.mhc.tn.gov.in/judis

WEB COPY

Each time the plaintiff is compelled to go in for mediation under Section 12-A there is a ray of hope that the matter may get settled. The chief advantage and highlight of mediation is that it is a win-win for all sides, if the mediation is successful. Therefore, it cannot, in one sense, be argued that no legal right of the defendant is infracted. Further, on the same logic, Section 80(1)CPC and Section 69 of the Partnership Act would not be mandatory. This is however not the case."

(Emphasis supplied)

12. Thus, it is made clear that what is done as per Section 12-A is a "pre-institution mediation' aimed at the cases being mediated 'without intervention or supervision of the Court as opposed to Section -89" and if only the parties fail, they proceed to approach the Court. The purpose is to address the problem at the earliest stage, before it crystallises, and resolve it to ease the business.

13. The basic principle of Mediation is that it is a "Without Prejudice" process. If it results in a settlement, it will bind the parties. If it is under Section 12-A, as on date, it would be an Arbitrator's award by consent. Until no settlement is reached, it will never prejudice the rights of the parties. If the mediation fails, be it a non-starter or for any reason, and is closed or abandoned, it will leave the party with all the rights he possessed as of the commencement of mediation. Thus, in the instant case, the petitioner, having withdrawn the Form-I proceedings for Pre-Insitution Mediation and never proceeding to file a commercial suit, can always resort to the invocation of Arbitration. If the

https://www.mhc.tn.gov.in/judis
IBC Laws | www.ibclaw.in

WEB COPY

agreement between the parties provides for arbitration and the party has realised the same during the course of the pre-institution mediation, it will always be open for him to invoke arbitration.

14.Further, in this case, the judgment inter partes would apply. Already, this Court, in the earlier round of the Section 9 application, has held that the applicant herein would be entitled to withdraw the said other remedy being invoked in parallel and thereafter approach this Court by way of an application under Section 9. Finding is binding on the respondents. Accordingly, this question is answered by holding that, either by the doctrine of election or otherwise, it cannot be said that the petitioner has lost the right to invoke arbitration or that the remedies under the Arbitration and Conciliation Act, 1996, stand barred merely because the petitioner had filed an application under Section 12A before the Legal Services Authority, invoking pre-litigation mediation. A suit will always be instituted by the presentation of a plaint and not by presenting Form-1 under the pre-litigation mediation Rules of the Commercial Courts Act. In view thereof, the question is answered in favour of the applicant.

15. The question that arises is whether the injunction prayed for by the petitioner can be granted. For the purpose of determining the balance of convenience, I take into account that when the respondents sought to alienate

https://www.mhc.tn.gov.in/judis
IBC Laws | www.ibclaw.in

WEB COPY

the property, the petitioner urgently moved an application under Section 9 in the earlier round.

16. However, no relief was granted to the petitioner. Today, we are at a stage where the sale deed has already been executed and the matter is pending enquiry before the Sub-Registrar pursuant to the orders made in the writ petition. Therefore, at this stage, any order restraining the respondents from alienating the property cannot be made. As far as the passing of title is concerned, once the sale deed is executed and presented, the same passes on to the subsequent purchasers. Therefore, at this stage, I hold that the balance of convenience is not in favour of granting the relief as prayed for by the learned Senior Counsel appearing on behalf of the applicant.

17. In view thereof, keeping open the liberty of the petitioner to come up with appropriate interim prayers, if any, under Section 9 of the Arbitration and Conciliation Act, 1996, or before the Tribunal and finding that the lands have already been alienated to third parties, the application stands ***dismissed***. No costs.

12-10-2026

Neutral Citation: Yes

NSL

https://www.mhc.tn.gov.in/judis
IBC Laws | www.ibclaw.in

WEB COPY

D.BHARATHA CHAKRAVARTHY, J.

NSL

OA No. 1116 of 2026

12-10-2026

https://www.mhc.tn.gov.in/judis
IBC Laws | www.ibclaw.in