

IN THE HIGH COURT OF JUDICATURE AT MADRAS

RESERVED ON
08.07.2026PRONOUNCED ON
28.09.2026

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THE HON'BLE MR.JUSTICE K.KUMARESH BABU

OA No. 1169 of 2025

Casagrand Exotia Private Limited,
Represented by its Authorised Signatory
Having its Registered office at,
NPL Devi, New No. 111, Old No. 59,
L.B Road, Thiruvanmiyur, Chennai 600 041.

..Applicant(s)

Vs

VEES Properties Limited,
Represented by its Authorised Signatory
Having its Registered Office at
No.10, Srushtisthal, II Cross Street,
R.A.Puram, Chennai 600 028.

..Respondent(s)

PRAYER: Original Application had been filed to grant an order of interim injunction restraining the Respondent, their men, agents, servants or any one claiming through them from in any manner alienating, encumbering or dealing with the property morefully described in the schedule appended to the Judge's Summons, pending preferring a claim before the Arbitral Tribunal.

For Applicant(s):

Mr.R.Thiagarajan
for Mr.M.Mathan Raj

For Respondent(s):

Mr.R.Parthasarathy
Senior Counsel
for Mr.Vishnu Mohan



ORDER

The Original Application has been filed to grant an order of interim injunction against the respondent, pending preferring a claim before the Arbitral Tribunal.

2. Heard Mr.R.Thiagarajan, learned counsel for Mr.M.Mathan Raj, learned counsel for the applicant and Mr.R.Parthasarathy, learned Senior Counsel appearing for Mr.Vishnu Mohan, learned counsel for the respondent.

3. The learned counsel appearing for the applicant would submit that the applicant and the respondent Companies are engaged in the promotion and development of the real estate of the properties in and around Chennai and its areas. He would submit that a Memorandum of Understanding was entered between the parties in the year 2022 in respect of purchase of the lands owned by the respondent at Padappai in favour of the applicant. He would submit that it is to be noted that most of the lands owned by the applicant, was contiguous and pursuant to the Memorandum of Understanding, registered sale agreements were entered to between the parties and thereafter, under three sale deeds an extent of 20.70 Acres was sold to the applicant, on and from which the applicant had been in absolute possession and enjoyment of the said property conveyed under the registered sale deeds. It was also an understanding that the respondent would have to clear the pre-existing mortgages in respect to the balance lands



which was also novated of a larger extent under the amended agreement dated 24.10.2024. He would further submit that the mortgagee had initiated insolvency proceedings against the respondent before the NCLT, Chennai which had put a spoke into the understanding between the parties. In that regard, disputes arose between the parties and finally it was agreed between the parties that the applicant would purchase further 39 Acres which form part of the proceedings. On the said understanding, the matter was again taken up before the NCLT and the settlement that had been arrived at between the parties had been recorded by the NCLT vide its proceedings dated 14.10.2025 and finally on 04.11.2025, the proceedings were dismissed as withdrawn allowing the respondent to convey the property in favour of the applicant. In spite of which, the respondent had refused to execute and register the sale deed and in that regard he would submit that the respondent proceeds to deal with the properties which would create third party interest and also defeats the right of the applicant in specific performance of the Memorandum of Understanding and the agreement for sale which had been amended thereafter. Hence, he prays this Court to grant injunction as prayed for.

4. Countering his arguments, the learned senior counsel appearing for the respondent at the outset would submit that the agreements that had been relied upon were unregistered and unstamped and in that regard the said agreement cannot be taken into consideration for even initiating the arbitral proceedings.

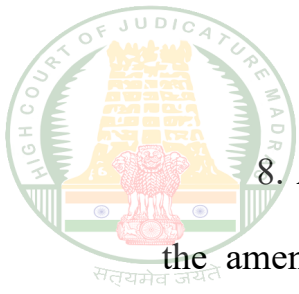


He would further submit that the said agreements are unenforceable at any stretch of imagination. He would further submit that the alleged amendment to the earlier agreement, did not have a clause for arbitration. There is no agreement between the parties for referring the dispute to arbitration and in that regard he would submit that the present application for injunction is to be not maintainable.

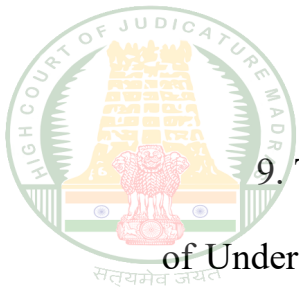
5. He would further submit that the applicant had not shown its readiness and willingness to abide by the terms and conditions of the agreement that had been entered between the parties and on that ground itself the applicant would not be entitled for a relief of specific performance. Reliance placed upon the e-mails between an employee who was not authorised by the respondent cannot at any stretch of imagination give a right to the applicant to seek specific performance of the agreement.

6. That apart, he would submit that no trigger notice had been issued by the applicant and that by an application of section 41 of the Specific Relief Act an injunction as prayed for cannot also be granted. Hence, he prays this Court to dismiss the application.

7. I have considered the submissions made by the learned counsels appearing on either side and perused the materials available on record.



8. A primordial objection that had been taken out by the respondent that the amendment agreement do not contain an arbitration Clause and in that regard if there was an inconsistency between the original Memorandum of Understanding and the amendment agreement, the amendment agreement would prevail. A perusal of the amendment agreement would indicate that there has been a change in the extent of the land to be purchased by the applicant and in that regard the consideration and the schedule to the Memorandum of Understanding that was entered between the parties earlier came to be amended. Even though, Clause 12 would indicate that if there was any inconsistency, conflict or ambiguity between the amended agreement and the Memorandum of Understanding, then the amended agreement would prevail. A further Clause in the covenant would indicate that the said agreement would be read as part and parcel of the earlier Memorandum of Understanding except the land extent, sale price terms in respect of joint development agreement and that all other terms and conditions mentioned in the Memorandum of Understanding remains unchanged and continue to bind upon the parties. Hence, by clause 13 all other conditions that had been agreed between the parties under the original Memorandum of Understanding stood unaltered which also includes the Clause of arbitration and therefore the objections raised by the learned senior counsel appearing for the respondent as regards to the maintainability of the present application stand negatived.



9. There is no dispute that the parties have entered into and Memorandum of Understanding as well as an amendment agreement and also to the fact that the respondent was subjected to an IBC proceedings before the NCLT, Chennai.

10. In its order dated 07.10.2025, the Bench of NCLT at Chennai had also recorded conclusion of the commercial discussions between the parties for sale of 39 Acres of the land. In that regard, the Court is of the view that there has been an agreement between the parties for purchase of the same by the applicant. Even though initially an understanding was entered into for purchase of 63 Acres and to jointly develop another 63 Acres belonging to the respondent together with the land purchased by the applicant and a sale deed had been executed in favour of the applicant to an extent of 20.79 Acres. And thereafter, under the amended agreement the extent to be sold was increased to 94.20 Acres and that there is an obligation on the part of the respondent to execute sale deed for the remaining 73.50 Acres within a period of 60 days in favour of the applicant. Subsequent to the amendment agreement only the respondent embroiled in an IBC proceedings whereunder the NCLT Bench at Chennai had recorded at the instance of the respondent who was a corporate debtor that commercial discussions with the applicant had been concluded for sale of 39 acres in its order dated 07.10.2025 and thereafter, on 04.11.2025 the IBC proceedings were closed as withdrawn. In that regard, it would be only just and necessary for interim measures to be given in favour of the applicant as prayed



for or otherwise the applicant would not be in a position to enforce the award, if any granted in its favour as there is a chance of third party rights creeping in if the injunction is not ordered as prayed for.

11. Accordingly an order of injunction is granted as prayed for in respect of the Judge's summons schedule mentioned properties pending disposal of the arbitral proceedings to be initiated in that regard. The applicant shall initiate the arbitral proceedings within a period of eight (8) weeks from the date of receipt of this order and on any failure to initiate the arbitral proceedings, the order of injunction granted hereunder would stand vacated. However, there shall be no order as to costs.

28.09.2026

Index: Yes/No
Speaking/Non-speaking order
Neutral Citation: Yes/No

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Order QR

K.KUMARESH BABU, J.

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