

Shephali

IN THE HIGH COURT OF JUDICATURE AT BOMBAY

ORDINARY ORIGINAL CIVIL JURISDICTION

IT ITS COMMERCIAL DIVISION

COMMERCIAL ARBITRATION PETITION NO. 312 OF 2024

Banas Finance Limited

...Petitioner

Versus

Midcity Heights & Ors

...Respondents

Mr Chirag Mody, *i/b Ruchi Bist, for the Petitioner.*

Mr Rishikesh Soni, *with Raveena Yadav, i/b Raveena Yaddav, for the Respondents.*

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CORAM.

ARIF S. DOCTOR, J

DATED.

15th October 2024

PC:-

1. Mr Mody, Learned Counsel appearing on behalf of the Petitioner submits that the Petitioner had lent and advanced an amount of approximately Rs. 8 crores to the Respondent under a Memorandum of Understanding ("**MoU**") dated 12th March 2019. He points out that this was subsequently recorded and acknowledged in the subsequent MoU dated 10th December 2020 entered into since the Respondent had requested the Petitioner to extend the period of repayment upto and including 31st March 2021. He then submits that despite the date of 31st March 2021 having elapsed, the Respondent failed and neglected to make repayment of the said amounts. It was thus that the

Petitioners were constrained to issue a Loan Recall Notice dated 15th February 2023. Mr Mody submits that despite due receipt of the Loan Recall Notice, the Respondents not only failed and neglected to make payment of the amounts due and payable but also did not respond to the said notice. He submits that it was in these circumstances that the Petitioner invoked an arbitration vide a notice dated 21st May 2024 to which again there was no response. He submits that it is in the backdrops of these facts that the present Petition under Section 9 of the Arbitration and Conciliation Act 1996 has been filed. He today presses for an order of disclosure of the assets of the Respondents, given the undisputed liability of the Respondents to make payment under the MoU.

2. The Respondents were represented today and sought time to file an Affidavit in Reply and on merits the Respondents have now submissions to make. This was objected by Mr Mody, who pointed out that time was already granted.

3. The record before me shows that there is no dispute or denial to the fact that the Respondent is in default of its obligation under the said MoUs. I, therefore, find merit in the submissions of Mr Mody that a case for disclosure in terms of prayer clause (b) has been made out.

4. Therefore, there shall be an order in terms of prayer clause (b), which reads thus.

“(b) That pending the commencement, culmination initiation and completion of the Arbitration proceedings, this Hon'ble Court be pleased to direct the Respondents and/or its

officers, servants, agents and/or all or any persons claiming through and under them to disclose on affidavit, all the immovable and moveable properties held personally/jointly with any other person."

5. The disclosure is to be made within a period of two weeks from today.
6. All rights and contentions of the Respondents are kept open.
7. List the matter on 19th November 2024 for further ad-interim.

(ARIF S. DOCTOR, J)