IN THE HIGH COURT OF JUDICATURE AT BOMBAY

ORDINARY ORIGINAL CIVIL JURISDICTION

COMMERCIAL ARBITRATION PETITION NO.441 OF 2025

IIFL Finance Limited ....Petitioner

Versus

Balaji Enterprises & Ors. ....Respondents

Mr. Harsh Sheth *a/w. Rajlaxmi Pawar, Advocates for Petitioner.*

CORAM: SOMASEKHAR SUNDARESAN, J.

DATE : OCTOBER 09, 2025

ORDER :

1. This is a Petition under Section 9 of the Arbitration and Conciliation Act, 1996 ("***the Act***") seeking interlocutory protective reliefs in connection with disputes and differences relating to the Facility Agreement dated February 21, 2024 (***"Agreement"***). Clause 26 of the Agreement contains the arbitration clause, which, in the interest of brevity, is not extracted herein.

2. The Respondents have evidently committed a default in servicing the loan. It is seen from the record that a notice in this regard was issued on April 2, 2025. Learned Counsel for the Petitioner submits that the amount due under the Agreement, as claimed by the Petitioner from the Respondents, is to the tune of Rs.28,70,045.57/-. It is seen

from the record that this Petition has been served on the Respondents, but the Respondents have not entered appearance.

3. Learned Counsel for the Petitioner submits that there is an evident default, and despite issuance of a notice, there is no response at all, necessitating the protection of the subject-matter of the arbitration agreement. It is submitted that the subject-matter of the arbitration agreement runs the risk of being dissipated and denuded, rendering the very arbitration infructuous. Consequently, urgent interlocutory relief is sought.

4. Since despite notice, the Respondents have not appeared, Learned Counsel seeks reliefs sought in prayer clauses (A), (B) & (C). A case has been made out for grant of *ad interim* reliefs, and moulding, if any, is as considered appropriate by this Court. Such *ad interim* reliefs would apply pending the consideration of further interim relief by the Arbitral Tribunal that would be constituted in the matter: -

> *"A. A temporary injunction restraining Respondents from selling, transferring, alienating, encumbering and/or in any manner whatsoever dealing with their assets (immovable or movable and wheresoever situated) shall apply;*
>
> *B. The Respondents are directed to disclose on oath all their bank accounts and their properties and assets, whether movable or immovable or of whatsoever nature, along with details of any encumbrances and/or fretters on the same;*
>
> *C. The Respondents shall furnish a bank guarantee to secure the Outstanding Loan Amounts, along with further and*

future interest at contractual rates till the realization of the amount, sought for hereinabove;"

5. It is made clear that should the Respondents be desirous of varying, altering or vacating the *ad-interim* relief granted hereby, the Respondents may appear before the Arbitral Tribunal, and present its say.

6. Learned Counsel for the Petitioner undertakes that an application under Section 11 of the Act is yet to be filed but will be filed. Liberty to do so within a period of 30 days from the upload of this Order on this Court's website to enable time to invoke arbitration afresh and file the same. In these circumstances list this Petition along with the Section 11 Application on ***November 20, 2025.***

7. All actions required to be taken pursuant to this order, shall be taken upon receipt of a downloaded copy as available on this Court's website.

[SOMASEKHAR SUNDARESAN, J.]