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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**

+ **O.M.P.(I) (COMM.) 457/2025 & I.A. 28583/2025**

M/S KLAY FINVEST PRIVATE LIMITEDPetitioner

Through: Mr. Ajay Kohli, Mr. S. S. Sobti and
Ms. Ayushi Bansal, Advocates

versus

M/S UP MONEY LIMITED AND ORSRespondents

Through: Mr. Kunal Tandon, Mr. Abhinav
Agnihotri, Mr. Gitesh Chopra, Mr.
Siddharth Singh and Ms. Natasha,
Advocates

CORAM:

HON'BLE MR. JUSTICE SUBRAMONIUM PRASAD

ORDER
17.11.2025

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1. The present petition under Section 9 of the Arbitration and Conciliation Act, 1996 has been filed by the Petitioner with the following prayers:

"I Direct the Respondent No. 1 to 5 to furnish Monetary Security/Securities, in the sum of Rs.2,94,52,800/- thereby securing the amount in dispute, in the Arbitration proceedings, which the Petitioner is in the process of initiating, as against all the Respondents;

II Direct the attachment of the "Receivables" which stand charged and exclusively hypothecated, in favour of the Petitioner Company, in terms of Unattested Deed of Hypothecation dated 26.06.2025;

III(i) Pass an order of injunction, inter-alia,



restraining the Respondent No.2 by himself or by his servants, assigns, employees, agents, representatives, officers or any other person/s claiming through or under them or under any instrument, whatsoever, from in any manner selling, alienating, transferring, parting with or creating any Third-Party interest in the following immovable Properties:

a) Property bearing 127, Gurdev Nagar, Bharat Nagar Chowk, Ludhiana, Punjab (to the extent of 50% of the said immovable property)

b) Property bearing Plot No.226, Janpath Farms, Ludhiana, Punjab (to the extent of 25% of the said immovable property)

c) Property being land situated at NRI Colony, Village Jhamat, South City, Ludhiana, Punjab (to the extent of 100% of the said immovable property)

(ii) Direct attachment of the immovable properties, referred hereinabove in sub clause (i);

IV(i) Pass an order of injunction, inter-alia, restraining the Respondent Nos.3 & 4 by themselves or by their servants, assigns, employees, agents, representatives, officers or any other person/s claiming through or under them or under any instrument, whatsoever, from in any manner selling, alienating, transferring, parting with or creating any Third-Party interest in the following immovable Properties:

a) Property bearing Plot No.226, Janpath Farms, South City, Ludhiana, Punjab (to the extent of 50% of the said immovable property),

b) Property being land situated at NRI Colony, Village Jhamat, South City, Ludhiana, Punjab (to



the extent of 50% of the said immovable property),

c) Property bearing Plot No.105, Shaheed Sukhdev Singh Nagar, Ludhiana, Punjab (to the extent of 100% of the said immovable property),

d) Commercial Building Bearing No.B-31-369/A, Samrala Chowk, Chandigarh Road, Ludhiana, Punjab (to the extent of 60% of the said immovable property),

e) Parcels of land situated at Village Ayali Kalan, Ludhiana West, Ludhiana, Punjab;

(ii) Direct attachment of the immovable properties, referred hereinabove in sub clause (i);

V(i) Pass an order of injunction, inter-alia, restraining the Respondent No.3 by himself or by his servants, assigns, employees, agents, representatives, officers or any other person/s claiming through or under them or under any instrument, whatsoever, from in any manner selling, alienating, transferring, parting with or creating any Third-Party interest in the following immovable Properties:

a) 13, Nehru Sidhant Kendra, Firoz Gandhi Market, Ludhiana, Punjab,

b) 23, Nehru Sidhant Kendra, Firoz Gandhi Market, Ludhiana, Punjab

(ii) Direct attachment of the immovable properties, referred hereinabove in sub clause (i);

VI(i) Pass an order of injunction, inter-alia, restraining the Respondent No.4 by herself or by her servants, assigns, employees, agents, representatives,



officers or any other person/s claiming through or under her or under any instrument, whatsoever, from in any manner selling, alienating, transferring, parting with or creating any Third-Party interest in the following immovable Properties:

a) Property bearing 127, Gurdev Nagar, Bharat Nagar Chowk, Ludhiana, Punjab (to the extent of 50% of the said immovable property)

b) Property being land situated at NRI Colony, Village Jhamat, South City, Ludhiana, Punjab (to the extent of 100% of the said immovable property)

c) Commercial Building Bearing No.B-31-369/ A, Samrala Chowk, Chandigarh Road, Ludhiana, Punjab (to the extent of 40% of the said immovable property)

(ii) Direct attachment of the immovable properties, referred hereinabove in sub clause (i);

VII. Direct the attachment of the funds lying in the Bank Accounts of Respondent No.2; being Bank Account No.030205001389; held with Capital Small Finance Bank Ltd. as well as Bank Account No.5146144069, held with Kotak Mahindra Bank Ltd.; to the extent of Rs.2,94,52,800/- that is to the extent of the amount due and payable to the Petitioner Company, as on 12.09.2025; or to such an extent, as may be deemed appropriate by this Hon'ble Court;

VIII. Direct the attachment of the funds lying in the Bank Accounts of Respondent No.3; being Bank Account No.030205002536 held with Capital Small Finance Bank Ltd. and Bank Account No.50100157659753 held with HDFC Bank Ltd.; to the extent of Rs.2,94,52,800/- that is to the extent of the



amount due and payable to the Petitioner Company, as on 12.09.2025; or to such an extent, as may be deemed appropriate by this Hon'ble Court;

IX. Direct the attachment of the funds lying in the Bank Account of Respondent No.4; being Bank Account No. 030205001391; held with Capital Small Finance Bank Ltd.; to the extent of Rs.2,94,52,800/- that is to the extent of the amount due and payable to the Petitioner Company, as on 12.09.2025; or to such an extent, as may be deemed appropriate by this Hon'ble Court;

X.(i) Restrain Respondent No.2 from transferring, selling, alienating and / or from creating any Third-Party interest with respect to the equity shares owned/ held by him in Up Money Limited

(ii) Restrain Respondent No.3 from transferring, selling, alienating and/ or from creating any Third-Party interest with respect to the equity shares owned / held by him in Up Money Limited

(iii) Restrain Respondent No.4 from transferring, selling, alienating and / or from creating any Third-Party interest with respect to the equity shares owned/ held by her in Up Money Limited

(iv) Attach the Equity Shares as referred in sub clause (i), (ii) and (iii) hereinabove;

XI. Pass an order directing the Respondents to disclose on affidavit(s) all their respective movable and immovable assets including bank accounts which are owned by them or in which they have any rights or interests;

XII. Appoint a Receiver to oversee and secure the loan book and receivables of Respondent No.1.



XIII. Issue interim injunction restraining the Respondents from alienating, transferring, or encumbering their assets in any manner prejudicial to the Petitioner's interest pending the hearing and final disposal of the arbitral proceedings, and until the execution of the arbitral award;

XIV. Restrain the Respondent No.2, 3 & 4 from travelling abroad without the permission of this Hon'ble Court pending the hearing and final disposal of the arbitral proceedings, and until the execution of the arbitral award.

XV. Award costs of this petition in favor of the Petitioner.

XVI. Pass ad-interim ex-parte orders in terms of prayer (I) to (XIV) above, during the pendency of the present petition and till the final disposal of the arbitral proceedings, which, the Petitioner is in the process of initiating and until the execution of the arbitral award, passed in such arbitral proceedings.

XVII Such other interim measures of protection as may appear to this Hon'ble Court, to be just and convenient, may also be passed in favour of the Petitioner and against the Respondents;

XVIII And/or pass such other/further order(s) as this Hon'ble Court may deem fit and proper in the facts and circumstances of the case.”

2. This Court on 03.11.2025 had passed the following Order:

“1. The present petition under Section 9 of the Arbitration and Conciliation Act, 1996 has been filed by the Petitioner.

2. It is stated that the Petitioner, being a Non-Banking Financial Company [NBFC] had extended a



loan facility to the Respondents for a sum of Rs.3 crores under a Loan Agreement dated 26.06.2025. It is stated that the Respondents have not adhered to the terms of the Loan Agreement. It is stated that apart from the fact that the Respondents are not repaying the money, there is also an apprehension that the Respondents trying to create third-party interest in the immovable properties and, therefore, the Petitioner has approached this Court with the above-mentioned prayers.

3. *Issue notice.*

4. *On taking steps, let notice be issued to the Respondents through all permissible modes, including Dasti.*

5. *List on 22.01.2026.*

6. *Till the next date of hearing, an Interim Order restraining the Respondents in respect of Prayer Clause III(i) is passed in favour of the Petitioner.”*

3. Learned Counsel appearing for the Petitioner states that 25% of the immovable Property mentioned in prayer Clause III(i)(b) i.e., Property bearing Plot No.226, Janpath Farms, Ludhiana, Punjab has already been conveyed to one of the lenders prior to the Interim Order passed on 03.11.2025.

4. The Parties, by mutual consent, have agreed that an Arbitrator be appointed.

5. Accordingly, Mr. Rakesh Kumar Dudeja, Advocate (Mobile No. 9810147798) is appointed as Arbitrator to adjudicate upon the disputes between the Parties.



6. The present petition filed under Section 9 of the Arbitration and Conciliation Act, 1996 would be treated as one under Section 17 of the Arbitration and Conciliation Act, 1996 and the same be decided within three weeks from the date of entering reference.
7. The arbitration would take place under the aegis of the Delhi International Arbitration Centre (DIAC) and would abide by its rules and regulations. The learned Arbitrator shall be entitled to fees as per the Schedule of Fees maintained by the DIAC.
8. The learned Arbitrator is also requested to file the requisite disclosure under Section 12(2) of the 1996 Act within a week of entering reference.
9. It is expected the Ld. Arbitrator will decide the Section 17 application on the weight of the merits, contentions raised by both sides and on the documents being adduced by both sides without being influenced by this Order.
10. The petition is disposed of, along with pending application(s), if any.
11. The next date of hearing i.e., 22.01.2026, stands cancelled.

SUBRAMONIUM PRASAD, J

NOVEMBER 17, 2025

S. Zakir