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

\+ O.M.P.(I) (COMM.) 184/2026 & I.A. 11789/2026 (Ex.)

M S AXIS FINANCE LTD .....Petitioner

Through: Mr. Shyam Nandan, Ms.Bhairavi & Mr. Varun Agarwal, Advs.

versus

RISHAB MAGO & ORS. .....Respondents

Through:

CORAM:
HON'BLE MR. JUSTICE HARISH VAIDYANATHAN SHANKAR

<u>O R D E R</u>

% **28.04.2026**

1. The present petition has been filed under Section 9 of the Arbitration and Conciliation Act, 1996 seeking the following reliefs:

> "a) Pass an order, to attach and freeze the Bank Accounts of the Respondents which are to the knowledge of the Petitioner and/or disclosed/belonging to the Respondent, details of which are as follows:
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> i. Account No. 424324082 (Indian Bank) belonging to Respondent No.3,
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> ii. Account No. 30009212152 (State Bank of India) belonging to Respondent No.3
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> iii. Account No. 30009212152 (State Bank of lndia) belonging to Respondent No.4
>
> and permit the Petitioner to intimate the aforesaid Bank not to allow withdrawals/debits of any sort to the extent of the amounts claimed by the Petitioner under the said Facilities as may be directed by this Hon'ble Court.
>
> AND/OR

b) Pass an order to appoint a Court Receiver, High Court of Delhi, or an Authorized Representative of the Petitioner be appointed as Receiver on assets/properties as more particularly described in Document- IO and/or any assets /properties, that may be disclosed by the Respondents on oath, with all powers under Order XL of the Code of Civil Procedure 1908, with a direction to visit the place where the assets of the Respondents are lying/situated and take forcible physical possession of the same from the Respondents and or the person in possession of the same, with police assistance, if necessary, and with the power to sell the same by public auction or private treaty and/or recover and/or realise the same and to pay over the net sale proceeds and/or net recoveries and/or the net realisation, thereof to the Petitioner in or towards the satisfaction of their outstanding dues as claimed hereunder under the directions of this Hon'ble Court.

AND/OR

c) Pass an order directing the Respondents to forthwith file their

Affidavit, inter alia, disclosing the current status of all their unencumbered properties along with the details of all the other movable and/or immovable properties, belonging to them, with the encumbrances, if any, including all Bank accounts maintained by the Respondents, held individually and/or jointly and furnish periodical Bank statements of all the Bank Accounts disclosed, Income Tax Returns of the previous belonging to the Respondents from the date of disbursement of the said Facility till three Financial years, Bank Statements of all the Bank Accounts disclosed from the date of disbursement of the said Facilities till date.

AND/OR

d) Pass an order restraining the Respondents, their agents, servants or any person acting on its behalf, from creating any third-party rights, alienating, encumbering, transferring or otherwise dealing with or disposing of any of its assets/properties, including the Mortgaged Property, and directing the Respondents to maintain status quo in respect thereof, pending taking of physical possession and during the pendency of the arbitral proceedings;

AND/OR

e) Direct the Respondents to furnish a security and/or Bank Guarantee in favour of the Petitioner and/or to deposit a sum of INR Rs. 3,03,71,992/- being the amount due and payable as on 13.04.2026 together with further interest, default interest/additional interest over and above the normal interest rate on the outstanding principal amount and other costs, charges and expenses from date of default till the pendency of arbitration proceedings.

AND/OR

f) Pass such order(s) as this Hon'ble Court may deem fit and proper in the facts and circumstances of the case."

2. Shorn of unnecessary details, the core of the present dispute, as raised by the Petitioner herein, revolves around the two Mortgage Loan Agreements dated 01.09.2023 ["**Agreements**"].

3. A perusal of the Agreements executed between the parties would reveal that they contemplated the advancement of a loan amount by one party to the other. As security for the said loan so advanced, an immovable property situated at Chandigarh, namely House No. 543, Shivalik Enclave Ext. 5, Village Sante Majra, Hadbast No. 186, Tehsil Kharar, District SAS Nagar, Mohali, Punjab-140301 [the "**Mortgage Property**"], was furnished.

4. Learned counsel appearing on behalf of the Petitioner submits that the present Petition has been necessitated on account of the apprehension that, in the event the Petitioner succeeds in the arbitral proceedings and an award is rendered in its favour, the mortgaged Subject Property may not be sufficient to satisfy the outstanding dues, which constitute the core subject matter of the present dispute.

5. It is, therefore, contended by the learned counsel that the reliefs sought in the present Petition deserve to be granted so as to secure and preserve the subject matter of the arbitration agreement, *namely*, the amount in dispute, during the pendency of the arbitral proceedings.

6. This Court has heard the learned counsel appearing for the parties and, with their able assistance, has perused the material placed

on record.

7. A perusal of Section 9(1) of the Act would show that the same empowers the grant of an interim measure for protection for, *inter alia*, the preservation of the 'subject matter' of the arbitration agreement.

8. At the outset, this Court is of the considered view that the subject matter of the arbitration cannot be confined merely to the amounts advanced under the Agreements between the parties. The same must necessarily be read in conjunction with, and tethered to, the security furnished by the borrower in consideration of the loan so advanced, *namely*, the Mortgaged Property.

9. In the facts of the present case, it is a matter of record that the parties, at the very inception and under the Agreements executed *inter se*, had already secured the subject matter of the arbitration by creation of a mortgage over the Mortgaged Property, which itself would form an integral part of the disputes arising between them.

10. It is not the case of the Petitioner before this Court that the Mortgaged Property is in need of any additional protection, preservation, or safeguarding by way of interim measures. In these circumstances, this Court is of the considered view that the subject matter of the arbitration already stands adequately secured through the existing mortgage, and consequently, no further indulgence or interim protection is warranted from this Court.

11. Once a substantial component of the subject matter of the disputes already stands secured by the very security consciously agreed upon between the parties, and the Petitioner has not put any case for protection of the remaining component thereof, i.e., the Mortgaged Property, this Court is of the considered view that the

reliefs sought in the present Petition, though ostensibly framed as measures for securing the subject matter of the disputes, in substance seek to enlarge and expand the contractual framework agreed upon between the parties.

12. In the considered opinion of this Court, such a course of action is wholly impermissible at this stage, particularly in proceedings instituted under Section 9 of the Act, and therefore cannot be countenanced or permitted by this Court.

13. Accordingly, the present Petition, along with all pending application(s), if any, is dismissed.

14. No Order as to costs.

HARISH VAIDYANATHAN SHANKAR, J.

APRIL 28, 2026/v/va/kv