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

\# **CNR No. DLHC010452112026**

\+ O.M.P.(I) (COMM.) 437/2026 & I.A. 26138/2026

YAVA CORP GLOBAL LIMITED .....Petitioner

Through: Ms. Shyel Trehan, Senior Advocate, Mr. Anshu Deshpande, Ms. Umang Motiyani, Ms. Pushkraj Deshpande, Mr. Rohan Marathe, Ms. Vidhi Jain, Advs.

versus

S N CAPITAL MANAGEMENT PVT LTD .....Respondent

Through:

CORAM:
HON'BLE MR. JUSTICE OM PRAKASH SHUKLA

JUDGMENT(ORAL)

% **24.09.2026**

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

> *"A. Pass an order restraining the Respondent, its directors, officers, servants, agents, representatives and all persons claiming through or under it, from selling, transferring, alienating, pledging, encumbering, disposing of or in any manner creating any third-party right, title or interest in respect of the 50,00,000 (Fifty Lakh) equity shares of Kalind Limited transferred to the Respondent under the Share Transfer and Settlement Agreement dated 11.09.2026, otherwise than in strict compliance with Clauses 3.1 to 3.6 of the said Agreement, till the disposal of the arbitration proceedings between the Parties;*
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> *B. Pass an order directing the Respondent to furnish to the Petitioner, in terms of Clause 3.4 of the Share Transfer and Settlement Agreement dated 11.09.2026, a written sale statement in respect of each sale of the Kalind Shares identifying the date, quantity, price, gross proceeds, permitted deductions and Net Sale Proceeds, and to render a true and faithful account of all sale proceeds realised in respect of the Kalind Shares;*
>
> *C. In the alternative, pass an order directing the Respondent to deposit the Net Sale Proceeds realised from any sale of the*

Kalind Shares in a separate interest-bearing fixed deposit account maintained with a nationalised bank, to be held to the credit of the present proceedings and the arbitral proceedings between the Parties, so that the same is not frittered away, and to file an affidavit before this Hon'ble Court disclosing every such sale and deposit;

D. Pass an order restraining the Respondent, its directors, officers, servants, agents, representatives and all persons claiming through or under it, from selling, transferring, alienating, pledging, encumbering, disposing of or in any manner creating any third-party right, title or interest in respect of the Return Securities, being 3 (Three) equity shares of Evergreen Recyclekaro (India) Limited and 21,000 (Twenty-One Thousand) equity shares of Zedengines India Limited, till the disposal of the arbitration proceedings between the Parties;

E. Pass an order directing the Respondent to disclose on affidavit, and to produce before this Hon'ble Court, the statement of its demat account(s) in which the Kalind Shares, the said 3 (Three) equity shares of Evergreen Recyclekaro (India) Limited and the said 21,000 equity shares of Zedengines India Limited are or were held, for the period from 20.02.2026 till the date of such disclosure;

F. Grant ex-parte ad-interim reliefs in terms of prayers (A) to (E) above;

G. Grant the cost of the present proceedings; and

H. Any other just and equitable orders or reliefs as this Hon'ble Court deems fit be granted in favour of the Petitioner."

2. The facts of the matter would reveal that the Petitioner is engaged in dealing in unlisted and listed equity shares.

3. In January 2026, the Respondent, agreed to purchase 1,47,02,000 shares of Metropolitan Stock Exchange of India[1] and 4,500 shares of National Stock Exchange[2] and paid an aggregate consideration of Rs.6.21 crore for the same.

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[1] "MSEI" hereinafter

[2] "NSE" hereinafter

4. Ms. Shyel Trehan, learned Senior counsel for the Petitioner submits that they delivered part of the contracted shares. However, their upstream sellers failed to deliver the balance.

5. Consequently, the parties executed a Settlement-*cum*-Share Transfer Agreement dated 11.02.2026, crystallising Petitioner's liability at Rs.2.73 crore. Therefore, the Petitioner claims to have transferred cash and securities aggregating approximately Rs.2.99 crore, including 3 shares of Evergreen Recycle Karo and 21,000 shares of Zedengines India Limited.

6. Despite the aforesaid transfers, disputes still continued. To resolve the disputes, the parties thereafter executed a fresh Share Transfer and Settlement Agreement dated 11.09.2026.

7. It is alleged that under this agreement, Petitioner transferred 50,00,000 listed shares of Kalind Limited to the Respondent, the Respondent was described as the "transferee/selling agent", for sale through the BSE and application of the net sale proceeds towards the recorded dues.

8. It is the case of the Petitioner that the Respondent was required, *inter alia*, to sell the aforesaid shares in an orderly manner and not below the agreed reference price, and provide sale statements, and re-transfer the specified return securities.

9. The immediate dispute arose on 14.09.2026, when according to

the Petitioner, the Respondent repudiated the settlement by stating that no full and final settlement had ever been agreed or accepted, while simultaneously continuing to hold the 50 lakh Kalind shares transferred under that very agreement.

10. The Petitioner alleges that the Respondent further demanded the alleged outstanding amount along with approximately Rs. 4.82 lakh towards expenses and Rs. 50 lakhs towards legal and professional expenses and threatened further legal action.

11. Ms. Trehan submits that the Respondent holds the 50 lakh Kalind shares only in a limited fiduciary/agency capacity under the Settlement Agreement and has no independent right to appropriate the shares or their entire sale proceeds.

12. It is submitted that since the Respondent has repudiated the very agreement under which possession of the shares was obtained, the Petitioner apprehends that the Respondent may sell the shares contrary to the agreed mechanism, including below the reference price, without rendering sale statements.

13. It is further contended that the Kalind shares are freely transferable listed securities and, once sold on the stock exchange to unknown third parties and the proceeds are dissipated, the subject matter of the proposed arbitration may be irreversibly altered and any eventual arbitral relief may become ineffective.

14. On this basis, Petitioner seeks interim protection under Section

9 to preserve the shares.

15. I have heard learned Senior Counsel for the Petitioner.

16. At the outset, the Petitioner's case is that the Respondent came into possession of 50,00,000 equity shares of Kalind Limited solely pursuant to the Share Transfer and Settlement Agreement dated 11.09.2026, under which the Respondent was expressly designated as the "transferee/selling agent" and was authorised to deal with the said shares only in the manner contemplated by the Agreement.

17. The Respondent was required to sell the shares as per the Settlement Agreement, however, on 14.09.2026, *i.e.* on the very date from which the Respondent became entitled to commence sale of the Kalind Shares, the Respondent allegedly repudiated the Settlement Agreement itself and denied that any full and final settlement had been concluded, while continuing to retain the shares transferred under that very Agreement.

18. This Court feels that interim protection is necessary in the present case.

19. Thus, the Respondent is restrained from dealing with or dispose of the shares otherwise than in accordance with the contractual mechanism. Additionally, the Respondent shall maintain all the records pertaining to shares.

20. According to this Court, the Petitioner has made out a *prima facie* case inasmuch as the Respondent has received and continues to

hold 50,00,000 Kalind shares pursuant to a contractual arrangement which expressly limits the purpose, manner and extent of their sale and appropriation, while thereafter denying the very settlement under which such shares were transferred.

21. In these circumstances, the Petitioner is directed to take appropriate steps for initiation of the arbitral proceedings and constitution of the Arbitral Tribunal in accordance with the arbitration agreement between the parties within a period of three weeks from today.

22. Till such time as the Arbitral Tribunal is constituted, the interim arrangement granted *vide* this order shall continue until the Arbitral Tribunal considers the matter and passes the appropriate orders.

23. Upon constitution of the Arbitral Tribunal, the present petition shall be treated as an application under Section 17 of the Act and shall be placed before the learned Arbitral Tribunal for consideration in accordance with law.

24. It shall be open to the learned Arbitral Tribunal, upon consideration of the matter on its own merits, to continue, modify, vary or vacate the aforesaid interim arrangement.

25. All rights and contentions of the parties are left open and nothing contained in this order shall be construed as an expression of opinion on the merits of the disputes.

26. For the sake of clarity, the Petitioner is directed to initiate arbitral proceedings within a period of three weeks. It is further clarified that the interim arrangement granted under the present order shall continue only for the said period of three weeks and shall thereafter stand automatically vacated, without requiring any further order of the Court.

27. In view of the above, the present petition is disposed of in the aforesaid terms.

28. Pending applications, if any, stands disposed of.

29. *Dasti.*

OM PRAKASH SHUKLA, J

SEPTEMBER 24, 2026/at