

News

Byju Raveendran is prevented from alienating assets by the Karnataka High Court in the Qatar Holding case.



Byju's Investments received a \$150 million advance from Qatar Holding in September 2022, which was utilized to buy Aakash Institute stock.

Following a move by Qatar Holding LLC to enforce a \$235 million arbitral verdict, the Karnataka High Court on Monday granted an interim injunction prohibiting Byju Raveendran and his investment firms from selling or encumbering their assets **[Qatar Holdings vs. Byju Raveendran]**.

In response to a request by Qatar Holding to enforce a partial final award made by a Singapore International Arbitration Centre (SIAC) tribunal under the Arbitration and Conciliation Act, 1996, Justice R Natraj issued the order.

Raveendran and the other respondents were instructed by the court to hold off on selling their assets pending further directives.

"The respondent's attorney requests more time to submit a response. Putting the respondent on terms is appropriate. Until the next hearing date, the respondents are prohibited from alienating, encumbering, or otherwise parting with real estate by an order of interim injunction, the court stated.

Through a cash-settled option deal, Qatar Holding gave Byju's Investments \$150 million in September 2022. Byju used the money to buy \$1 billion worth of shares in Aakash Educational Services Limited (Aakash Institute), which was their biggest acquisition to date.

Byju Raveendran provided a personal guarantee and a share pledge agreement to secure the sale. Byju's was obliged to pay back \$300 million by March 31, 2025, as per the agreement. However, claiming defaults, Qatar Holding ended the agreement in February 2024 and requested \$235 million in early payments.

The SIAC regulations were followed when the arbitration started. An emergency arbitrator stopped Byju's from selling assets on March 28, 2024. The Singapore High Court subsequently enforced that interim award.

The Karnataka High Court denied Qatar Holding's requests for temporary protection under Section 9 of the Act in April 2025. According to Justice Ashok S. Kinagi, temporary measures must be requested under Section 17 before the arbitral tribunal rather than domestic courts after a tribunal has been established. However, in order to safeguard Qatar Holding's interests, the temporary agreements were prolonged for three months.

Qatar Holding went to the High Court to request execution of the SIAC tribunal's partial final award. Its prayers included:

an order prohibiting the alienation of assets by Byju Raveendran, Byju's Investments, and affiliates;

sale and attachment of real estate and personal belongings in order to fulfill the award;

designating a receiver to assume ownership of assets, income, and receivables;

All assets and their locations are disclosed under oath.

An interim injunction against asset alienation was issued by Justice Natraj. On the enforcement of the award, the petition will be heard once again.

Lawread