OCD 8

ORDER SHEET
AP-COM/318/2025
IN THE HIGH COURT AT CALCUTTA
ORDINARY ORIGINAL CIVIL JURISDICTION
COMMERCIAL DIVISION

SHYAM STEEL MANUFACTURING LIMITED
VS
AJEET KUMAR JAIN
PROPRIETOR OF AADINATH STEEL

BEFORE:
The Hon'ble JUSTICE SHAMPA SARKAR
Date: 30th June, 2025.

Appearance:
Mr. Jishnu Chowdhury, Sr. Adv.
Ms. Rajshree Kajaria, Adv.
...for the petitioner

The Court:

1. Despite service, none appears on behalf of the respondent.
2. This Court is satisfied that in terms of Section 3(1)(a) of the Arbitration and Conciliation Act, 1996, the service upon the respondent has been effected.
3. On April 30, 2025, when the matter was taken up, none appeared on behalf of the respondent.
4. According to the petitioner, the dispute arose out of a Dealership Agreement which was executed within the ordinary original jurisdiction of this Court. The matter has been mentioned for extension of the

interim order which was passed on April 30, 2025 and corrected on May 5, 2025. The Court was, prima facie, satisfied that a sum of Rs.1.79 crores and odd was unpaid. Eight cheques issued by the respondent were dishonoured by the banker. The respondent had acknowledged the receipt of the demand notice from the petitioner and had replied that the payment due would be deposited in the account of the petitioner and part payment would be made for any amount between Rs. 3 to 5 lakhs, with each subsequent supply. Even after having issued the said letter, the alleged admitted due was not paid. Thus, the Court was convinced, prima facie, that petitioner had made out a good case for adjudication and for interim protection. The Court was of the view that the letter dated May 6, 2024, by which the respondent had accepted the liability to pay in tranches was only to mislead the petitioner and to avoid payment. The apprehension of the petitioner that the respondent would remove the money from its bank was also, prima facie, found to be justifiable. The dishonor of cheques indicated that the respondent was not proceeding in a bona fide manner. Accordingly, the Court directed that the following bank accounts would not be operational at the instance of the respondent unless a sum of Rs.1.79 crores was maintained either individually in one of the accounts or all together in the four accounts. The details of the bank accounts are as follows:-

“ a) A/c. No. 50200069867701, HDFC Bank, 1st and 2nd Floor, Kh. No. 2158, GMS Road, Niranjanpur, Dist. – Dehradun, Dehradun – 248001, Uttarakhand;

b) A/c. No. 055202000001522, Indian Overseas Bank, Kanwli Branch, 305, Phase II, Vasant Vihar, Dehradun – 248006, Dist. Uttarakhand;

c) A/c. No. 50200078010926, HDFC Bank, Branch – Sanjay Place, Agra, Uttar Pradesh;

d) A/c. No. 1516002100020417, Punjab National Bank, Branch – Patel Nagar, Dehradun, Uttarakhand.”

5. The concerned Branch Managers shall ensure that the order dated April 30, 2025 read with May 5, 2025 continues. The petitioner shall take steps for appointment of a learned Arbitrator. This order will be in operation for a period of two months.
6. The concerned Bank Managers of the respective banks as indicated above shall ensure that a sum of Rs.1.79 crores is maintained in either of the accounts or altogether in all the accounts before allowing the respondent to operate the accounts.
7. The application is, accordingly, disposed of.

(SHAMPA SARKAR, J.)

B.Pal