ORDER SHEET OC-24

IN THE HIGH COURT AT CALCUTTA
Ordinary Original Civil Jurisdiction
Commercial Division
ORIGINAL SIDE

AP-COM/847/2025
L AND T FINANCE LIMITED
VS
M/S. RAMDEV TEX AND ORS

BEFORE:
The Hon'ble JUSTICE GAURANG KANTH
Date : 5th January, 2026.

APPEARANCE:
Mrs. Shrayashee Das, Adv.
Mr. Tridibesh Dasgupta, Adv.
Ms. Anukriti Agarwal, Adv.
Ms. Rashmi Dahiya, Adv.
..for the petitioner.

The Court:- Affidavit of service is taken on record.

Despite service, there has been no appearance on behalf of the respondents.

The petitioner has preferred the present application under Section 9 of the Arbitration and Conciliation Act, 1996, seeking a direction upon the respondents to furnish adequate security in respect of the alleged outstanding dues claimed to be payable to the petitioner. In default of furnishing such security, the petitioner has prayed for an order directing attachment of the respondents' bank account, particulars whereof are set out in Annexure-E.

The petitioner's case is that pursuant to a Loan Agreement dated 21 August 2024, a credit facility of Rs. 15,00,000/- was extended to the respondents, repayable in 36 monthly instalments together with interest at the rate of 19.5% per annum. It is alleged that the respondents defaulted in repayment from the seventh instalment onwards. Consequently, the petitioner issued a loan recall notice dated 18 April 2025 demanding repayment of the outstanding dues. Upon failure of the respondents to make payment, the petitioner invoked the arbitration clause contained in the loan agreement and referred the disputes to an Online Dispute Resolution platform, pursuant to which an arbitrator was appointed. However, by order dated 24 September 2025, the arbitrator recused himself following objections raised by the respondents, and steps are stated to be underway for appointment of a substitute arbitrator. In the interregnum, asserting that the outstanding amount has increased, the petitioner has approached this Court seeking a direction upon the respondents to furnish adequate security for the alleged dues, failing which attachment of the respondents' bank account, as detailed in the application, has been prayed for.

Learned counsel for the petitioner submits that a direction shall be passed upon the respondents to furnish adequate security to the extent of Rs. 15,57,105.84/- towards the alleged outstanding dues payable to the petitioner. In default of furnishing such security, the petitioner prays for an order of attachment of the respondent's bank account, the particulars whereof are set out in annexure E, at page 52 of the petition.

In view of the materials placed on record, this Court is satisfied that the petitioner has established a *prima facie* case for grant of interim relief. The balance of convenience also lies in favour of the petitioner, as the attachment sought is only to secure the alleged outstanding dues pending adjudication in arbitration. There exists a reasonable apprehension that, in the absence of such protection, the petitioner's claim may be rendered illusory. Any delay in securing the respondent's bank account may defeat the very purpose of the arbitral proceedings and result in irreparable loss and injury to the petitioner, which cannot be adequately compensated at a later stage. It is also noted that despite due service, the respondent has chosen not to appear or contest the present application. In these circumstances, and to preserve the subject-matter of the arbitration and ensure that the arbitral proceedings are not rendered nugatory, this Court is of the considered view that attachment of the respondent's bank account, as prayed for, is warranted, subject to due compliance with law

In view of the aforesaid, the Bank account of the respondents, as detailed in annexure-E, is hereby attached to the extent of Rs. 15,57,105.84/-. The respondents shall be entitled to operate the said bank account only upon maintaining the aforesaid balance.

The petitioner is directed to communicate this order to the concerned branch manager.

With the aforesaid directions, the present petition is disposed of.

(GAURANG KANTH, J.)

Arsad