

ORDER SHEET
AP/475/2023
IN THE HIGH COURT AT CALCUTTA
Ordinary Original Civil Jurisdiction
ORIGINAL SIDE
(Commercial Division)

CIVCON CONSTRUCTION PVT. LTD.
Versus
HINDUSTAN AERONAUTICS LTD.

BEFORE:

The Hon'ble JUSTICE MOUSHUMI BHATTACHARYA

Date : July 25, 2023.

Appearance:

*Mr. Abhishek Banerjee, Adv.
...for the petitioner*

*Mr. B.K. Sen, Adv.
...for the respondent*

The Court: The dispute between the parties would be evident from the series of correspondence on the demands made by the petitioner, as the contractor for construction of a laboratory for the respondent HAL. The agreement between the parties is of 10th April, 2018 pursuant to the petitioner emerging as the successful bidder in a tender floated by the respondent sometime in July, 2017. The contract was initially for a period of 12 months but was admittedly extended by the respondent on several occasions culminating in an agreement whereby the petitioner was to complete the contract by September, 2022.

The petitioner's grievance is that the petitioner raised the running account bills on the respondent, some of which were paid but payments remained outstanding which amounted to approximately Rs.88 lakhs as of 6th January, 2023. This is the last letter of demand issued by the petitioner on the respondent to which the respondent did not reply. The petitioner was therefore

constrained to issue a notice under Section 21 of the 1996 Act on the respondent on 27th January, 2023 invoking the arbitration clause which is Clause 5 of the contract dated 10th April, 2018. The respondent replied to this letter on 29th May, 2023 raising disputes but not to the existence of the arbitration clause.

There is hence little doubt that not only is there an agreement between the parties governing the contractual relationship between them but also that there is a dispute with regard to the unpaid bills of the petitioner which is in excess of Rs.88 lakhs along with the agreed rate of interest.

The advocate-on-record of the respondent disputes the contentions made on behalf of the petitioner. The view of the Court of an existing dispute between the parties is not displaced by the position taken on behalf of the respondent.

The parties would hence fall under Section 11(6)(a) of the 1996 Act.

AP/475/2023 is accordingly allowed and disposed of by appointing Mr. Rudraman Bhattacharyya, Advocate (Mob : 9830731277) as the Arbitrator to resolve the disputes and differences between the parties, subject to the learned Arbitrator communicating his consent in the prescribed format to the Registrar, Original Side within three weeks from date. The petitioner shall communicate this order to the Arbitrator by 27th July, 2023 along with relevant particulars of the contact person of the petitioner.

(MOUSHUMI BHATTACHARYA, J.)