

ORDER SHEET

AP/498/2023

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

PEP AGRO INDUSTRIES PVT. LTD.
FORMERLY KNOWN AS NAVYUG AGRO INDUSTRIES
PRIVATE LIMITED AND ORS.
VS
SANJEEV AGARWAL AND ORS.

BEFORE:

The Hon'ble JUSTICE MOUSHUMI BHATTACHARYA

Date : 28th August, 2023.

Appearance:

Mr. Risabh Karnani, Adv.

Mr. Sanjay Kr. Baid, Adv.

...for the petitioner

Mr. Debangshu Dinda, Adv.

Ms. Nikita Khaitan, Adv.

...for the respondent nos. 1 to 11

Mr. Kritin Saraf, Adv.

...for the respondent nos. 12,13 and 14

The Court: The dispute between the parties arises out of a Share Purchase Agreement (SPA) dated 25th March, 2021. The Agreement was entered into between the seven petitioners and the 14 respondents for purchase of shares in a company. The respondent nos. 1 to 14 before the

Court are the erstwhile share-holders of the said company. The SPA contains an arbitration clause.

The dispute, more specifically, relates to shouldering of the liabilities of the company which arose before 2021. The petitioners say that the respondent nos. 1-11 were to bear the monetary obligation arising out of those liabilities while the respondents say otherwise. The respondent nos. 12 to 14, admittedly, do not have any role to play in the dispute but have been added as respondents. Clause 17 of the SPA provides for the liabilities and who is to bear the liabilities. The Court has been informed that liabilities arose before 2021 and the petitioners paid about Rs.16 lakh with regard to the same.

All the parties are represented before this Court. The arbitration clause provides for two Arbitrators which cannot be done being contrary to Section 10(1) of the 1996 Act.

Considering the claim of the petitioners which amounts to about Rs.20 lakhs, Ms. Aasia Hasan, Advocate is appointed to act as the learned Arbitrator to resolve the disputes and differences between the parties.

Learned Arbitrator shall communicate his/her consent to the Registrar, Original Side of this Court within three weeks from date in the prescribed format.

The advocate-on-record for the petitioners shall communicate this order on the learned Arbitrator by 30th August, 2023 with the requisite details of the contact person of the petitioners.

AP/498/2023 is disposed of in terms of the above.

Since learned counsel appearing for the respondent nos. 1-11 is uncomfortable with the allegations made in the application, the same shall be deemed not to have been admitted.

(MOUSHUMI BHATTACHARYA, J.)