

ORDER SHEET
AP-COM/359/2025
IN THE HIGH COURT AT CALCUTTA
ORDINARY ORIGINAL CIVIL JURISDICTION
COMMERCIAL DIVISION

M/S. NEW CLASSIC CATERERS PVT. LTD.
VS
UNION OF INDIA AND ORS.

BEFORE:
The Hon'ble JUSTICE SHAMPA SARKAR
Date: 7th May, 2025.

Appearance:
Mr. Sourath Dutt, Adv.
Mr. Arnab Dutt, Adv.
Ms. Labani Dey, Adv.
...for the petitioner

Mr. Siddhartha Lahiri, Adv.
Mr. Prithu Dudhoria, Adv.
...for the Union of India

The Court:

1. Affidavit of service is taken on record.
2. This is an application for appointment of a learned Arbitrator under Article 19 of the Master License Agreement dated February 8, 2019.
3. The petitioner was granted the licence to operate, manage and supply catering services to the respondents on the General Minor Unit (GMU). Accordingly, the petitioner was permitted to operate a stall from the Sealdah Station. The space was provided by the railways, for erection of

such stall. In the course of services rendered by the petitioner, disputes arose with regard to non-payment of outstanding licence fees. The petitioner supplied a payment plan. The petitioner submits that, although the respondents did not record acceptance of the supply plan in writing, in effect such supply plan was accepted and payments in tranches were being made with a request for adjustment of such payments against the total outstanding dues. Communications and letters have been annexed to show that the issue was being discussed and negotiated upon for a considerable time. The petitioner requested the authorities to adjust the outstanding from the security deposit.

4. The petitioner was asked by the respondents to extend the services for three more months, upon expiry of the term. The petitioner refused. Again, disputes and differences cropped up and the railway authorities terminated the contract with a direction for forfeiture of the security deposit. Such letter was issued on January 15, 2024. According to the petitioner, the grounds for termination were unsubstantiated. The allegation contained in the said letter were alien to the arrangement between the parties. The petitioner was debarred from participating in all catering contracts of the Indian Railways, including IRCTC, for a period of five years. The petitioner issued a demand of justice. The railway authorities did not take steps. The petitioner approached the civil court under Section 9 of the Arbitration and Conciliation Act, 1996. The learned civil court issued an ad interim injunction restraining the railway authorities from giving effect or further effect to the order of

debarment. The ad interim order is continuing. Thereafter, the petitioner issued a notice invoking arbitration on March 26, 2025, enumerating the claims and the disputes between the parties.

5. Mr. Lahiri submits that there is no live dispute. The petitioner had asked for adjustment of the security deposit against the dues payable. The petitioner had accepted that the dues were payable. The petitioner had accepted that the licence fees were not paid as per the terms and conditions of the Master License Agreement. The issue of debarment cannot be raised in this proceeding. The order of debarment was a consequential action taken by the railway authorities against the contractor, who did not comply with the rules and regulations prescribed by the railway authorities.
6. Considered the submissions. The fact that the parties agreed to refer all disputes arising out of the said Master License Agreement to arbitration, is not in dispute. The notice invoking arbitration enumerates the grievances of the petitioner and the disputes and differences which had arisen between the parties. The request for adjustment of the security deposit as per the plan submitted by the petitioner and termination of the Master License Agreement by the respondents, operate in two different fields. There is a dispute. Moreover, the letter of debarment clearly indicates that the debarment was a consequence of the petitioner not following the terms and conditions of the Master Licence Agreement.
7. Under such circumstances, this Court, prima facie, finds that there is a live dispute. The issues raised by Mr. Lahiri are with regard to the

arbitrability of the dispute. This can be raised before the learned Arbitrator along with all other objections that are available to the respondents.

8. As the referral court, I find that the disputes cannot be said to be either ex facie barred or deadwood. The arbitration clause is in place. All points are left open to be decided by the learned Arbitrator.
9. Under such circumstances, the Court appoints Mr. Suvasish Sengupta, learned Advocate (Mob. No.9830855276) as the learned Arbitrator, to arbitrate upon the disputes between the parties. This appointment is subject to compliance of Section 12 of the Arbitration and Conciliation Act, 1996. The learned Arbitrator shall fix his own remuneration as per the Schedule of the Act.
10. AP-COM/359/2025 is, accordingly, disposed of.

(SHAMPA SARKAR, J.)