

OCD -29

ORDER SHEET
IN THE HIGH COURT AT CALCUTTA
COMMERCIAL DIVISION
ORIGINAL SIDE

AP-COM/482/2025
SURYA ALLOY INDUSTRIES LIMITED
VS
SOUTH EASTERN RAILWAY AND ANR

BEFORE:

The Hon'ble JUSTICE SHAMPA SARKAR

Date: 19th June, 2025.

Appearance:

Mr. Tanoy Chakraborty, Adv.

Mr. Farhan Ghaffar, Adv.

Mr. Kallol Saha, Adv.

Mr. Akash Ghosh, Adv.

.... for the petitioner

Mr. Siddhartha Lahiri, Adv.

Mr. Guddu Singh, Adv.

...for the respondents

The Court: This is an application for appointment of an arbitrator in terms of clause 2903 of the Indian Railways Standard Conditions of Contract, 2022. The dispute arises out of supply of elastic rail clips in respect of the purchase order dated November 1, 2024. The clause provides that, in the event of any dispute and difference between the parties as to the construction and operation of the contract, the respective rights and liabilities arising therefrom and any matter in question or in case of dispute and difference on any account, the parties shall refer the dispute to arbitration. The parties may waive the applicability of Section 12(5) of the Arbitration and Conciliation Act, 1996. The place of arbitration would be within the geographical limit of the railways in

which the cause of action arose or the headquarters of the concerned railway, and according to valuation, the arbitral tribunal will be constituted.

Mr. Lahiri and Mr. Chakraborty submit that the parties agree that the dispute be referred to a sole arbitrator. The dispute arose out of rejection of the goods supplied by the petitioner pursuant to the purchase order dated November 1, 2024 on the ground that the same did not meet the specifications. The petitioner is also aggrieved by the warranty rejection advice and the threat of deduction and/or recovery of Rs. 1,30,95,641/-. The communications and prior proceedings do not indicate that there is a chance of amicable settlement and/or conciliation. The petitioner had approached this Court under Section 9 of the Arbitration and Conciliation Act, 1996 and an interim order was passed in favour of the petitioner.

As both the parties submit that applicability of Section 12(5) of the Arbitration and Conciliation Act, 1996 has not been waived and agree that a sole arbitrator be appointed and request the Court to refer the dispute before a sole arbitrator, the application is allowed.

In view of the submission of the learned counsel for the parties, this Court is of the view that the application should be allowed as there is a subsisting dispute with regard to the supply of elastic rail clips and *appoints* Mr. Subhankar Nag, learned Advocate, Bar Library Club, Mobile No. 9830012175, as the sole arbitrator, to arbitrate upon the disputes between the parties. The learned Arbitrator shall comply with the provisions of Section 12 of

the Arbitration and Conciliation Act, 1996. The learned Arbitrator shall be at liberty to fix his remuneration as per the Schedule of Arbitration and Conciliation Act, 1996.

(SHAMPA SARKAR, J.)

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