IN THE HIGH COURT AT CALCUTTA
ORDINARY ORIGINAL CIVIL JURISDICTION

AP/194/2025
GAGAN FERROTECH LIMITED
VS
LALIT KUMAR CHHANGANI

BEFORE:
The Hon'ble JUSTICE SHAMPA SARKAR
Date: 27th November 2025.

Appearance:-

Mr. DebrajSahu, Advocate
Ms. Antara Biswas, Advocate
Mr. Hareram Singh, Advocate
Mr. SaptarshiRanjan Chatterjee, Advocate
...for the petitioner.

Mr. Antarik Dawn, Advocate
... forthe respondent.

The Court:- The petitioner is engaged in the business of manufacture and sale of TMT bars. The respondent is a sole proprietor and engaged in the business of dealing in iron products, building materials etc. under the name and style of M/s. Jaishree Trading Company.

The petitioner contends that the respondent approached the petitioner to obtain dealership. The petitioner engaged the respondent as a dealer for its products and agreed to supply goods of diverse quantities and specifications as per the requirement of the respondent. The petitioner relies on various invoices to substantiate that goods were supplied to the respondent on various occasions and invoices were raised.

The specific allegation is that the respondent failed to make payment. The account between the parties was a running and continuous account. The petitioner informed the respondent that the supply would stop if the payments were not made. The parties tried to resolve the dispute by holding meetings. At one of such meetings, an agreement dated March 2, 2020 was entered into between the parties, whereby the respondent acknowledged and admitted that a total sum Rs.10,64,204/- on the date of the said agreement was due and payable by the respondent to the petitioner, on account of goods sold and delivered.

The said agreement contains an arbitration clause. According to the petitioner, after the agreement was executed, a further payment of Rs.2,05,868/- was made out of the total outstanding and as such, the dues of the petitioner was reduced to Rs.8,58,336/-. It appears that a cheque issued by the respondent was dishonoured and a notice was sent by the petitioner under Section 138 of the Negotiable Instruments Act, 1881. The petitioner invoked arbitration on August 2, 2023. The petitioner filed an application for appointment of an arbitrator being AP(COM)/583/2024. It was found that the notice of invocation mentioned an incorrect date. During the pendency of the said application for appointment of an arbitrator, a proper notice invoking arbitration was issued on August 5, 2024. AP(COM)/583/2024 was withdrawn with liberty to file afresh on the basis of the invocation dated August 5, 2024. It is submitted by Mr. Sahu that this Court should appoint a learned arbitrator to adjudicate the disputes between the parties on the basis of the invocation made.

Mr. Dawn, learned advocate for the respondent, submits that the deed was ante-dated. He questions the veracity of the same on the ground that as the invoice was raised sometime on March 21, 2020, the agreement dated

March 2, 2020 could not have been entered into between the parties for payment of the dues arising out of the invoice of March 21, 2020. He further submits that the dues as claimed were inflated as the respondent had made intermittent payments to the tune of Rs. 5,00,000 and above.

The objections of Mr. Dawn are triable issues. Whether the deed is ante-dated, whether the same was entered into between the parties, whether the invoices were correctly raised, whether payments were made thereafter, are all factual aspects which have to be decided by the learned arbitrator.

Under such circumstances, the application is allowed and accordingly disposed of by appointing Ms. Debjani Sengupta, Advocate [Mobile: 9836724635] as an arbitratorto 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 her remuneration as per the Schedule of the Arbitration and Conciliation Act, 1996.

(SHAMPA SARKAR, J.)

S. Kumar