

OCD 10

ORDER SHEET
AP-COM/896/2025
IN THE HIGH COURT AT CALCUTTA
COMMERCIAL DIVISION
ORIGINAL SIDE

SHYAM STEEL MANUFACTURING LIMITED
VS
RAJENDRA GEARS AND OTHERS

BEFORE:
The Hon'ble JUSTICE SHAMPA SARKAR
Date: 16th December, 2025.

Appearance:
Mr. Satadeep Bhattacharyya, Adv.
Mr. Nikunj Bhlia, Adv.
Ms. Sriparna Mitra, Adv.
Ms. Urvashi Jain, Adv.
. . .for the petitioner.

The Court:

1. Affidavit of service is taken on record.
2. Despite service, none appears on behalf of the respondents.
3. This is an application for appointment of an Arbitrator, to adjudicate upon the dispute arising out of the Master Purchase order dated 14th January, 2022 as also the amended and additional purchase orders both dated 28th July, 2022. The petitioner had allegedly issued the purchase orders to the respondents and the respondents were also paid substantial amount. However, disputes arose when the respondents did not supply the goods as per the specifications in the purchase orders. The petitioner alleges short delivery of materials by the respondents.

The petitioner alleges deficiency in service and in the quality of the goods.

4. Accordingly, a notice was issued to the respondents, asking them to compensate the petitioner on account of the short delivery of the goods and the alleged loss suffered by the petitioner. A notice invoking arbitration was thereafter issued on April 28, 2025 and the dispute raised in the notice is quoted below :-

“21. It is abundantly clear that disputes and differences have arisen between the parties. My Client, therefore entitled to claim a sum to the tune of Rs.2,80,97,177.58/- (Rupees Two Crores Eighty Lacs Ninety Seven Thousand One Hundred and Seventy Seven and Fifty Eight paisa) as on 30.04.2025 only in the manner and method as follows:

S.No.	Particulars	Amount (in Rs.)
1	Claim of weight deficiency (excluding 6 nos. motor gears wt)	1,17,99,995.00/-
2	Liquidated damages @ 5%	24,99,998.95/-
3	Amount of non delivered 6 nos. of motor gear	22,00,000.00/-
4	Repair, maintenance & replacement cost (excluding 6 nos. motor gear as above) incurred due to frequent shut down of mill.	30,87,213.00/-
	Current outstanding	1,95,87,206.95

5	Date of last payment made by my client	01/12/2022	85,09,970.63
	Current date	30/04/2025	
	No. of days	881	
	Simple interest @ 18% per annum		
	GRAND TOTAL		2,80,97,177.58/-

5. The petitioner nominated a learned retired Judge of the High Court at Calcutta as the sole Arbitrator. The respondents did not accede to such notice and did not respond. Thus, this application has been filed. The additional purchase order as also the master purchase order contains similar arbitration clauses. The parties have treated the said purchase orders as the part of the same transaction.
6. Under such circumstances, a composite reference is being sought for. The arbitration clause provides for settlement of dispute by a sole Arbitrator who shall be nominated by the parties. In this case, the mechanism has failed as there is no consensus with regard to reference to arbitration. The clause provides that the Courts at Kolkata shall have jurisdiction. Moreover, it is submitted that the purchase order was issued from Kolkata.
7. Under such circumstances, the Court appoints Hon'ble Justice Samapti Chatterjee, former Judge of this Court, as the Arbitrator, to arbitrate

upon the dispute between the parties. This order is subject to compliance of Section 12 of the Arbitration and Conciliation Act, 1996.

8. The learned Arbitrator shall fix her own remuneration as per the schedule of the Arbitration and Conciliation Act.
9. AP-COM 896 of 2025 is accordingly disposed of.

(SHAMPA SARKAR, J.)