

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

AP-COM/912/2025
INDERJIT MEHTA CONSTRUCTIONS PRIVATE LIMITED
VS
UNION OF INDIA AND ANR.

BEFORE:
The Hon'ble JUSTICE SHAMPA SARKAR
Date: 11th December, 2025.

Appearance:
Mr. Jishnu Saha, Sr. Adv.
Mr. Rohit Das, Adv.
Ms. Kishwar Rahman, Adv.
Ms. Divya Tekriwal, Adv.
Ms. Ambalika Majumder, Adv. ...for petitioner.

Mr. Swatarup Banerjee, Adv.
Ms. Sarda Sha, Adv. ...for respondents.

The Court: The present application has been filed for appointment of an Arbitrator under section 11(6) of the Arbitration and Conciliation Act, 1996 (hereinafter referred to as 'the said Act').

The petitioner claims to be a company carrying on business of construction and infrastructure development in Government projects as also in the private sector. The petitioner also claims to be an enlisted State Contractor with the Central Public Works Department (CPWD).

Through the Executive Engineer and Senior Manager (C) of IIT Kharagpur Project Division-I, CPWD, on behalf of the President of India, the respondents invited on-line bids on Engineering, Procurement and Construction (EPC) Contracts, from the enlisted contractors of CPWD.

The petitioner participated and the bid of the petitioner was accepted. A Letter of Acceptance was issued on March 25, 2020 along with a Letter of Letter of Intent dated June 1, 2020. The contract was subject to the terms and conditions of the General Conditions of Contract, 2020-EPC

Projects (hereinafter referred to as the 'GCC'). The GCC contains an arbitration clause.

The petitioner alleges that, the respondents failed to perform their obligation under the contract, which contained reciprocal promises. The work could not be completed within March 31, 2022, on account of the breaches allegedly committed by the respondents. Time for performance was also extended. Notwithstanding the defaults and breaches, the petitioner continued with the work. The work awarded under the contract was completed on March, 30, 2024 as against the stipulated date of March, 31, 2022. During the subsistence of the contract, several disputes arose between the parties. The petitioner approached the respondents for redressal of those issues. Allegedly, the respondents did not take any step and on account of such inaction, the petitioner invoked the arbitration clause.

It is specifically contended that a demand notice was issued earlier and the demands of the petitioner were rejected by a letter dated July 7, 2025. In terms of the agreement, the petitioner requested the Special Director General (Project Region Kolkata) to constitute a dispute redressal committee, which was not constituted. By a notice dated September 3, 2025, the petitioner invoked arbitration by appointing a retired Officer of the CPWD as one of its arbitrators from the list of empanelled arbitrators of CPWD and further requested the Divisional Special Director General (Project Region Kolkata) to appoint the second arbitrator, so that both the arbitrators could appoint the third and presiding Arbitrator. Despite such notice, the respondents failed to nominate the arbitrator which led to filing of this application. It is submitted that the respondents in the meantime also nominated another arbitrator.

Now, it is submitted by parties on consent that, the court may appoint a sole arbitrator, who is not an empanelled arbitrator of CPWD. This

prayer is made in consonance with the law laid down by the Hon'ble Supreme Court that, persons interested in the result of the arbitration or nominees of persons interested in the result of the arbitration will be disqualified to act as an arbitrator. Thus retired officers of the Railways should not be appointed as an Arbitrator as per the provision of Section 12(5) of the said Act.

In view of the existence of the arbitration clause and the consent of the parties to refer the dispute to a sole arbitrator, the application is allowed.

The Hon'ble Justice Subhro Kamal Mukherjee, former Chief Justice of the Karnataka High Court, is appointed as the Arbitrator, to resolve the disputes between the parties.

This order is passed subject to compliance of Section 12 of the Arbitration and Conciliation Act, 1996.

The learned Arbitrator shall fix his remuneration in terms of the Schedule of the Act.

AP-COM/912/2025 is accordingly disposed of.

(SHAMPA SARKAR, J.)

pkd.