

OCD 16

ORDER SHEET
AP-COM/984/2025
IN THE HIGH COURT AT CALCUTTA
COMMERCIAL DIVISION
ORIGINAL SIDE

AHLUWALIA CONTRACTS (INDIA) LIMITED
VS
EXECUTIVE ENGINEER, KOLKATA CENTRAL
DIVISION-VIII, CENTRAL PUBLIC WORKS
DEPARTMENT (CPWD)

BEFORE:

The Hon'ble JUSTICE SHAMPA SARKAR

Date: 23rd December, 2025.

Appearance:

Mr. Shatadru Chakraborty, Sr. Adv.

Ms. Rishika Goyal, Adv.

Mr. Indrani Joaddar, Adv.

. . .for the petitioner.

Mr. Sahasrangshu Bhattacharjee, Adv.

Mr. Loknath Chatterjee, Adv.

. . .for the respondent.

The Court:

1. The petitioner has filed this application for appointment of an Arbitrator under Clause 25(ii) of the Contract Agreement No.11/CE(Ez-1) EE/KCD-VII-2016-2017, which was entered into between the parties. The Clause provides for settlement of disputes by arbitration.
2. The petitioner submits that all attempts at resolution through conciliation and by the Dispute Redressal Committee had failed. Under such

circumstances, as the provision of the contract stipulates that such dispute shall be referred to the adjudication of a sole Arbitrator, the petitioner invoked arbitration. The sole Arbitrator is to be appointed by the Chief Engineer, CPWD, in-charge of the work. In the event there is no Chief Engineer the Additional Director General of the concerned region or the Special Director General or the Director General, CPWD shall appoint the Arbitrator.

3. In terms of the contract, the party invoking arbitration is required to prepare a list of disputes and the claim and put the same in the notice invoking arbitration. Accordingly, it is submitted that disputes arose between the parties in respect of unpaid dues which were in the nature of a claim for compensation/damages for the prolonged delay on the part of the CPWD in getting the site ready for the petitioner to commence and complete the works within the stipulated period.
4. Mr. Chakraborty learned Senior Advocate further submits that apart from such prayer for outstanding dues towards escalation, the list of disputes have been enumerated elaborately in the notice invoking arbitration and prior notices. It is submitted that the disputes are not only limited to the prayer for compensation, but are on various issues.
5. Mr. Bhattacharjee, learned advocate for the respondent, submits that the claims of the petitioner are not admissible. The respondent had discharged its obligations arising from the contract. The disputes are non-arbitrable. The claims are inadmissible. There is an arbitration clause. The notice

invoking arbitration was issued on May 28, 2025. The dispute could not be resolved by the Dispute Redressal Committee. Hence this application.

6. Having heard learned advocates for the respective parties, it is evident that there is an existing dispute. The pre arbitration conciliation process has failed. The Dispute Redressal Committee also failed to resolve the dispute. The notice invoking arbitration was duly issued. The clause provides for appointment of an arbitrator unilaterally by an officer of the respondent, which is impermissible in law. Under such circumstances, the petitioner has rightly approached this Court for appointment of an arbitrator.
7. The application is allowed. This Court appoints Justice Subhro Kamal Mukherjee, Former Chief Justice of the Karnataka High Court, 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 remuneration as per the Schedule of the Act.

(SHAMPA SARKAR, J.)