

OCD 8

ORDER SHEET
AP-COM/26/2026
IN THE HIGH COURT AT CALCUTTA
COMMERCIAL DIVISION
ORIGINAL SIDE

BHARAT PETROLEUM CORPORATION LIMITED
VS
SANGEETA RANI SAHU

BEFORE:
The Hon'ble JUSTICE SHAMPA SARKAR
Date: 10th February, 2026.

Appearance:
Mr. Sanjib Mr. Mal, Adv.
Ms. Shomrita Das, Adv.
Mr. Shomrik Das, Adv.
...for the petitioner

The Court:

1. Affidavit of service is taken on record.
2. Under Clause 35 of the Distributorship Agreement service will be deemed to be effected. It was sent to the last known address of the respondent at its place of business. Moreover, it appears to this Court that various correspondences between the parties took place and the letters of the respondent were addressed to the residential address of the respondent. The letter dated August 7, 2023 with regard to the

stoppage of supply and the show-cause notices and the notices of the meetings were served at the residential address of the respondent.

3. The first affidavit of service shows attempt of the postal authorities to serve the respondent at the place of business and the second affidavit of service shows that the respondent was served with a copy of the application at the residential address which was also another address for communication between the parties.
4. Under such circumstances, the application is taken up in the absence of the respondent. The respondent does not appear despite service.
5. The petitioner and the respondent entered into a Distributorship Agreement on February 25, 2016. The agreement was for sale of Liquid Petroleum Gas (LPG) known as Bharat Gas. The agreement was renewable after every five years. It is contended by the petitioner that the clauses of the agreement were violated and show-cause notices were issued. The petitioner imposed penalty on the respondent upon detecting severe irregularities.
6. The petitioner contends that despite issuance of show-cause notices and communications, the petitioner failed to attend the meetings to resolve the dispute between the parties. The details of violation of the terms and conditions have been enumerated in paragraphs 12 and 13 of the application. Reminders were also sent to the respondent, but the respondent did not pay any heed to the same. The claim of the petitioner on account of unpaid penalty is more than Rs.32 lakhs. The petitioner also claims that over and above the said amount, interest of

18% was also payable by the respondent. Clause 38 of the Distributorship Agreement provides an arbitration clause. The clause provides that the Director (Marketing) or any other officer designated by the Director (Marketing) shall be appointed as an Arbitrator. The agreement provides that Courts at Kolkata will have jurisdiction over all issues arising out of the said Distributorship Agreement. Clause 37 provides that the agreement has been subjected to, in all respects, to the local jurisdiction of Kolkata. The payments thereunder shall be due and made in Kolkata. The parties further agreed under Clause 38(g) that the courts in the city of Kolkata alone shall have jurisdiction to entertain any application or proceedings arising out of the agreement. Under such circumstances, this application has been filed before this Court, invoking the jurisdiction of the Court to appoint an Arbitrator, for resolution of the disputes between the parties. The petitioner has approached this Court also on the ground that unilateral appointment of an arbitrator by the Director (Marketing) of the Corporation is no longer permissible in law. The notice invoking arbitration was sent to the respondent on July 10, 2024. Accordingly, the application is allowed.

7. The Court appoints Mr. Priyankar Saha, learned Advocate (Mob. No.9830015091), as the 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 own remuneration as per the Schedule of the Act.

8. All points are left open, to be raised before the learned Arbitrator, including the objections with regard to jurisdiction, arbitrability, limitation etc.
9. AP-COM/26/2026 is, accordingly, disposed of.

(SHAMPA SARKAR, J.)