

ORDER SHEET

IN THE HIGH COURT AT CALCUTTA
COMMERCIAL DIVISION
ORIGINAL SIDE

AP-COM/92/2026

DEBNATH CHATTERJEE
VS
SYSTRON ELECTRONICS PRIVATE LIMITED

BEFORE:
THE HON'BLE JUSTICE GAURANG KANTH
Date: 2nd February, 2026.

Appearance:

Mr. Jishnu Chowdhury, Sr. Adv.
Mr. Arik Banerjee, Adv.
Mr. Jayadeb Ghorai, Adv.
Mr. Satyaki Chakraborty, Adv.
Mr. Suman Chatterjee, Adv.
Mr. Saugata Banerjee, Adv.
Mr. Diptesh Ghorai, Adv.
...for the petitioner

Ms. Monika Kalra, Adv.
Mr. Farhan Gaffar, Adv.
Mr. Debarshi Das, Adv.
Mr. S. Gulati, Adv.
Mr. Saswata Tripathi, Adv.
Ms. Prerna Vishwas, Adv.
...for the respondent

The Court: Supplementary affidavit filed by the petitioner is taken on record.

The petitioner has preferred the present petition under Section 9 of the Arbitration and Conciliation Act, 1996, seeking appointment of a Special Officer for preparation of an inventory of all materials belonging to the petitioner lying at site and the materials particularized in Annexure 'Z' along with the other prayers mentioned in the present petition.

It is the case of the petitioner that the respondent had issued a work order dated 15th February, 2025 for construction of a multi-storeyed

commercial building comprising of B+G+11 plus three extra floors at J-5, Block No. GP, Sector-V, Salt Lake City, Kolkata-700091.

The project was to be completed within 540 working days commencing from 1st March, 2025. The contract value of the project was Rs. 9,65,00,010/-. The payment of the bills was to be made by the respondents to the petitioner within 14 working days from the date of submission of the R.A. Bills. Clause 13 specifically provides that upon certification of the R.A. Bills, 95% of the certified bill amount, after deduction of 5% towards retention value, was to be released within 14 working days. The final bill was required to be paid within 30 days from the date of issuance of certificate by the Engineer-in-Charge.

As on date, the petitioner has completed construction till 6th floor slab/5th floor roof. In terms of the work done from time to time, the petitioner has raised ten invoices upon the respondent from 30th April, 2025 to 9th January, 2026 for a total sum to Rs.5,80,46,099.04/- out of which the respondent has made part payment of Rs.4,42,03,873/-.

It is the contention of the petitioner that after deducting TDS and retention money, the net payable amount comes to Rs. 5,50,94,602.58/-. However, adjusting the part payment made, as on date the outstanding amount remains payable by the respondent to the petitioner for a sum of Rs.1,08,90,729.58/-. In addition to that, the retention money amounting to 5% of the total 'works done bills value' raised in terms of the work order amounting to Rs.24,59,580.47/- also remains due and payable. The petitioner on 08.01.2026 received a Whatsapp message from the respondent asking the petitioner to stop the work immediately with effect from

09.01.2026 and further asked them to submit the updated bills. The petitioner stopped work with immediate effect and submitted updated bills. On 13.01.2025, the respondent issued another letter citing safety reasons and asked the petitioner to stop the work with immediate effect. Thereafter, settlement talks were underway between the parties and the petitioner was further allowed to perform the work. Thereafter, vide letter dated 23.01.2026, the respondent called upon the petitioner and its staff to vacate the said site and thereafter stopped electricity and water connection.

It is the submission of the petitioner that the material amounting to Rs.3,19,60,054/- has been lying on the site. It is the contention of the petitioner that the termination of the work was illegal and erroneous. He further states that as per the arbitration clause the dispute is amenable to arbitration and the seat of arbitration is at Calcutta.

Learned counsel for the respondent disputes the contention advanced by the petitioner regarding the alleged outstanding amount and the other contentions. However, without prejudice to the rights and contentions of the parties, with a view to expedite the proceedings, learned counsel for the respondent fairly submits that the respondent is agreeable to grant of prayer (b) to the petitioner at this stage. Learned counsel for the respondent assures the Court that the respondent shall fully cooperate with the Special Officer appointed by this Court for the purpose of preparation of inventory and for conducting joint measurement of the work executed by the petitioner. She further submits that the Petitioner and the Respondent may each nominate one representative/Special Officer to jointly carry out the inspection and preparation of the inventories.

In view thereof, with the consent of the parties, this Court deems it appropriate to appoint Mr. Satyaki Chakraborty, Advocate and Mr. Debarshi Das, Advocate, as Special Officers to prepare the inventory and conduct joint inspection as prayed for by the petitioner in terms of prayer (b) of the present petition. The respective engineers of both the parties shall render necessary assistance to the Special Officers for carrying out the said exercise.

Learned counsel for both the parties shall also remain present at the site during the execution of the assigned work.

At this stage, learned counsel for the parties after taking instructions from their respective clients, jointly submit that this matter could be referred to arbitration and that Hon'ble Justice I. P. Mukerji (retired) could be appointed as the arbitrator to adjudicate the disputes between the parties.

In view of the said submissions, this Court appoints Hon'ble Justice I. P. Mukerji (retired) as a learned sole arbitrator to adjudicate the disputes between the parties.

The learned arbitrator shall be at liberty to determine his remuneration in terms of the Fourth Schedule of the Arbitration and Conciliation Act, 1996. The inventory shall be prepared within a period of two weeks and the same shall be submitted before the learned arbitrator after constitution of the arbitral tribunal.

The learned sole arbitrator shall adjudicate all the disputes between the parties without being influenced by any of the observations made in the present order. The parties shall be at liberty to raise all their claims and counterclaims and applications before the learned sole arbitrator to be decided in accordance with law.

Accordingly, the present petition stands disposed of.

(GAURANG KANTH, J.)

S. A./ R.D Barua