

OCD 7

ORDER SHEET
AP-COM/1005/2025
IN THE HIGH COURT AT CALCUTTA
COMMERCIAL DIVISION
ORIGINAL SIDE

SREI EQUIPMENT FINANCE LIMITED
VS
SS GULIA ASSOCIATES AND ANR.

BEFORE:

The Hon'ble JUSTICE SHAMPA SARKAR

Date: 3rd February, 2026.

Appearance:
Mr. Swatarup Banerjee, Adv.
Mr. Sariful Haque, Adv.
Mr. Subhankar Chakraborty, Adv.
Ms. Harshita Nath, Adv.
...for the petitioner

The Court:

1. Affidavit of service is taken on record. The respondents have refused service. Refusal is good service. The matter is taken up in their absence.
2. It appears that the petitioner raised a dispute by invoking the arbitration clause and the notice invoking arbitration was issued on August 28, 2025 by the learned advocate for the petitioner. It appears to this Court that the said notice was posted upon due stamping at the concerned post office on August 30, 2025. The postal department had attempted to serve the postal article upon the respondents at their last known address provided in the agreement. Under such circumstances,

this Court, prima facie, finds compliance of Section 3(1)(b) of the Arbitration and Conciliation Act, 1996 and holds that the application before this Court is maintainable as there is a presumption of service of the notice under Section 21 of the Arbitration and Conciliation Act, 1996.

3. The disputes between the parties arise out of the Loan Agreement dated March 15, 2017. A loan agreement was entered into between the parties bearing agreement No.129102 dated March 15, 2017. The said agreement provides for resolution of disputes between the parties through arbitration.
4. Clause 9.11 of the agreement for loan specifies that each and every dispute or difference arising out of the agreement including any dispute with regard to outstanding dues, shall be resolved by arbitration. The arbitration shall be conducted in accordance with the provisions of the Arbitration and Conciliation Act, 1996 and the rules framed thereunder. A single arbitrator to be appointed by the lender to adjudicate the dispute. The venue of arbitration shall be Kolkata. Parallel agreement, that is, a personal guarantee agreement was also entered into between the parties. Under Clauses 34 and 36 of the personal guarantee agreement each and every clause of the loan agreement including, the arbitration clause was made applicable. The petitioner seeks appointment of an arbitrator to adjudicate the dispute arising out of the three agreements.

5. It is submitted that the respondents defaulted in making payment of the monthly instalments and thus, committed breach of the terms and conditions of the agreements. The agreements were terminated by a notice dated July 7, 2025. In view of the aforementioned disputes, the petitioner seeks reference of the matter to a sole arbitrator. The prayer is allowed.
6. Under such circumstances, the Court appoints Mr. Ashim Kumar Banerjee former Acting Chief Justice of this 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/her own remuneration as per the Schedule of the Act.
7. AP-COM/1005/2025 is, accordingly, disposed of.

(SHAMPA SARKAR, J.)