

IN THE HIGH COURT AT CALCUTTA
(COMMERCIAL DIVISION)
ORIGINAL SIDE
AP-COM/380/2026

SURYA ALLOY INDUSTRIES LIMITED
VS
SOUTH EASTERN RAILWAY AND ORS.

BEFORE:

The Hon'ble JUSTICE ARINDAM MUKHERJEE

Date : 30th June, 2026.

Appearance:
Mr. Joydip Kar, Sr. Adv.
Mr. Tanoy Chakraborty, Adv.
Mr. Siddharth Shroff, Adv.
... for the petitioner.
Mr. Siddhartha Lahiri, Adv.
Mr. Prithu Dudhoria, Adv.
...for respondents.

The Court: Pursuant to and in terms of the order dated 25th June, 2026 the respondents being the South Eastern Railway and its officers have given a proposal for holding joint inspection of the goods sold and delivered by the petitioner which were rejected by three Warranty Rejection Advices all dated 1st May, 2026. It is an admitted position that an aggregate quantity of 208000 pieces of Elastic Railway Clips MK-V (hereinafter referred to as 'the said goods') were supplied by the petitioner on 12th July, 2024, 14th July, 2024 and 7th September, 2024 pursuant to the same being approved by RDSO, the approving agency under the contract.

After hearing the matter on 25th June, 2026 it was found that the rejection advices were issued without there being any joint inspection of the goods for identifying the nature of the defects. This Court is of the view that a joint inspection ought to have been held prior to issuing three Warranty Rejection Advices as the rejection has taken place though within the

warranty period of 30 months but about two years from the date of supply. The grounds of rejection are also not clearly spelt out in the three Warranty Rejection Advices.

In the aforesaid facts and circumstances, this application is disposed of by setting aside and/or quashing the three Warranty Rejection Advices all dated 1st May, 2026 appearing at pages 63, 65 and 67 of the instant application by directing the parties to hold a joint inspection and thereafter take necessary steps in accordance with law. The dates of inspection, by consent of the parties, are fixed on 8th July, 2026, 9th July, 2026 and 10th July, 2026. The parties shall cooperate and make all possible endeavour to complete the joint inspection within the said period and if required by random sampling by drawing the entire quantity in lots. The setting aside of the three Warranty Rejection Advices should not be construed to be on the ground of illegal rejection of goods by the Railways but are set aside only because the joint inspection did not take place for prima facie qualitative analysis of the materials prior to rejection. If the goods are found to be de hors the specification or inferior or off grade goods, the Railways will be at liberty to reject the same pursuant to the joint inspection. It will also be open to the petitioner to challenge the rejection, if so made after the joint inspection in accordance with the contractual provisions and the law.

AP-COM 380 of 2026 is, accordingly, disposed of.

(ARINDAM MUKHERJEE, J.)