

OCD -13

ORDER SHEET

IN THE HIGH COURT AT CALCUTTA
COMMERCIAL DIVISION
ORIGINAL SIDE

AP-COM/882/2025
L AND T FINANCE LIMITED
VS
M/S KIRTAN INTERNATIONAL AND ORS

BEFORE:

The Hon'ble JUSTICE SHAMPA SARKAR

Date: 27th November, 2025.

Appearance:

Ms. Shrayashee Das, Adv.

Mr. Tridibesh Dasgupta, Adv.

Mr. Shubhayan Chakraborty, Adv.

Ms. Rashmi Dahiya, Adv.

...for the petitioner

The Court: Affidavit of service is taken on record. Despite service none appears on behalf of the respondents.

The petitioner prays for appointment of an arbitrator in terms of clause 12 of the loan agreement dated September 27, 2022. The respondent no. 1 is the proprietorship firm, respondent no. 2 is the proprietor and respondent no. 3 is the co-borrower. The petitioner had extended credit facilities to the respondents and the loan agreement was entered into on September 27, 2022. The respondents were required to repay the principal and interest in terms of the repayment schedule. The petitioner alleges that the respondent did not pay the instalments. Although intermittent payments were made, the outstanding

dues at the time of invocation were above Rs. 37 lakhs. The loan agreement contains an arbitration agreement which is quoted below :

“All disputes, differences, claims and questions whatsoever arising out of or relating to or connected with this agreement between the Parties and/or their respective representatives touching and concerning these presents including the construction or operation of this agreement, the respective right and obligation of the parties shall be referred to arbitration under the Arbitration and Conciliation Act, 1996. The Award given by the Arbitrator shall be final, conclusive and binding on all parties. The Arbitration shall be conducted in accordance with the Arbitration and Conciliation Act, 1996, as amended and will be in English Language. The arbitration proceedings shall be held at Kolkata. The borrower will bear the entire cost of Arbitration without having any right to claim any reimbursement from the said lender. The arbitrator shall have all the powers of an Arbitrator under the existing laws including powers to pass interim orders and interim awards.”

The agreement was terminated on May 24, 2023. Under clause 12 of the loan agreement the dispute arising out of the said agreement is referable to arbitration. On May 15, 2023 the petitioner appointed an arbitrator unilaterally, but on January 15, 2024 the learned arbitrator recused from the reference by tendering resignation. A further notice invoking arbitration was issued on October 7, 2025. As per the said notice, the petitioner's claim was above Rs. 37 lakhs and as of today the sum due is Rs. 41,79,224.48.

Under such circumstances, the application is allowed, leaving the point of arbitrability of the dispute, admissibility of the claims, limitation etc., open and to be decided by the learned arbitrator, if raised.

Mr. Abhidipto Tarafdar, learned Advocate, Bar Library Club, is appointed as the learned Arbitrator.

The learned Arbitrator shall comply with the provisions of Section 12 of the Arbitration and Conciliation Act, 1996. The learned Arbitrator shall be at liberty to fix his remuneration as per the schedule of Arbitration and Conciliation Act, 1996.

(SHAMPA SARKAR, J.)