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ORDER SHEET
IN THE HIGH COURT AT CALCUTTA
COMMERCIAL DIVISION
ORIGINAL SIDE

AP-COM/996/2025
M/S UGRO CAPITAL LIMITED
VS
PROFICIENT WORKING ZONE AND ORS.

BEFORE:
The Hon'ble JUSTICE SHAMPA SARKAR
Date: 20th January, 2026.

Appearance:
Mr. K. K. Pandey, Adv.
Ms. Sonia Nandy, Adv. ...for petitioner.

The Court: Affidavit of service filed in court today is taken on record. None appears on behalf of the respondents.

The petitioner is a non banking financial services company. The petitioner is engaged in the business of providing customized loan solutions to business entities. The respondent no.1 is a partnership firm and the respondent nos.2 and 3 are partners. Respondents allegedly approached the petitioner for some funds and a sum of Rs.25,40,000/- was extended by the petitioner.

The loan agreement was entered into between the parties on May 9, 2024. The agreement was signed and executed by the parties in Lucknow. The petitioner alleges that under the agreement, the borrowers were jointly and severally liable and responsible for all obligations arising therefrom. The tenure of the loan facility was for 24 months and was to be repaid by means of monthly instalments of Rs.1,28,656/-. Any failure on the part of the borrower to repay the loan or interest or additional interest would be construed as an event of default under the terms and conditions of the

agreement. Any breach committed by the borrower of the terms of the agreement would also constitute an event of default.

The respondents defaulted in making payment.

By a letter dated October 10, 2025, the petitioner recalled the loan and called upon the respondents to make an aggregate payment for a sum of Rs.12,21,019/-.

The agreement provides that disputes, differences, claims and questions arising out of the loan agreement dated May, 9 2024 shall be settled by arbitration and the arbitration proceeding shall be held in Kolkata. The courts in Kolkata shall have the exclusive jurisdiction. As the venue and seat of the arbitration has been provided to be Kolkata and there is no other contrary indication as to the jurisdiction of any other place, this application has been filed before this court for appointment of an arbitrator and reference of the dispute between the parties to the said arbitrator.

In view of the forum selection clause and the overall governing jurisdiction clause, this application is entertained. The respondents have not appeared before this court to oppose this application. The notice invoking arbitration was issued on November 11, 2025 and the petitioner suggested the name of SAMA to facilitate an institutional arbitration. The respondents objected to such request.

Clause 18 of the agreement provides for settlement of disputes through arbitration, to be held by an Institute recognized by the Government of India. As the respondents did not agree to the Institution suggested by the petitioner, this court finds that the mechanism prescribed under clause 18 has failed. The clause provides that the seat and venue of arbitration shall be conducted through conventional means at Kolkata.

Accordingly, Ms. Nilanjana Addya, learned Advocate, Bar Library Club, is appointed as the learned Arbitrator to resolve the disputes between the parties. The learned Arbitrator shall fix his remuneration in terms of the Schedule of the Act.

This order is passed subject to compliance of Section 12 of the Arbitration and Conciliation Act, 1996.

All issues and objections raised by the respondents, shall be decided by the learned Arbitrator.

AP-COM 996 of 2025 is accordingly disposed of.

(SHAMPA SARKAR, J.)

pkd.