

ORDER

OD - 19

IN THE HIGH COURT AT CALCUTTA
ORDINARY ORIGINAL CIVIL JURISDICTION
ORIGINAL SIDE

AP/107/2026
MR. AJIT CHAND BOTHRA
VS
MR. RONAK PRAVIN SHAH

BEFORE
HON'BLE JUSTICE GAURANG KANTH
Date: July 14, 2026.

Appearance:-
Mr. Shailendra Jain, Adv.
Mr. F. Ghaffer, Adv.
Mr. Z. Jilani, Adv.
...for petitioner.

The Court:- The petitioner has preferred the present application under Section 11(6) of Arbitration and Conciliation Act, 1996 seeking appointment of a neutral and independent sole Arbitrator to adjudicate the disputes and differences arising out of the personal loan agreement dated 1st February, 2023 executed between the parties.

Learned counsel for the petitioner states that pursuant to the said personal loan agreement, the petitioner had advanced an amount of Rs.1 crore to the respondent. The loan carried interest at the rate of 11% per annum and was repayable within a maximum period of twelve months from the date of loan disbursement. The loan amount was admittedly disbursed to the respondent through RTGS.

Learned counsel for the petitioner submits that the respondent had approached the petitioner for financial assistance and on the basis of such request, the parties entered into the personal loan agreement. The agreement stipulated that the loan would mature in February, 2024.

Learned counsel for the petitioner states that upon maturity of the loan, the respondent failed and neglected to repay either the principal amount or the accrued interest despite repeated oral and written demands.

The petitioner relies upon the email dated 16.04.2025 whereby the respondent is alleged to have acknowledged his liability in respect of outstanding dues. Notwithstanding such acknowledgement, no payment was made. The records further disclose that a final reminder was issued on 30th August, 2025 followed by a legal notice dated 04.09.2025 calling upon the respondent to repay the outstanding principal amount of Rs.1 crore together with accrued interest of Rs.30,67,798/- aggregating to 1,30,67,798/-. The respondent did not comply with the said demand.

Learned counsel for the petitioner submits that the agreement contains a dispute resolution clause requiring the parties to first attempt amicable settlement before commencement of the arbitral proceedings. In terms thereof, the petitioner issued a dispute notice dated 22.11.2025 calling upon the respondent to amicably resolve the disputes within the stipulated period. No settlement could be arrived at between the parties. Thereafter, the petitioner issued notice dated 15.12.2025 under Section 21 of the Act, invoking the arbitration clause contained in the agreement. It is submitted that despite receipt of the said notice, the respondent failed to take any steps for constitution of the arbitral tribunal. Learned counsel for the petitioner further states that the petitioner instituted proceedings under Section 9 of the Arbitration and Conciliation Act being AP No.35 of 2025 seeking interim protection. By an order dated 12th May, 2026, this Court granted interim relief restraining the respondent from operating the bank

account maintain with ICICI Bank, Mumbai. The said proceeding is still pending before this Court.

Learned counsel for the petitioner submits that the disputes and differences have arisen between the parties in relation to the repayment of the loan amount together with contractual interest. It is further submitted that the loan agreement contained a valid and subsisting arbitration clause. The arbitration clause further entitled this Court to have the jurisdiction to entertain the present petition.

Having considered the materials placed on record and the submissions advanced on behalf of the petitioner, this Court is of the prima facie view that the personal loan agreement was duly executed between the parties and contains a valid arbitration clause.

The disputes sought to be referred arise out of the said agreement and are covered by the arbitration clause contained therein. Accordingly, this Court is of the view that the present case is a fit one for appointment of an arbitrator in terms of Section 11(6) of the Act.

In view of the same, Mr. Shuvasish Sengupta (9830855276) is appointed as a sole arbitrator to adjudicate the disputes between the parties.

The learned Sole Arbitrator shall enter reference in due compliance with Section 12(5) of the Act.

The learned Sole Arbitrator shall fix his remuneration in terms of the fourth schedule of the Act.

A copy this order shall be communicated to the learned Sole Arbitrator to take necessary steps.

It is clarified that all questions relating to the arbitrability of the disputes, the admissibility of the claims, limitation, jurisdiction, and all other issues are left open to be urged before the learned Sole Arbitrator, who shall decide the same in accordance with law.

With the aforesaid directions, the present petition stands disposed of.

(GAURANG KANTH, J.)

R. D. Barua