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IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 22-09-2025

CORAM

THE HONOURABLE MR JUSTICE N. ANAND VENKATESH

Arb O.P(COM.DIV.) No. 377 of 2025

Five Star Business Finance Limited
Rep by its Legal Officer
Mr.MadhuSandanSomeswaran,
Registered Office at New No.27,
Old No.4 Taylors road,
Kilpauk, Chennai-600010.

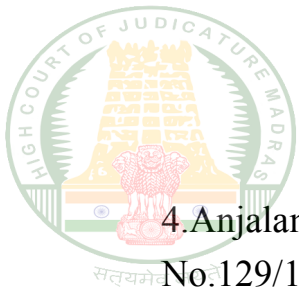
Petitioner

Vs

1. Kumaresan P
No.129/1 Perumal Kovil Street Thodur
Village Neervallur Post
Kanchipuram,Tamil Nadu-631561.

2.Shalini Tamil Kumar
No.129/1 Perumal Kovil Street Thodur
Village, Neeravallur Post
Kanchipuram,Tamil Nadu-631561.

3.Paneerselvam.K
No.129/1 Perumal Kovil Street
Thodur Village, Neeravallur Post
Kanchipuram,Tamil Nadu-631561.



4. Anjalam Paneerselvam

No.129/1 Perumal Kovil Street Thodur

Village, Neeravallur Post

Kanchipuram, Tamil Nadu-631561.

5. Nithyanaandam.P

No.129/1 Perumal Kovil Street Thodur

Village, Neeravallur Post

Kanchipuram, Tamil Nadu-631561.

Respondent(s)

PRAYER

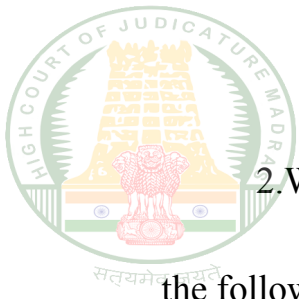
Petition filed under Section 11(5) of the Arbitration and Conciliation Act, 1996, to appoint an Arbitrators to decide the disputes and differences between the Petitioner and Respondent in terms of Loan Agreement dated 26.12.2022

For Petitioner(s): M/s.P.H.Vinodh Pandian

For Respondent(s): No appearance

ORDER

This petition has been filed under Section 11(5) of the Arbitration and Conciliation Act, 1996 [hereinafter referred as 'the Act'] for appointment of an Arbitrator to decide the disputes/differences between the petitioner and the respondents in terms of the Loan Agreement dated 26.12.2022.



2. When the matter came up for hearing on 09.07.2025, this Court passed the following order:

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This petition has been filed under Section 11 of the Arbitration and Conciliation Act seeking for appointment of an Arbitrator by this Court.

2. There seems to be a dispute between the petitioner and the respondents arising out of the Loan Agreement dated 26.12.2022. There exists an arbitration clause in the Loan Agreement dated 26.12.2022. The same is extracted hereunder:

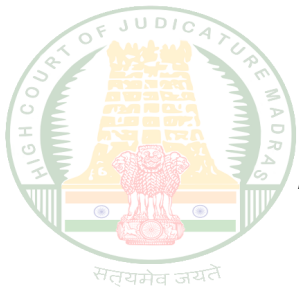
'ARTICLE 10: ARBITRATION GOVERNING LAW, DISPUTE RESOLUTION AND JURISDICTION: (Art 10 existing agreement)

1. This Agreement shall be governed by and construed in accordance with the laws of India.

2. Any and all dispute(s), difference(s) and/or claim(s) arising out or touching upon this Agreement or in relating to this Agreement, whether during its subsistence or thereafter, shall be referred to the Arbitration by a Sole Arbitrator to be appointed by any one of the below mentioned 'arbitral institution' in accordance with the provisions of the Arbitration and Conciliation Act, 1996 or any statutory amendments thereof from time to time.

a. Council for National and International Commercial Arbitration (CNICA) currently having its office at Unit No.208, 2nd Floor, Beta Wing, Raheja Towers, Nos.113-134, Anna Salai, Chennai 600 002, or

b. Southern India Chamber of Commerce and Industry (SICCI), currently having its Office at Indian Chamber Buildings, P.B. No. 1208,



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Esplanade, Chennai-600 108, or

c. Kovise Foundation Conflict Resolution International (KFCRI),

*currently having its Office at G-2, Plot No.108, Majestic Colony,
Valasarawakkam, Chennai 600 087, or*

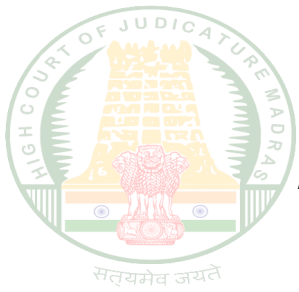
*d. Any arbitral institution designated under the provisions of the
Arbitration and Conciliation Act, 1996 (the act) or any panel of
arbitrators maintained under the provisions of the act.*

*The entire arbitral proceedings shall be conducted by the
Arbitrator in the manner he/she considers appropriate, and the award
rendered by the Arbitrator shall be final and binding on all the parties
to this agreement. The arbitral institution shall provide administrative
assistance to the Arbitrator to facilitate the conduct of the arbitral
proceedings, if he/she chooses to avail such assistance from the
institution.*

*3. The Arbitrator shall be entitled to, at his/her discretion
conduct the proceeding in-person and/or through exchange of mail,
email and/or any other mode of electronic communication including
video conferencing (VC), online, virtual hearing etc., using an external
application or platform, if necessary. The parties to the arbitration
proceeding shall be bound by the decision of the arbitrator in this
regard.*

*4. The parties hereby consent to have the arbitral proceeding
conducted by a written pleading, documents, written submissions
and/or any other electronic mode of communication-based arbitration
as may be determined by the arbitrator.*

*5. The parties herein agree not to insist on in-person and/or oral
hearing except in certain exceptional circumstances as the Arbitrator*



may deem fit.

6. The Parties herein agree that the venue and seat of the arbitration proceeding shall be usually at Chennai or in exceptional circumstances any other place as deemed fit by the Arbitrator.

7. The language of arbitral proceedings shall be English.

8. The parties herein agree that in the event of death of the Arbitrator to whom the matter has been originally referred or the Arbitrator being unable or unwilling to act as arbitrator for any reason whatsoever, the arbitral institution shall substitute another person as it may deem fit to act as Arbitrator, who shall proceed with the reference from the stage, at which it was left by his/her predecessor.

9. The Arbitrator so appointed shall have the power to pass an award on the secured asset or any other security or interest created between the parties and also to pass interim orders/directions as may be appropriate to protect the interest of the parties pending adjudication of the claim and/or resolution of the disputes.

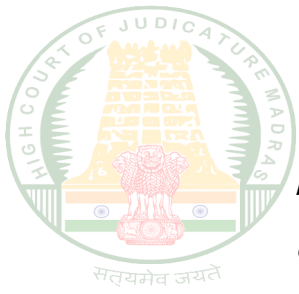
10. Parties also consent to the following:

a. to send a copy of the award through post/courier or a scanned image or such an award to the parties through mail/email or any other electronic mode through such institution which shall be considered as signed copy for the purposes of the Act.

b. if the award is not made or could not be made within 12 months from the date of completion of pleadings by the arbitrator, for any reason whatsoever, the parties hereby consent for an extension of time for another six months.

11. In respect of the arbitral proceeding, all notices, processes and communications in that regard to all the parties shall be through

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post/courier and/or mail/email and/or any other electronic mode of communication, as may be determined by the arbitrator and if resorted to, shall be a valid service of notices, processes and communications on the parties. Any notice, processes and communications issued to the counsel or representative representing the parties to the arbitration proceeding shall be deemed and valid service on the parties.

12. The post/courier and/or mail/email and/or any other electronic mode of address provided by the Borrower(s)/Guarantor(s) to the lender under the agreement or any other document executed by the Borrower(s)/Guarantor(s) with the lender/company shall be deemed to be an active postal/mail/email and/or any other electronic mode of address and any service effectuated upon such postal/mail/email and/or any other electronic mode of address shall be deemed to be completed. Any change or other discrepancies in the postal/mail/ email and/or any other electronic mode of address provided above, shall be informed to the lender/company promptly.

13. All communications shall be considered to have been received by the parties within seven days from the time of sending the communication. In case, if after expiry of seven days from the date of communication, there lies no response from the parties, it shall be the discretion of the Arbitrator to proceed with the arbitration proceeding and/or render the award as the case may be in their absence.

14. It shall be the responsibility of the parties to maintain sufficient space in the email account and/or in any other mode of electronic account(s) and also to have supporting applications/software in their computer/mobile/any other electronic device or accessories and infrastructure required to access the electronic documents sent to them



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and also to enable the arbitrator to conduct the arbitration proceeding through VC, online, virtual hearing etc.

15. Unless otherwise directed by the Arbitrator, the existence or subsistence of a dispute or the commencement of arbitral proceedings under this clause shall not in any manner prevent or postpone the performance of any obligations of any party which do not form part of the dispute.'

3.The petitioner has invoked arbitration in accordance with the arbitration clause by issuing notice to the respondents on 12.02.2025 to comply with the requirements of Section 21 of the Arbitration and Conciliation Act, 1996. No reply has been received from the respondents to the same.

4.Since there exists an arbitration clause in the contract, which is the subject matter of the dispute between the parties and since there is no consensus between the parties with regard to the name of the Arbitrator and since the petitioner has complied with the requirements of Section 21 of the Arbitration and Conciliation Act, 1996, this Court is issuing notice to the respondents returnable by 30.07.2025. Private notice is also permitted.

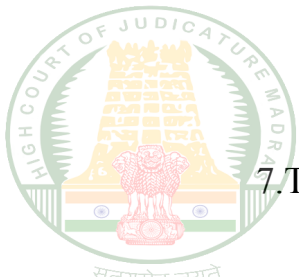
3.The respondents have been issued with notice and their names have also been printed in the cause list. There is no representation either in person or through counsel.

4.Heard the learned counsel for the petitioner and carefully perused the materials available on record.



5.This Court is convinced that there is a valid agreement between the parties in line with Section 7 of the Act and agreement also contains the arbitration Clause.

6.Taking into consideration the facts and circumstances of the case and the materials placed before this Court, this Court proceeds to appoint a sole Arbitrator. Accordingly, Mr.Abraham Vishal Jacob, Advocate (Residing at 2nd Floor, A Block, Bannariamman Towers, No.29, Dr.Radhakrishnan, Mylapore, Chennai 600 004, Mobile No.9884631228) is appointed as the sole Arbitrator and the Arbitrator is requested to enter upon reference qua the Loan Agreement dated 26.12.2022, adjudicate the arbitral dispute that were arising between the parties by holding the sittings in any venue in Chennai to the convenience of all concerned and render an award. Fees of the sole Arbitrator shall be in accordance with the Madras High Court Arbitration Centre (MHCAC)(Administrative Cost and Arbitrator's Fees) Rules 2017.



7. This Arb. OP is disposed of in the above terms. There shall be no order
as to costs.

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Index: Yes/No

Speaking/Non-speaking order

Internet: Yes

Neutral Citation: Yes/No

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To

1. Mr. Abraham Vishal Jacob
2nd Floor, A Block
Bannariamman Towers,
No.29, Dr.Radhakrishnan,
Mylapore, Chennai 600 004.
Mobile No.9884631228.

2. The Director
Tamil Nadu Mediation and Conciliation
Centre-cum-Ex-Officio Member
Madras High Court Arbitration Centre
Chennai - 104.



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N.ANAND VENKATESH J.

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