



IN THE HIGH COURT OF JUDICATURE AT MADRAS

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DATED: 01-09-2025

CORAM

THE HONOURABLE MR JUSTICE N. ANAND VENKATESH

Arb O.P(COM.DIV.) No. 375 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

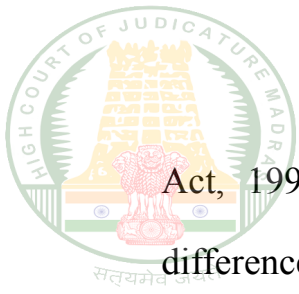
Vs

1. Nabisab Ganisab Khan
Aaba Dhotre Chouk Sarvoday Colony
Near New Railway Station, Sangli,
Maharashtra-416416.

2. Rizavana Nabi Khan
Aaba Dhotre Chouk Sarvoday Colony
Near New Railway Station, Sangli,
Maharashtra- 416416.

Respondent(s)

PRAYER Petition filed under Section 11(5) of the Arbitration and Conciliation



Act, 1996 praying to appoint an Arbitrator(s) to decide the disputes and differences between the Petitioner and Respondent in terms of Loan Agreement dated 04.01.2022.

For Appellant(s): Mr.P.H.Vinodh Pandian

For Respondent(s): No Appearance for R1 to R5

ORDER

This petition has been filed under Section 11 of the Arbitration and Conciliation Act for appointment of an Arbitrator to decide the disputes/differences between the petitioner and the respondents in terms of the Loan Agreement dated 04.01.2022.

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

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 04.01.2022.

There exists an arbitration clause in the Loan Agreement dated 04.01.2022. The same is extracted hereunder:

'Article 10: Arbitration

All disputes, differences, and/or claims arising out of this Agreement, whether during its subsistence or thereafter shall be settled by "Arbitration" in accordance with the provisions of the "Arbitration and Conciliation Act 1996" (Act 26 of 1996) or any other statutory amendments thereof and shall be referred to the Sole Arbitration of an "Arbitrator", appointed by the Managing Director of FSBF (or any other person as authorised by the Managing Director of FSBF) and such appointment shall be deemed to be the procedure, agreed upon by all the parties to this agreement. It is a term of this agreement that in the event of such Arbitrator to whom the matter has been referred to originally dies or being unable or unwilling to act for any reason, then in such event, the Managing Director of FSBF (or any other person as authorised by the Managing Director of FSBF) shall



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appoint another person to act as the Arbitrator. Such person, when appointed as Arbitrator, shall be entitled to proceed with the reference, from the stage at which it was left by his predecessor. The venue of the Arbitration proceedings shall be in Chennai.

The Borrower(s) do hereby appoint FSBF, acting through any of its officers or representatives to submit for arbitration in respect of any dispute or matter relating to or in anywise touching the affairs of the property/properties or the Loan/Loans. The Borrower(s) also undertake to acknowledge that the decision of the arbitrator shall be final.'

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



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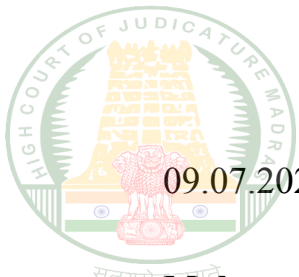
the requirements of Section 21 of the Arbitration and Conciliation Act, 1996, this Court is issuing notice to the respondents returnable by 30.07.2025. Private notice is also permitted.

3.The learned counsel for the petitioner took notice to the respondents and it was returned as 'Unserved'. Hence, this Court by an order dated 30.07.2025, permitted the petitioner to effect substituted service on the respondents by effecting paper publication in any vernacular daily having wide circulation in the State of Telangana for hearing on 26.08.2025.

4.Pursuant to the above order, affidavit of service has been filed along with the copy of the paper publication.

5.The names of the respondents have been printed in the cause list and there is no appearance either in person or through counsel.

6.Taking into consideration the facts and circumstances of the case and based on the reasons assigned by this Court in the earlier order dated



09.07.2025, this Court is inclined to appoint a sole Arbitrator. **Mr.Vishnu**

Mohan, Advocate, No.8, 8th Street, Dr.Radhakrishnana Salai, Mylapore,

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Chennai 600 004. [Mobile: 9381353434] is appointed as sole Arbitrator. The sole Arbitrator is requested to enter upon reference, adjudicate upon arbitrable disputes that have arisen between the parties. The Arbitrator shall holds holding sittings in the 'Madras High Court Arbitration Centre under the aegis of this Court' (MHCAC) as per Madras High Court Arbitration Proceedings Rules 2017 and fee of Hon'ble sole Arbitrator shall be in accordance with the Madras High Court Arbitration Centre (MHCAC) (Administrative Cost and Arbitrator's Fees) Rules 2017.

7.This petition is disposed of in the above terms. No Costs.

01-09-2025

Index: Yes/No

Speaking/Non-speaking order

Internet: Yes

Neutral Citation: Yes/No

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1.Mr.Vishnu Mohan
Advocate
No.8, 8th Street,
Dr.Radhakrishnana Salai,
Mylapore, Chennai 600 004.
9381353434

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.

SSR

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