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Arb O.P(COM.DIV.) No. 4
of 2025



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. 409 of 2025

Five Star Business Finance Limited
Rep by its Legal Officer
Mr.MadhuSandanSomeswaran,
New No.27,old no.4,Taylors road,
kilpauk, Chennai-600010.

Petitioner(s)

Vs

1. Balaji Loganathan
NO.119 Gramini Street Lingapuram
Puliyampakkam,post,Walajabad,
Kanchipuram,Tamil Nadu-631605.

2.M Priya
NO.119 Gramini Street Lingapuram
Puliyampakkam,post,Walajabad,
Kanchipuram,Tamil Nadu-631605.

Respondent(s)



PRAYER

Petition filed under Section 11(5) of the Arbitration and Conciliation Act, 1996, to appoint an Arbitrator(s) to decide the disputes and differences between the Petitioner and Respondent in terms of Loan Agreement dated 14.12.2020.

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

For Respondent(s): No Appearance

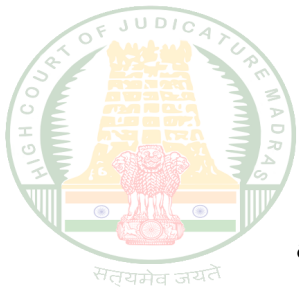
ORDER

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 resolve the disputes/differences between the petitioner and respondents in terms of Loan Agreement dated 14.12.2020.

2. When the matter came up for hearing on 26.08.2025, this Court passed the following order:

This petition has been filed under Section 11 of the Arbitration and Conciliation Act, 1996 (in short "the 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



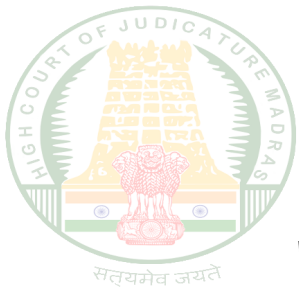
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14.12.2020. *There exists an arbitration clause in the said loan agreement and the same is reproduced hereunder:-*

“11.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 an 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 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 anyway 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.”



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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 Act. The respondents have chosen not to send any reply to the same.*

4. *Since there exists an arbitration clause in the loan agreement dated 14.12.2020, and since the petitioner has complied with the statutory requirements of Section 21 of the Act by issuing notice to the respondents on 12.02.2025, and since there is no consensus between the parties with regard to the name of the Arbitrator, this Court is issuing notice to the respondents through Court as well as privately returnable by 23.09.2025.*

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

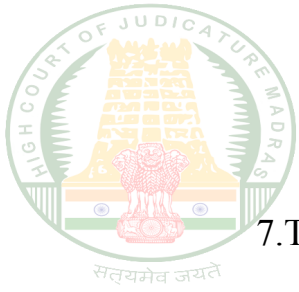
4.Heard the learned counsel for the petitioner and carefully perused the materials available on record.



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5.This Court is convinced that there is a Loan Agreement dated 14.12.2020 arising 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, Ms.S.R.Sumathy, Advocate with address for service at (W-460, "C" Sector, 3rd Street, "Sai Nivas", Anna Nagar West Extn, Chennai 101, Mobile No.9443326242, Mail: sumy85@yahoo.com) is appointed as the sole Arbitrator and the Arbitrator is requested to enter upon reference qua Loan Agreement dated 14.12.2020, adjudicate the arbitral dispute that were arising between the parties. 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.



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

as to costs.

22-09-2025

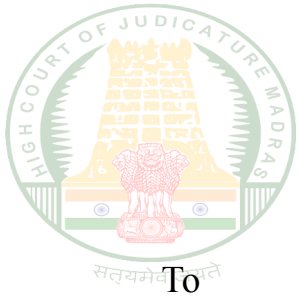
Index:Yes/No

Speaking/Non-speaking order

Internet:Yes

Neutral Citation:Yes/No

KP



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To
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1. Ms.S.R.Sumathy,
(W-460, "C" Sector, 3rd Street,
"Sai Nivas", Anna Nagar West Extn,
Chennai 101,
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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