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Arb O.P(COM.DIV.) No. 593 of
2025



IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 03-11-2025

CORAM

THE HONOURABLE MR JUSTICE N. ANAND VENKATESH

Arb O.P(COM.DIV.) No. 593 of 2025

M/s. Five Star Business Finance Limited
Regd Office at New No27 (Old No 4)
Taylors Road, Kilpauk, Chennai-600 010.
Represented by its Authorised Signatory.
Madhusandhan Someswaran

Petitioner

Vs

1. Mr.Sagar Hosamai
S/o.Prabhu
Rabakavi, Bijapur
Bagalkot District, Karnataka-587314
2. Mrs.Shilpa Hosamai
W/o.Sagar, Rabakavi, Bijapur
Bagalkot District, Karnataka-587314
3. Mr.Parappa Daddi
S/o.Rayappa, Rabakavi, Bijapur
Bagalkot District, Karnataka-587314
4. Mrs.Hanamavva Hosamani
C/o.Parappa, Rabakavi, Bijapur
Bagalkot District, Karnataka-587314

Respondents



PRAYER

To appoint a Sole Arbitrator to adjudicate the differences and disputes between the petitioner and the respondents under the Loan Agreement dated 25.06.2019 Bearing Reference Number FSTSLALONS000005096176.

For Petitioner: Mr.P.Suresh

For Respondents: No appearance

ORDER

This original petition has been filed under Section 11(6) of the Arbitration and Conciliation Act, 1996 to appoint an Arbitrator to adjudicate and decide the disputes between the petitioner and the respondents arising out of the loan agreement dated 25.06.2019.

2. When this petition came up for hearing on 24.09.2025, this Court passed the following order:-

“This petition has been filed under Section 11 (6) of the Arbitration and Conciliation Act, 1996 [hereinafter referred to as the Act] to appoint an arbitrator to resolve the dispute arising out of the loan agreement dated 25.06.2019.

2. The agreement provides for referring the dispute for Arbitration under clause 10 and the same is extracted hereunder:-

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



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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 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 trigger notice under Section 21 of the Act was issued on 27.05.2025 and the same has also been received by the respondent. Since there was no response, the present petition has been filed before this Court.

4. Notice to the respondent returnable by 27.10.2025. Private notice is also permitted.

5. Post this case for hearing on 27.10.2025. ”



3. Pursuant to the above order, the private notice that was sent to the respondents has been served on the respondents and affidavit of service has also been filed. Even though the names of the respondents are printed in the cause list, there is no appearance either in person or through counsel.

4. It is seen that there is a valid agreement between the parties in line with Section 7 of the Arbitration and Conciliation Act, 1996, which contains an arbitration clause. Hence, Mr.T.V.Lakshmanan, Advocate, having address for service at No.17, I Floor, Queens Court, 16th Street, Jai Nagar, Arumbakkam, Chennai 600 106, Mobile No.9841067991 is appointed as the sole Arbitrator and the learned Arbitrator is requested to enter upon reference qua the loan agreement dated 25.06.2019, adjudicate the arbitral disputes that have arisen 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.

5. This original petition is disposed of in the above terms. There shall be no order as to costs.

03-11-2025

SS



To

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1. Mr.T.V.Lakshmanan

No.17, I Floor

Queens Court

16th Street, Jai Nagar

Arumbakkam

Chennai 600 106

Mobile No.9841067991

2. The Director

Tamil Nadu Mediation and Conciliation

Centre-cum-Ex-Officio Member

Madras High Court Arbitration Centre

Chennai 600 104



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N.ANAND
VENKATESH J.

SS

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593 of 2025

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