



IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 08-12-2025

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THE HONOURABLE MR JUSTICE N. ANAND VENKATESH

Arb O.P(COM.DIV.) No. 619 of 2025

1. Five Star Business Finance
Limited
New No27 (Old No 4) Taylors
Road Kilpauk Chennai 600 010
Represented by its Authorised
Signatory Madhudundhan
Someswaran.

Applicant(s)

Vs

1. Yedla Bhagya
W/o.Mr.Shankar, H.No.6-41/A,
Machareddy X Road, Machareddy,
Kamareddy, Telangana 503 111.

2.Mr.Yedla Shankar
S/o.Mr.Yedla Hanmaiah.

Respondent(s)

Prayer : Petition filed under Section 11(6) of the Arbitration and Conciliation Act, 1996, praying to appoint a Sole Arbitrator to adjudicate the differences and disputes between the petitioner and the respondents under the Loan Agreement dated 20.06.2019 Bearing Reference Number FSTSLALONS000005095564

For Applicant(s): Mr.P Suresh



ORDER

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This petition has been filed under Section 11 (6) of the Arbitration and Conciliation Act, 1996 [for brevity 'the Act'] for appointment of an arbitrator to adjudicate the differences and disputes between the petitioner and the respondents under the Loan Agreement dated 20.06.2019 bearing reference number FSTSLALONS000005095564.

2. When the matter came up for hearing on 16.10.2025, 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 20.06.2019.

2. The agreement provides for referring the dispute for Arbitration under Article 10 and 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", whose appointment shall be made mutually by the Parties. It is a term of this agreement that in the event of such an Arbitrator to whom the matter has been



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referred to originally dies or being unable or unwilling to act for any reason, then in such event, the Parties shall appoint a substitute sole arbitrator mutually. 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.”

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 respondents. Since there was no response, the present petition has been filed before this Court.

4. Notice to the respondents returnable by 17.11.2025. Private notice is also permitted. Post this petition for hearing on 17.11.2025

3. The Private Notice sent to the respondents has been returned with an endorsement “refused” and affidavit of service has also been filed. Hence, there is deemed service on the respondents and the respondents are neither present nor represented through counsel. This Court finds that there is a valid agreement between the parties in line with Section 7 of the Act. The agreement also provides for arbitration clause in Article 10 of the Loan Agreement.

4. In view of the above, this Court is inclined to proceed further and appoint Sole Arbitrator and refer the dispute between the petitioner and the respondent to the Sole Arbitrator, which will



be dealt with on its own merits and in accordance with law.

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5. In the light of the above discussion, this Court appoints Mr.M.Aravindan, Advocate, Old No.40, New No.14, Venkatesan Street, T.Nagar, Chennai - 600 017, e-mail:arviml@yahoo.com [Mobile No.94441 51591], as the sole Arbitrator and the sole Arbitrator is requested to adjudicate the arbitral disputes that had arisen between the parties and render arbitral award by 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 Sole Arbitrator shall be in accordance with the Madras High Court Arbitration Centre (MHCAC) (Administrative Cost and Arbitrator's Fees) Rules 2017.

6. Accordingly, this petition is disposed of.

08-12-2025

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Index:Yes/No

Speaking/Non-speaking order

Internet:Yes

Neutral Citation:Yes/No



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N.ANAND VENKATESH J.
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