



IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 27.01.2026

CORAM

THE HONOURABLE Mr. JUSTICE N. ANAND VENKATESH

Arb O.P(COM.DIV.) No.642 of 2025

M/s.FIVE STAR BUSINESS FINANCE LIMITED
Regd Office at New No27 (Old No 4) Taylors Road
Kilpauk, Chennai 600 010
Rep. by its Authorized Signatory
Mr.Madhusandhan Someswaran

Petitioner(s)

Vs

1.Abdul Rahim
2.A.Amjad
3.Jamir Sab

Respondent(s)

PRAYER

To appoint a Sole Arbitrator to adjudicate the differences and disputes between the petitioner and the respondents under the Loan Agreement dated 20.04.2022 bearing Reference Number FSKALALONS000005288237

For Petitioner(s): Mr.P.Suresh

ORDER

When this petition came up for hearing on 28.10.2025, 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 20.04.2022.



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 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 respondents returnable by 24.11.2025. Private notice is also permitted.

5. Post this case for hearing on 24.11.2025.”

2. After service of notice, the matter was listed for hearing on 12.01.2026 and the following order came to be passed by this Court:

“Pursuant to the earlier order, paper publication has been effected



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and affidavit of service has been filed.

2.The 3rd respondent viz., Mr.Jamir Sab was present in person and he filed statement of objection for the petition filed by the petitioner under Section 11 of the Arbitration and Conciliation Act, 1996, (for brevity “the Act”). He stated that the 2nd respondent is his brother and the 1st respondent is his father. In the objections filed by the respondents, they claim that only a total sum of Rs.1,89,282/- is payable to the petitioner and they are willing to pay this amount.

3.The respondents claim to be poor and they are not in a position to engage any counsel. On the request made by the 3rd respondent, a learned counsel of this Court viz., Ms.A.Reshma, rendered her services to the 3rd respondent and assisted this Court in conveying the stand taken by the respondents, since the 3rd respondent was conversant only with Hindi language.

4.Learned counsel for the petitioner seeks for some time to take instructions on the objections and the proposal put forth on the side of the respondents.

5.Post this petition on 27.01.2026.”

3.When the matter was taken up for hearing today, neither the 3rd respondent nor his counsel appeared before the Court. Learned counsel for the petitioner, on instructions, submitted that the 3rd respondent also did not pay the amount of Rs.1,89,282/-, as was undertaken before this Court nor did the 3rd respondent approach the petitioner.

4.In the light of the above development, no useful purpose will be served in waiting for the 3rd respondent and hence, this Court will proceed further to pass final orders in this petition.



5.It is seen that there is a valid agreement between the parties in line with Section 7 of the Act and it contains an arbitration clause. In view of the same, this Court is inclined to appoint an arbitrator and accordingly, ***Ms.S.Shanthakumari, Advocate, having office at No.93, Law Chambers, High Court, Chennai 600 104 (Mobile No.98402 26626/99402 26262), is appointed as sole Arbitrator*** and the sole Arbitrator is requested to adjudicate the arbitral disputes that had arisen between the parties and render an arbitral award by holding sittings in the Madras High Court Arbitration Centre under the aegis of this Court as per Madras High Court Arbitration Proceedings Rules, 2017 and fee of the sole Arbitrator shall be in accordance with the Madras High Court Arbitration Centre (MHCAC) (Administrative Cost and Arbitrator's Fees) Rules, 2017.

Accordingly, this petition is disposed of.

27.01.2026

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N. ANAND VENKATESH, J.

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