



WEB COPY



Arbitration Original Petition (Com.Div) No.828 of 2025

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 16.02.2026

CORAM

THE HONOURABLE MR.JUSTICE N.ANAND VENKATESH

Arbitration Original Petition (Com.Div) No.828 of 2025

M/s.Five Star Business Finance Limited,
Regd. Office at
New No.27 (Old No.4), Taylors Road,
Kilpauk, Chennai – 600 010.
represented by its Authorized Signatory
Madhusandan Someswaran

.... Petitioner

Vs.

1.Parvathamma
2.Chandraiah
3.Nagaraju
4.Sharath Babu

.... Respondents

Arbitration Original Petition filed under Section 11(5) & (6) of the Arbitration and Conciliation Act, 1996, praying to appoint a Sole Arbitrator to adjudicate upon the differences and disputes between the respondents under the Loan Agreement dated 19.12.2019 bearing Reference No.FSKALALONS000005135663.

For Petitioner : Mr.P.Suresh

ORDER

This petition has been filed under Section 11 of the Arbitration and Conciliation Act, 1996 [for brevity 'the Act'] for appointment of an Arbitrator to decide the disputes and differences between the petitioner and the respondents in terms of the Loan Agreement dated 19.12.2019.

1/4



2. When the matter came up for hearing on 05.01.2026, this Court passed the following order:

“This petition has been filed under Section 11(5)&(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 19.12.2019.

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”, 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 09.06.2025 and the same has also been received by the



WEB COPY



Arbitration Original Petition (Com.Div) No.828 of 2025

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

4. Notice to the respondent returnable by 09.02.2026. Private notice is also permitted.

Post this petition for hearing on 09.02.2026.”

3. Private notice has been duly served on the respondents and affidavit of service has also been filed. The names of the respondents have also been printed in the cause list. However, there is no representation on the side of respondents either in person or through a pleader. This Court finds that the parties are governed by a loan agreement dated 19.12.2019, which provides for referring the disputes to the Arbitrator under Article 10 of the agreement.

4. In view of the above, this Court appoints Mr.B.Vijay, Advocate, 2nd Floor, Canara Bank Building, Angappan Naicken Street, Parrys, Chennai - 600 001 [Mobile No.98404 45527] 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



WEB COPY



Arbitration Original Petition (Com.Div) No.828 of 2025

N.ANAND VENKATESH, J.

gm

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.

Accordingly, this petition is disposed of.

16.02.2026

Index:yes/no

Speaking Order/Non-speaking order

NCC:yes/no

gm

Arbitration Original Petition (Com.Div) No.828 of 2025