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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**

+ **ARB.P. 498/2025**

MAHINDRA AND MAHINDRA FINANCIAL SERVICE LTD

.....Petitioner

Through: Mr. Shankar Sen, Adv.

versus

SIGNATURE INTERNATIONAL CORPORATION & ORS.

.....Respondent

Through:

CORAM:

HON'BLE MR. JUSTICE JASMEET SINGH

ORDER

06.05.2025

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1. This is a petition filed under Section 11(5) of the Arbitration and Conciliation Act, 1996 seeking appointment of an Arbitrator to adjudicate the disputes between the parties.
2. The petitioner and the respondents entered into a Master Facility Agreement, wherein the petitioner advanced loan for purchase of machinery under the said agreement dated 15.03.2024. The respondent No. 1 is the sole proprietorship of respondent No. 2 and respondent No. 2 is the co-borrower.
3. The Master Facility Agreement contains an arbitration clause being Clause No. 23.11 which reads as under:-

“ 23.11 Arbitration

All disputes, differences and or/claims arising out of these presents or in any way concerning the same or as to



construction, meaning or effect hereof or as to the right and liabilities of the Parties hereunder shall be settled by arbitration to be held in accordance with the provision of the Arbitration and Conciliation Act, 1996 or any statutory amendments/replacements thereof and shall be referred to the sole Arbitrator to be nominated by the Lender. In the event of death, refusal, neglect, inability or incapability of an person so appointed to act as an arbitrator, the Lender may appoint a new arbitrator. The arbitrator shall not be required to give any reasons for the award and the award of the arbitrator shall be final and binding on all Parties concerned. The arbitration proceeding shall be held at the place mentioned in point No. J of the Loan Summary Schedule.”

4. Since the respondent failed to pay the amount, the petitioner invoked arbitration *vide* legal notice dated 18.11.2024. Hence, the present petition.
5. As per the service report, the respondents have been served.
6. Despite service, there is nobody appearing on behalf of the respondents today.
7. I am of the view that the disputes between the parties need to be settled through the arbitral mechanism.
8. For the said reasons, the petition is allowed and the following directions are issued:-
 - i) Mr. Rubinder Ghuman (Advocate) (Mob. No. 9999454660) is appointed as a Sole Arbitrator to adjudicate the disputes between the parties.
 - ii) The arbitration will be held under the aegis and rules of the Delhi International Arbitration Centre, Delhi High Court, Sher



Shah Road, New Delhi (hereinafter, referred to as the 'DIAC').

- iii) The remuneration of the learned Arbitrator shall be in terms of DIAC (Administrative Cost and Arbitrators' Fees) Rules, 2018.
 - iv) The learned Arbitrator is requested to furnish a declaration in terms of Section 12 of the Act prior to entering into the reference.
 - v) It is made clear that all the rights and contentions of the parties, including as to the arbitrability of any of the claim, any other preliminary objection, as well as claims/counter-claims and merits of the dispute of either of the parties, are left open for adjudication by the learned arbitrator.
 - vi) The parties shall approach the learned Arbitrator within two weeks from today.
9. The present petition is disposed of in the aforesaid terms.

JASMEET SINGH, J

MAY 6, 2025/sp

Click here to check corrigendum, if any