

Application No.5427 of 2015**RAJIV SHAKDHER,J.**

1. This application is filed under Section 9 of the Arbitration and Conciliation Act 1996 seeking a direction qua the respondents to furnish security for a sum of Rs.7,00,273/-, failing which, to order attachment of the property morefully described in the judges summons.

2.In this application, notice was issued to the respondents, despite which, the respondents have not entered appearance. Further more, by order dated 12.02.2016, the respondents were directed to furnish security within a period of four weeks.

2.1 I am informed that the service of this order has also been effected on the respondents. Despite service, the respondents have not chosen to appear.

2.2 To be noted, acknowledgement cards have not been signed by the respondents. Learned counsel for the applicant says that an adult member of the family has signed on behalf of the addressees-respondents.

3. Learned counsel for the applicant prays for attachment of the immovable property described in the schedule appended to the judges summons.

4. It may be noted that it is a case of the applicant that the respondents have availed loan for a sum of Rs.6,30,000/- under the Loan-cum-Hypothecation Agreement dated 31.07.2012, qua the vehicle described as AL HCV 2214 bearing Registration No.KA-25-B-0716. The said amount was to be paid in 34 monthly instalments. The first instalment was to commence from 01.09.2012, while the last instalment was payable on 01.06.2015. The applicant submits that under the aforementioned Loan-cum-Hypothecation Agreement, the respondents have undertaken to repay the total loan amount along with finance charges of Rs.1,74,610/-.

5. Learned counsel for the applicant says that the respondents have not adhered to the obligations undertaken under the aforementioned loan agreement. It is the case of the applicant that the respondents are liable to pay a total sum of Rs.7,00,273/- together with interest as per the award dated 08.09.2014.

6. Learned counsel for the applicant further states that arbitration proceedings has ended in passing an award on 08.09.2014.

6.1) The applicant has not taken out execution proceedings yet.

7. It is clear that the respondents are moving towards a situation where the award passed shall become a paper decree. In this circumstance, there shall be an order of attachment qua the property described in the judges summons to the extent of the claimed amount, i.e., Rs.7,00,273/-. For the sake of convenience, the particulars of the said property are noted hereunder below:

SCHEDULE OF PROPERTY

Vacant Plot situated in Echoor Village bearing S.F.No.126/2C, in 5.18 measuring East-West 19 Gajam, North-South 9 Gajam, admeasuring 1539 Square Feet and bounded on the

North by Plot of Panneer Selvam and others

East by Eri Poramboke

South by Mayaana poramboke

West by Vandavasi to Cheyyar Road

Within the SRO Vandavasi.

8. Since the award has already been passed, the parties are given liberty to take necessary steps hereafter, albeit, in accordance with law.

9. Accordingly, this application is disposed of in the aforesaid terms. The Registry will communicate this order to the respondents.

13.06.2016

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RAJIV SHAKDHER, J.

Kj

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