

Application No.6258 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.1,16,624.09p., 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. Furthermore, by order dated 07.04.2016, the respondents were directed to furnish security within a period of four weeks.

2.1. This Court directed the Registry to communicate the said order, i.e., order dated 07.04.2016, to the respondents. That apart, the applicant was also permitted to communicate the said order privately.

2.2. I am informed by the Registry that the service of the said order, i.e., order dated 07.04.2016, has been effected on the respondents. Likewise, the applicant has filed affidavit of service. Despite service, the respondents have chosen not to appear.

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 the case of the applicant that respondent No.1 has availed loan in the sum of Rs.4,50,000/- under the Loan-cum-Hypothecation Agreement dated 12.01.2012, qua the purchase of the vehicle described as John Deere bearing Chassis No.PY5204B012279, Engine No.PY3029D284020. The said amount was to be paid in 16 Quarterly Instalments. The first instalment was to commence on 10.04.2012, and last instalment was to end on 10.01.2016. The applicant submits that under the aforementioned Loan Agreement, the respondents have undertaken to repay the total loan amount of Rs.6,68,700/-.

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 have paid 4 installments, and committed default from 5th installment. Thus, the subject vehicle was repossessed and

sold on 19.03.2014. As on the date of filing the application, the respondents are liable to pay a total sum of Rs.1,16,624.09p.

6. Learned counsel for the applicant further states that arbitration proceeding has been initiated and, consequent thereto, an award has been passed in the matter concerning the parties.

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.1,16,624.09p. For the sake of convenience, the particulars of the said property is noted hereunder:

SCHEDULE

1) In the Registration District of Tindivanam, Sathyamangalam Sub District, Sathyamangalam Village, property bearing

A. S.No.258/4A 0.16.0 hec (0.40 cents) entire extent

B. S.No.258/17B2 0.07.5 hec (0.19 cents) entire extent

C. S.No.258/10 0.06.5 hec (0.16 cents) entire extent

D.S.No.258/8, total extent 0.06.0 hec, i.e. 0.15 cents in this 0.5 cents bounded South of S.No.258/4A West of Masilamani land North of Radha lands, East of Arumugam

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lands, extent of 0.05 cents in this 1/3rd share 0.01 1/2 cents."

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

9. Accordingly, this application is disposed of in the aforesaid terms.

10.08.2016

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