

Application No.6828 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.5,24,936/-, failing which, to order attachment of the property morefully described in the schedule appended to the judges summons.

2. The record shows that service was effected on the respondent via publication. The name of the respondent is printed in the cause list.

2.1. To be noted, by order dated 07.09.2016, the respondent was directed to furnish security in the sum equivalent to Rs.5,24,936/- within a period of four weeks.

2.2. This Court directed the Registry to communicate the said order, i.e., 07.09.2016, to the respondent. 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., 07.09.2016, has been effected on the respondent. Despite the aforesaid, there is no appearance on behalf of the respondent.

3. Learned counsel for the applicant prays for the relief.

4. On merits, the applicant avers as follows : The respondent has approached the applicant for loan qua purchase of a vehicle described as : Tata LPT 1109. It is stated that vide agreement No.XVFPRPV00000878214, dated 30.12.2012, respondent was given loan facility amounting to Rs.11,70,000/-. The said amount was to be paid in 59 Equated Monthly Instalments (EMIs). The first instalment was payable on 01.02.2013, while the last instalment was payable on 01.12.2017.

5. Learned counsel for the applicant says that the respondent has not adhered to the obligations undertaken under the aforementioned loan agreement. It is the case of the applicant that as on 29.09.2015, the respondent is liable to pay a total sum of Rs.5,24,936/-.

6. Learned counsel for the applicant further states that arbitration proceedings have been initiated in Case No.D848/15, and, the same are pending adjudication.

7. It is clear that the respondent is moving towards a situation where the award shall become a paper decree, if and when obtained. In this circumstance, there shall be an order of attachment qua the property described in the schedule appended to

the Judges Summons to the extent of the claimed amount, i.e., Rs.5,24,936/-. For the sake of convenience, the particulars of the said property are noted hereunder :

SCHEDULE OF PROPERTY

"Flat Number L.I.G.-578, Block Number-49, Area 495 Sq.Ft. or 46 Sq.Mtr., situated in Kabeer Nagar, Ward No.2, Ramkrishan Paramhans Ward, Kabeer Nagar Housing Board Plan, Raipur, Chhattisgarh with SRO Raipur.

Estimated value of the property is Rs.7,00,000/-."

8. Since the arbitration proceedings have been initiated and the same is pending, the parties will have liberty to take necessary steps hereafter, albeit, in accordance with law.

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

25.11.2016

RAJIV SHAKDHER,J.

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