

Application No.6922 of 2015**RAJIV SHAKDHER,J.**

This application is filed under Section 9 of the Arbitration and Conciliation Act 1996 seeking a direction qua the respondent to furnish security for a sum of Rs.5,05,880/-, failing which, to order attachment of the property morefully described in the judges summons.

2. In this application, notice was issued to the respondent, despite which, the respondent has not entered appearance. Further more, by order dated 18.02.2016, the respondent was 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 respondent. Despite service, the respondent has not chosen 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 a case of the applicant that the respondent has availed loan for a sum of Rs.8,00,000/- under the Loan-cum-Hypothecation Agreement dated 27.07.2013, qua the vehicle described as TATA LPK 909. The said amount was to be paid in 47 installments. 1st to 46th Instalment was pegged at Rs.23,430/- and 47th Installment was at Rs.23,430.10/- The first instalment was to commence from 01.09.2013, while the last instalment was payable on 01.07.2017. The applicant submits that under the aforementioned Loan-cum-Hypothecation Agreement, the respondent has undertaken to repay the total loan amount along with finance charges of Rs.11,01,210.10/-.

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 per award dated 24.07.2015, the respondent is liable to pay a total sum of Rs.5,05,880/- together with interest at 18%.

6. Learned counsel for the applicant further states that arbitration proceedings has ended in passing an award on 24.07.2015.

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

7. It is clear that the respondent is 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.5,05,880/-. For the sake of convenience, the particulars of the said property are noted hereunder below:

SCHEDULE OF PROPERTY

Vacant Plot situated in Athinathapuram Village bearing Survey No.239, New Survey No.239/10, Nir Hectare 0.04.00, Ward No.6, measuring East-West 12 Feet, South-North 40 Feet, admeasuring 480 Sq.Ft., bounded on the

South by: East West Street

West by: land of Adhinarayanan

North by: Balance Land

East by: Balance Land

Within SRO Alwarthirunagar, Palayamkottai Registration District.

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

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9. Accordingly, this application is closed in the aforesaid terms.

10.06.2016

ssd

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