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IN THE HIGH COURT OF JUDICATURE AT MADRAS

(ORDINARY ORIGINAL CIVIL JURISDICTION)

THURSDAY, THE 01ST DAY OF APRIL, 2021

THE HON'BLE MS. JUSTICE P.T.ASHA

A.No. 2623 of 2020

in

A.No. 9391 of 2019

In the matter of Arbitration &
Conciliation Act, 1996

And

In the matter of Loan cum
Hypothecation Agreement, and
dispute between M/s. HDB
Financial Services., and IKS Earth
Movers – Loan No. 809563, Dated
18.11.2014.

M/s. HDB Financial Services Limited,
Registered Office at Radhika, 2nd Floor,
Law Garden Road, Navrangpura,
Ahmedabad – 380 009.
Corporate Office at
Process House, 2nd Floor, Kamala Mills Compound,
Lower Parel, Mumbai – 400 013.
Branch Office at
4th Floor, Loyal Towers, No.68/2, Greaves Road,
Chennai – 600 006.
Represented by its Associate-Legal
Mr.Godson Vinokaran

... Applicant

Vs.

1.IKS Earth Movers
No.5, 2nd Cross Street,
Ramesh Nagar, West Tambaram,
Chennai – 600 045.



2.L. Narayanan

No.3, 2nd Cross Street,
Ramesh Nagar, West Tambaram,
Chennai, Tamilnadu- 600 045.

... Respondents

A.No.2623 of 2020:-

L. Narayanan

No.3, 2nd Cross Street,
Ramesh Nagar, West Tambaram,
Chennai, Tamilnadu- 600 045.

: Applicant/Respondent-2

-VS-

1. M/s. HDB Financial Services Limited,
Registered Office at Radhika, 2nd Floor,
Law Garden Road, Navrangpura,
Ahmedabad – 380 009.
Corporate Office at
Process House, 2nd Floor, Kamala Mills Compound,
Lower Parel, Mumbai – 400 013.
Branch Office at
4th Floor, Loyal Towers, No.68/2, Greaves Road,
Chennai – 600 006.

Represented by its Associate-Legal
Mr.Godson Vinokaran

... Respondent/Applicant

IKS Earth Movers

No.5, 2nd Cross Street,
Ramesh Nagar, West Tambaram,
Chennai – 600 045.

... Respondent-2/Respondent-1

Application praying that this Hon'ble Court be pleased to set-
aside the order passed on 25.08.2020 to furnish security for a sum of
Rs.31,03,490.31.

This Application coming on this day before this court for hearing

in the presence of Ms.R.Jayasree, Advocate for the Applicant herein and



Mr.M.Arunachalam, Advocate for the 1st respondent herein, and the memorandum of understanding signed by the applicant and the respondent herein and the parties hereto, praying this court to pass a decree in terms of Memorandum of understanding more fully set out in the schedule hereunder, **it is ordered as follows:-**

That L. Narayanan, the Applicant/Party of the second part herein shall pay Rs.8,50,000/- (Rupees eight lakhs and fifty thousand only) towards full and final settlement of the above mentioned 2 contracts as per the following schedule without any delay or default.

SL.No.	Due Date	Amount in Rs.
1	On or before 30.03.2021	3,00,000
2	21.04.2021	2,00,000
3	21.05.2021	2,00,000
4	21.06.2021	1,50,000

2. That L. Narayanan, the Applicant/Party of the second part herein, paid on this day Rs.3,00,000/- (Rupees three lakhs) by way of Demand Draft dated 29.03.2021 bearing no. 337517 drawn on Bank of Baroda, Tambaram, Chennai 600 045 and M/s. HDB Financial Services Limited, the respondent/party of the first part also acknowledges the receipt of the same and also handed over the cheque for the balance 3 payments as mentioned above and detailed herein below:



<i>Sl.No.</i>	<i>Cheque date</i>	<i>Cheque Amount in Rs.</i>	<i>Cheque No.</i>	<i>Cheque Drawn on</i>
1	21.04.2021	2,00,000	000170	Bank of Baroda, West Tambaram Branch
2	21.05.2021	2,00,000	000171	Bank of Baroda, West Tambaram Branch
3	21.06.2021	1,50,000	000172	Bank of Baroda, West Tambaram Branch

That the applicant/party of the 2nd part herein, undertakes to honour the above mentioned cheques on the dates mentioned therein.

3. That the respondent and applicant/parties of the first and second part herein be and are hereby agreed to strictly adhere to the terms and conditions of the MOU and further undertakes to honour all installments on time as mentioned in Para (1 and 2) above.

4. That the Applicant/Party of the second part herein, agreed to pay the installments as per the above schedule, and on payment of all the installments the respondent/party of the first part shall close both the loan accounts and issue NOC and settlement letter to the applicant/party of the second part herein.

5. That the Applicant/party of the second part herein in the counter filed in A.No.9391/2019 has mentioned about the sale of the machinery by the IKS EARTH MOVERS to one third party Mani. Though the sale is completed the Applicant/party of the second part shall receive the NOC from the Respondent/party of the first part as he is settling the dues

with the Applicant/party of the first part as full and final settlement of all



the claims towards both the contracts.

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6. That the Applicant/ party of the 2nd part herein undertakes that they shall not alienate or create 3rd party interest over the property mentioned in the above applications till the entire amount of Rs.8,50,000/- (Rupees eight lakhs and fifty thousand only) is paid by them to the Applicant/party of the 2nd part herein.

7. That it is agreed between the parties that in case of delay or default in payment of any of the installments by the Applicant/party of the second part, as per the above schedule this MOU stands cancelled and the respondent/party of the first part shall be at liberty to execute the Award in accordance with law for the entire award part together with interest as per the award.

Schedule – MOU



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SK

26.04.2021

A.No.2623 of 2020

in

A.No. 9391 of 2019

DECREE :-

DATED : 01.04.2021

THE HON'BLE MS. JUSTICE
P.T.ASHA

FOR APPROVAL: 19.07.2021

APPROVED ON: 20.07.2021



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IN THE HIGH COURT OF JUDICATURE AT MADRAS

Dated : 01.04.2021

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THE HONOURABLE Ms. JUSTICE P.T. ASHA

A.No.2623 of 2020

in

A.No.9391 of 2019

L.Narayanan

... Applicant

Vs.

1.M/s.HDB Financial Services Limited
Registered Office at Radhika 2nd Floor,
Law Garden Road, Navrangpura,
Ahmedabad – 380 009
Corporate Office at
Process House, 2nd Floor,
Kamala Mills Compound,
Lower Parel, Mumbai – 400013
Branch Office at
4th Floor, Loyal Towers,
68/2, Greaves Road, Chennai – 600006
Rep by its Associate Legal
Mr.Godson Vinokaran

2.IKS Earth Movers
No.5, 2nd Cross Street
Ramesh Nagar, West Tambaram
Chennai – 600045

... Respondents

Prayer: Judges summon filed under Order XIV Rule 8 of OS Rules read with Section 9 (e) of the Arbitration and Conciliation Act, 1996, to set aside the order passed on 25.08.2020 to furnish security for a sum of

<https://hcservices.ecourts.gov.in/hcservices/>
Rs.31,03,490.31/-.



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For Applicant : Ms.R.Jayasree
For Respondent 1 : Mr.M.Arunachalam

ORDER

Today, a memorandum of understanding dated 30.03.2021 has been filed into the Court. The learned counsel for the applicant would submit that the parties have entered into a memorandum of understanding. The memorandum of understanding is taken on file and the application is ordered on the lines of the memorandum of understanding. The memorandum of understanding shall form part of the order.

Sd./-(P.T.A.J.,)
01.04.2021

//Certified to be true copy//

Dated at Madras this the day of 2021.

COURT OFFICER(O.S.)

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