



Arbitration Application Nos.576 & 578 of 2025

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 25.09.2025

CORAM

THE HONOURABLE MR.JUSTICE N.ANAND VENKATESH

Arbitration Application Nos.576 & 578 of 2025

Arbitration Application No.576 of 2025

M/s.Cholamandalam Investment and
Finance Company Limited,
'Chola Crest', C 54 & 55, Super B-4,
Thiru Vi Ka Industrial Estate,
Guindy, Chennai - 600 032.
represented by its Authorised Signatory

.... Applicant

Vs.

1.M/s.Aaron Wheels LLP
represented by its Partner,
E Ward, 1283/85, Jeep Building,
Shivaji Udyam Nagar, Kolhapur,
Maharashtra - 416 008.

2.Mohan Laxman Bhingarde

.... Respondents

To direct the respondents to furnish security for the sum of Rs.30,07,437.48 within a time fixed by this Court failing which to order attachment of the immovable properties morefully described in the Schedule to the Judges Summons pending initiation and disposal of arbitration proceedings between the Applicant and the Respondents and till enforcement of the award that may be ultimately passed in the arbitration proceedings and a copy of the attachment order be transmitted through the District and session Court, Kolhapur, Maharashtra and the attachment order may be hand delivered to the applicant to transmission.

For Applicant : Mr.D.Pradeep Kumar



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For Respondents : Mr.J.Soram Jain [R2]

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M/s.Cholamandalam Investment and
Finance Company Limited,
'Chola Crest', C 54 & 55, Super B-4,
Thiru Vi Ka Industrial Estate,
Guindy, Chennai - 600 032.
represented by its Authorised Signatory

.... Applicant

Vs.

1.Mohan Laxman Bhingarde

2.Nandini Mohan Bhingarde

3.Sach Rajeev Bhingarde

.... Respondents

To direct the Respondents to furnish security for the sum of Rs.69,03,879.63 within a time fixed by this Court failing which to order attachment of the immovable properties morefully described in the Schedule to the Judges Summons pending initiation and disposal of arbitration proceedings between the Applicant and the Respondents and till enforcement of the award that may be ultimately passed in the arbitration proceedings and a copy of the attachment order be transmitted through the District and Session Court, Kolhapur, Maharashtra and the attachment order may be hand delivered to the applicant to transmission.

For Applicant : Mr.D.Pradeep Kumar

For Respondents : Mr.J.Soram Jain [R1 & R2]

COMMON ORDER



Arbitration Application Nos.576 & 578 of 2025

These applications have been filed under Section 9 of the Arbitration and Conciliation Act, 1996, (for brevity 'the Act') and for a direction to the respondents to furnish security for a sum of Rs.30,07,437.48 and Rs.69,03,879.63 failing which to attach the immovable property described in the Judges summons pending initiation and disposal of arbitration proceedings.

2. When these applications came up for hearing on 16.07.2025, this Court passed two separate orders in Application Nos.576 and 578 of 2025 and those orders are extracted hereunder:

A.No.576 of 2025

"The applicant has effected substituted service on the 1st respondent by effecting paper publication. The paper publication has been enclosed along with the affidavit of service. The name of the 1st respondent is also printed in the cause list today. The 2nd respondent was already set exparte by this Court on 16.06.2025 itself.

2. This application has been filed under Section 9 of the Arbitration and Conciliation Act, 1996 seeking for a direction to the respondents to furnish security to the extent of the claim amount of Rs.30,07,437.48 within the time frame fixed by this Court, failing which the order of attachment of the immovable properties owned by the 2nd respondent and morefully described in the Schedule to the judges summons. The respondents are defaulters in repayment of loan to the applicant. Accounts statement has been filed by the applicant dated 20.03.2025 which shows that a sum of Rs.30,07,437.48 is due and payable by the respondents to the applicant and the loan agreement dated 31.01.2025.



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3. Adequate averments have been made by the applicant in the affidavit filed in support of this application seeking the relief as prayed for in this application. The applicant has also filed proper documents of the 2nd respondent with translation which confirms that the 2nd respondent is the owner of the property for which attachment is sought for.

4. Since the respondents are defaulters in the repayment of loan and adequate averments have been made by the applicant for seeking interim relief as prayed for in this application, this Court directs the respondents jointly and severally to furnish security for the extent of claim amount of Rs.30,07,437.48 within a period of four weeks from the date of receipt of a copy of this order. If the respondents fail to furnish security within the stipulated time, this Court will be constrained to pass consequential order of attachment as prayed for in this application. The applicant is directed to communicate this order to the respondents privately to enable the respondents to comply with this order.

5. Post the matter for "reporting compliance" on 13.08.2025. "

A.No.578 of 2025

"All the respondents have been set exparte by this Court on 16.06.2025. This application has been filed under Section 9 of the Arbitration and Conciliation Act, 1996 seeking for a direction to the respondents to furnish security for a sum of Rs.69,03,879.63 within the time frame fixed by this Court, failing which the order of attachment of the property and morefully described in the Schedule to the judges summons

2. The 1st respondent is the father, 2nd respondent is the mother and the 3rd respondent is the daughter of the deceased borrower Rajeev Mohan Bhingarde. The deceased borrower while he was alive had availed loan from the applicant under loan agreement dated 21.05.2024. He was a defaulter in repayment of the loan. As seen from the affidavit filed in support of the application, the borrower Rajeev Mohan Bhingarde is dead and his legal representatives are the respondents herein. As seen from the account statements dated 23.01.2025 filed by the applicant



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along with the application a sum of Rs.69,03,879.63 is due and payable in terms of the loan agreement dated 21.05.2024.

3. Since the borrower Rajeev Mohan Bhingarde is dead, the applicant has filed this application against his legal representatives namely his father, mother and daughter. According to the applicant, the property which is sought to be attached was originally owned by the borrower Rajeev Mohan Bhingarde and after his death, the respondents who are his legal representatives became entitled to inherit the same. Therefore according to the applicant, the respondents having inherited the property from the deceased borrower, the applicant is entitled to file this application seeking for attachment of the property to secure the interest of the applicant pending arbitration. The applicant has expressed his willingness to go for arbitration in accordance with arbitration clause contained in the contract namely the loan agreement dated 21.05.2024.

4. Since the applicant has filed sufficient documents to establish that a sum of Rs.69,03,879.63 is due and payable by the deceased borrower and since the property of the deceased borrower for which the attachment is sought for has now been inherited by his legal representatives namely the respondents herein and since adequate averments have been made by the applicant in the affidavit filed in support of this application seeking for interim relief as prayed for in this application, this Court directs the respondents to furnish security for a sum of Rs.69,03,879.63 within a period of four weeks from the date of receipt of a copy of this order, failing which this Court will be constrained to pass consequential order of attachment as prayed for in this application. The applicant is permitted to communicate this order to the respondents to enable them to comply with the directions issued by this Court today.

5. Post the matter "for reporting compliance" on 13.08.2025."

3. Pursuant to the above order, the matter was once again taken up for hearing on 12.09.2025 and this Court passed the following order:

"Counter affidavit has been filed in both the



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applications. Earlier, this Court passed an order on 16.07.2025 directing the respondents in each application to furnish security, failing which, the schedule property will be attached. The counter affidavit is virtually silent about the availability of the vehicle with the respondents.

2. Insofar as arbitration application No.576 of 2025 is concerned, a total sum of Rs.28,58,503/- was the principle sum that was lent to the first respondent firm and this amount was lent for the purchase of Jeep Comapass Model vehicle. Insofar as arbitration application No.578 of 2025 is concerned, a total sum of Rs.71,65,000/- was lent to one Rajeev Mohan Bhingarde. This was towards the purchase of the vehicle Jeep Wrangler Rubicon. The borrower has expired and the respondents, who are the father, mother and daughter have been added as parties.

3. The specific case of the applicant is that there is absolutely no indication regarding the availability of the vehicles towards, which the loan was given by the applicant finance company. The counter affidavit filed by the respondents is also silent about the availability of the vehicles.

4. The learned counsel for the applicant therefore submitted that unless the vehicles are secured, the possibility of the applicant to recover the amount from the respondents becomes remote and therefore, the respondents must be directed to furnish security and in the absence of the same to attach the schedule property.

5. This Court after hearing both sides, directs the respondents to file an affidavit before this court indicating the availability of the two vehicle towards which, the loan was advanced and their present location. The respondents shall also further indicate before this Court that they will not sell/alienate/encumber the vehicles. The respondents shall also indicate as to when they will settle the loan amount due and payable to the applicant or in the alternative atleast regularize the loan account with an undertaking to pay the future loan amount on time. If the respondents show their bonafides by filing an affidavit to that effect before this Court, appropriate orders will be passed in these applications.

Post these applications under the caption "for orders"



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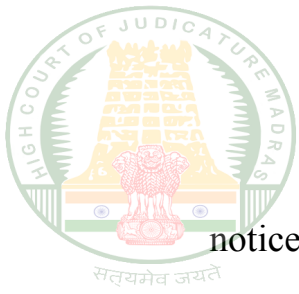
on 23.09.2025."

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4. When the matter was taken up for hearing today, the affidavits of the respondents in both the applications were filed. In both the affidavits, the respondents have taken a stand that they do not know the whereabouts of the vehicles and that they are not in a position to repay the loan of the deceased. They are also not in a position to give any undertaking to repay the loan.

5. In the light of the above stand taken by the respondents and also considering the fact that this Court had already passed an order on 16.07.2025 directing the respondents to furnish security and it has not been complied with, this Court has to necessarily take the next step of attaching the property.

6. Insofar as the scheduled property in Application No.576 of 2025 is concerned, it stands in the name of the second respondent, who is the partner of the first respondent firm. Insofar as the property in Application No.578 of 2025 is concerned, learned counsel for the respondents submitted that it stands in the name of the second respondent, who got the property by virtue of a gift deed. It is also brought to the



notice of this Court that there is some pre-existing mortgage over this property.

7. In the considered view of this Court, the applicant has made out a *prima facie* case and considering the fact that none of the vehicles are able to be traced and the applicant does not have any possibility to recover the amount even if the applicant succeed in the arbitration proceedings, this Court finds that balance of convenience is in favour of the applicant. If the property is not attached, the applicant will be able to get only a paper award and will not able to see the colour of the coin. Under such circumstances, the applicant will be put to irreparable loss and hardship.

8. In view of the above, there shall be an order of attachment in favour of the applicant of the property described in the Judges summon, in both the applications. Insofar as the Application No.578 of 2025 is concerned, the said order of attachment will be subject to any pre-existing mortgage over the same property. This order shall be transmitted to the concerned Sub Registrar for making necessary entry in the encumbrance certificate.



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9. It is also brought to the notice of this Court that already arbitration proceedings have been initiated and the same is pending.

These applications are disposed of in the above terms.

25.09.2025

Index:yes/no

Speaking order/Non-speaking order

Neutral citation: yes/no

gm

N.ANAND VENKATESH, J.

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