



Arb.Appeal.No.20 of 2024

IN THE HIGH COURT OF JUDICATURE AT MADRAS

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DATED: 10.01.2025

CORAM:

THE HONOURABLE MR.JUSTICE **M.DHANDAPANI**

Arb.Appeal.No.20 of 2024

1. S.Sivakumar

2. N.S.Swaminathan

...Appellants

Vs.

Sundaram Finance Limited,
Rep. by its Manager (Legal),
21, Pattulos Road, Chenani – 600 002.

...Respondent

Civil Miscellaneous Appeal filed under Section 37 of Arbitration and Conciliation act XXXIX of 1996 (as amended by Act 2015), as against the attachment order dated 13.01.2021 passed in I.A.No.53 of 2020 in Arb.Case.No.VKT/SF/115/2019 (Contract No.M001700438).

For Appellants : Mr.S.Kumaran

For Respondent : Ms.Varshini.M
for M/s. Pradeep Kumar



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JUDGEMENT

Challenging the attachment order dated 13.01.2021 passed in I.A.No.53 of 2020 in Arb.Case.No.VKT/SF/115/2019 (Contract No.M001700438), the appellants are before this Court.

2. Ms.Varshini.M, learned counsel takes notice on behalf of the respondent. In view of the consent expressed by the learned counsel on either side, this appeal is taken up for final disposal at the admission stage itself.

3. It is the case of the appellants that, the 1st appellant herein availed a vehicle loan, vide Loan Agreement dated 05.02.2018 bearing Contract No.M001700438 to the tune of Rs.8,47,486/- from the respondent and purchased a Maruti Ciaz, Model 2015 car bearing Regn.No.TN-11-M-4983 and the same was repayable in 47 installments and the 2nd appellant, who is the father of the 1st appellant, stood as a guarantor for the same and the schedule mentioned property was offered as a collateral security. While so, due to certain financial crisis, as the 1st appellant defaulted in payments, the



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respondent initiated arbitration proceedings, in which, the respondent filed I.A.No.53 of 2020 to furnish the security for the outstanding sum of Rs.4,99,755/-, and in default, order attachment of the schedule mentioned property. On 13.01.2021, an attachment order came to be passed, attaching the schedule mentioned property. Challenging the same, the appellants have come up with this appeal.

4. Learned counsel appearing for the appellants submitted that, even prior to filing of the present appeal, the appellants entered into an one time settlement with the respondent and paid a sum of Rs.4,99,755/- as full quit and settled the entire outstanding amount in favour of the respondent and the respondent has also issued an acknowledgement letter on 23.01.2023, confirming the payment of entire dues of Rs.4,99,755/-. Accordingly, he prayed for appropriate orders of this Court raising the attachment made in the schedule mentioned property.

5. Learned counsel appearing for the respondent did not dispute the facts submitted by the learned counsel for the appellants and he fairly



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submitted that the entire amount was settled by the appellants as per the one time settlement entered into between them and thereby, the respondent has no objection in raising the attachment.

6. In view of the aforesaid submissions made by the learned counsel on either side, as the entire outstanding amount has been settled by the appellants, this Court is inclined to set aside the impugned attachment order.

7. Accordingly, this Arbitration Appeal stands allowed and the impugned attachment order dated 13.01.2021 passed in I.A.No.53 of 2020 in Arb.Case.No.VKT/SF/115/2019 (Contract No.M001700438) is set aside and the attachment made in the scheduled mentioned property is hereby set aside.
No costs.

10.01.2025

skt

Index	: Yes / No
Speaking Order	: Yes / No
Neutral Citation Case	: Yes / No



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To

The Sole Arbitrator,
Arbitral Tribunal, Chennai.



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M.DHANDAPANI, J.

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