

ARBTN 829-26 KOTAK MAHINDRA PRIME LTD Vs. RAM BHUSHN TYAGI

05.06.2026

Fresh petition under Section 9 of the Arbitration & Conciliation Act received by way of assignment. It be checked and registered as per rules.

Present: Ms. Riya Kumari, Ld. Counsel for petitioner.

Arguments heard. Record perused.

Respondent be served with the notice of the petition on filing of PF & RC by the petitioner within 10 days from today.

The petition is filed with an application seeking appointment of receiver as ex-parte interim relief. The said application is taken up for consideration at request of the Ld. Counsel for plaintiff.

The petitioner has prayed for appointment of receiver for re-possessing of vehicle having model and make MARUTI SUZUKI INDIA LTD- WAGON R VXI CNG 1L 5MT bearing Registration No. UP32XN9605, Engine No. K10CNC673774 and Chassis No. MA3JMTB1SRJB69834.

I have heard and considered the contentions and record is perused.

The petitioner is stated to be engaged in the banking business and has been advancing loan facility. It is stated that the petitioner granted a loan of sum of Rs. 4,63,979/- to the respondent vide loan-cum-hypothecation agreement bearing no. CF-24053153 for the purchase of vehicle having model and make MARUTI SUZUKI INDIA LTD- WAGON R VXI CNG 1L 5MT bearing

Registration No. UP32XN9605, Engine No. K10CNC673774 and Chassis No. MA3JMTB1SRJB69834. As per the terms of loan agreement, the entire amount was to be re-paid in 48 EMIs of Rs. 13,000/- each.

It is stated that the respondent did not paid the loan amount as per the agreed schedule. The petitioner was thus constrained to recall the loan facility vide legal notice dated 13.04.2026.

The terms and conditions of the agreement require that any dispute arising out of or in connection with the said agreement shall be referred to and resolved by Arbitration. It is stated by the petitioner that the respondent having failed to comply with the terms and conditions of the agreement and also having failed to comply with the legal notice, the petitioner is now in the process of initiating Arbitration proceedings.

Though the dispute shall be resolved through arbitration, the petitioner has reasons to believe that the respondent may dispose off/sell/transfer the said vehicle. The petitioner seeks to protect its interest in the vehicle and the amounts due from the respondent as the vehicle in question is a security with the petitioner for the amount advanced to the respondent. The petitioner seeks to secure its claim by preventing the respondent from selling the vehicle with a view to frustrate their claim. The petitioner has submitted that in case, the interim protection is not granted, the purpose of the Arbitration would be infructuous.

In view of the multiple defaults in payment of installments, this Court is of the prima facie view that there was

deliberate intention of the respondent to not repay the loan amount. The petitioner has made out a prima facie case for repossession of the hypothecated Vehicle. The balance of convenience also lies in the favour of the petitioner as a substantial loan amount still stands unpaid and the respondent is using the vehicle. I find force in the submissions of the Ld. Counsel for the petitioner that the petitioner would suffer irreparable loss in case the respondent disposes off the hypothecated vehicle.

The petitioner has prayed that its representative may be appointed as a receiver as it would be convenient to coordinate the repossession of the vehicle. I find no impediment in allowing the said request. Thus, Sh. Rajendra Negi, Officer of petitioner bank is hereby appointed as court receiver with authorization to seize the hypothecated vehicle having model and make MARUTI SUZUKI INDIA LTD- WAGON R VXI CNG 1L 5MT bearing Registration No. UP32XN9605, Engine No. K10CNC673774 and Chassis No. MA3JMTB1SRJB69834 by removing the same from the possession and custody of respondent or any third person found to be in possession of the said vehicle, in accordance with law. If required, police aid may be taken by the receiver. Further, for the same reason, both the receiver and the petitioners company shall act as *Custodian Legis* and shall keep the vehicle post repossession in safe custody and shall be liable to the court for the same. The order is subject to following conditions:

- (a) The receiver shall remain personally present at the time of seizing the vehicle.

- (b) The person from whose custody the vehicle is repossessed shall be permitted to take his belongings from the vehicle.
- (c) The receiver shall give a receipt of seizing the vehicle with exact date and an inventory of the articles found from the vehicle to the respondent or such other person from whose custody the vehicle is taken. A copy thereof shall be filed before Arbitrator if appointed by that time or in alternative before this Court alongwith the receiver's report of taking possession.
- (d) The receiver shall also note the condition of the vehicle in the said receipt. Photographs pertaining to the condition of the vehicle shall be taken and given to the respondent or such other person from whose custody the vehicle is taken.
- (e) The petitioner shall not dispose off the said vehicle without the written permission of Arbitrator.
- (f) The petitioner shall not sell dismantle or create encumbrance on the vehicle and shall maintain the vehicle in the same condition as it is when seized, so far as practically possible. The petitioner shall be held liable for any kind of loss occurring to the vehicle due to their willful default or gross negligence.
- (g) In case the vehicle is not repossessed within a period of 45 days from the date of this order, the present order shall cease to be in operation, since the present proceedings are only interim measures with the dispute being required to be resolved by the Arbitrator.
- (h) Arbitral proceedings shall commence within 90 days of this order in term of amended Section 9 (2) of Arbitration and Conciliation Act, 1996. For all further reliefs petitioner would be at liberty to approach Arbitrator u/Sec 17 of the Act.

Upon failure of the receiver and/or the petitioner to comply with the above stated conditions, the order of appointment of the receiver shall cease to be in force and the vehicle shall be released on terms and conditions deemed fit by Arbitrator. The receiver shall submit his report with regard to the repossession within a week of the said repossession.

Copy of this order be given dasti.

Be listed on **10.08.2026**.

(Dr.Sugandha Aggarwal)
District Judge-04
PHC-New Delhi-05.06.2026