Bajaj Auto Credit Ltd.
VS
Kalika Prasad

01.07.2026

This is the fresh arbitration petition filed by way of assignment. It be checked and registered.

Present: Ms. Jyoti Sharma, Ld. Counsel for petitioner.

Heard. Record is perused carefully.

It is an application under Section 9 of Arbitration and Conciliation Act, 1996 seeking interim relief of appointment of receiver and to take possession of subject vehicle.

As far as the territorial jurisdiction is concerned, the seat of the arbitrator is in North Delhi, therefore, the present application is maintainable before this Court. A sum of **Rs. 37,768/-** is to be recovered from respondent. This sum is below the specified value limit of Rs. 3 lacs so, the matter cannot be entertained before the Commercial Courts in view of Section 2, 6, 10 (2) and 12 (b) of the Commercial Courts Act 2018. In view of Section 2 (e) (i) of the Arbitration and Conciliation Act 1996, the application under Section 9 of Arbitration and Conciliation Act, 1996 needs to be decided by the Ld. Principal Civil Court. Hence, this Court is satisfied that application is well maintainable before this Court.

On merits, an interim relief of appointment of receiver with a direction to take possession of the vehicle make **MAXIMA CNG WIDER BODY BS6** having **Registration no. UP44CT2791 having Engine no. AZXWRH65315 and Chassis no. MD2B18BX5RWH26829** (hereinafter referred as '***subject vehicle***') is being prayed. Along therewith, an application for grant of ex-parte ad-interim orders for appointment court receiver and direction to take possession of the subject vehicle is also filed.

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It is the case of the petitioner that it is the non banking finance company duly registered with the Reserve Bank of India and *inter alia* engaged in the business of providing finance for various purposes. The petitioner advanced a loan of **Rs. 2,90,000/-** to the respondent for purchase of subject vehicle which was hypothecated under the loan agreement executed by respondent. In terms of agreement, the loan was to be repaid by way of **54 installments of Rs. 9442/-** which started from **03.04.2025 to 03.09.2029.** It is the case of the petitioner that after availing the loan facility and enjoying the possession of the vehicle, the respondent failed to adhere to financial discipline and committed willful defaults in payment of the monthly installments and there is an outstanding payment including **04 defaulted EMIs** amounting totaling to **Rs. 37,768/-.** The parties are bound by the Arbitration Agreement in event any dispute arising between them. But the matter has not been referred to any arbitrator for the purpose of Arbitration proceedings by the petitioner company and submitted to be referred soon in the event of non-disposal of dispute after due process of law and and as of now re-possession of vehicle is the sole way before the petitioner to secure his present default and the future pending amount, therefore, it is prayed that the executive of the petitioner company be appointed as a receiver so as to secure the vehicle, repossessing the same for the proper and just trial for the arbitrator.

Having perused the petition, the application and the documents filed therewith as well as having heard Ld. Counsel for the petitioner, this court is of the opinion that in the present case, the petitioner has made out a *prima facie* case for appointment of receiver, since the respondent has failed to fulfill his financial obligation under the Loan cum Hypothecation Agreement to pay the monthly installment in terms of the agreement. There is a bonafide apprehension that the respondent may sell or dispose the subject vehicle. The balance of convenience also appears to be in favour of agreement between the parties whereby the subject vehicle has been hypothecated as security for the loan. Further, the petitioner may suffer irreparable damage as there is every possibility of harm be caused to the interest of the petitioner in case in the *interregnum,* the respondent sells or disposes of the above said vehicle.

Accordingly, **Mr. Shubham Chaubey** is appointed as receiver in this case to take custody of the vehicle make **MAXIMA CNG WIDER BODY BS6** having **Registration no. UP44CT2791 having Engine no. AZXWRH65315 and Chassis no. MD2B18BX5RWH26829,** from the respondent or his agent. The following direction are accordingly issued to the receiver:-

1. That Receiver shall first try to take over the possession of the aforesaid vehicle from the house of the Respondent or the address(es) mentioned by him in his application seeking loan, but if vehicle is not found at the aforesaid places, the Receiver may recover it from any place wherever it is found or stationed with or without the assistance of police but without breach of peace.
2. That Receiver shall not stop the aforesaid vehicle if it is plying or running on road, to forcibly take out the driver, to take the possession of the aforesaid vehicle and the Receiver shall not attempt to block the passage of the aforesaid vehicle too, to bring it to halt to take its possession.
3. That the Receiver shall not take the possession of the aforesaid vehicle, if the vehicle is on road and is occupied by any physically or mentally challenged person, ill or infirm person, senior citizen or a woman unaccompanied by any man. In such cases, the Receiver shall repossess the aforesaid vehicle from the house of the Respondent or house of such occupier or any such other place wherever vehicle is found to be stationed.
4. That Receiver shall immediately show proof of his identity and attested copy of this order to the Respondent, his agent or any other person found to be in possession of the aforesaid vehicle and handover

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to him a photocopy of his identity and this order against due acknowledgment.

5. The respondent, after receiving copy of this order may raise objections against the Receiver for non-compliance of any of the terms stated in this order by moving appropriate application fore the Arbitrator who shall decide the same as per law.
6. The Receiver shall permit the Respondent, his agent or person found to be in possession of the aforesaid vehicle to take the photographs of the aforesaid vehicle, if he so desires.
7. That Receiver shall immediately record the condition of the recovered vehicle separately and supply the copy of that record to Petitioner and Respondent on the spot against due acknowledgment.
8. That after repossession of the vehicle, Receiver or Petitioner shall not dismantle or damage the vehicle and keep the same in safe custody and in case of any damage to the vehicle, the Petitioner shall be responsible and it will duly compensate the Respondent.
9. An inventory in respect of the attachments in the vehicle in question shall be made by the Receiver and copy of the same be given to the person from whose possession the vehicle is possessed and the petitioner shall file the same in Court alongwith the report of the Receiver.
10. The condition of vehicle shall be noted and the Receiver shall take photograph of the repossessed vehicle from all sides and shall ensure that vehicle is kept in the same condition in which it was repossessed.
11. An appropriate receipt shall be given to the person from whose custody the vehicle is taken. The vehicle in question shall not be sold or dispossessed of or parted without the permission of the court.
12. **That if the Respondent, his agent or any person found to be in possession of the aforesaid vehicle pays the pending EMIs up to the date of repossession, on the date of repossession itself by any**

mode of payment, the Receiver shall accept the same and issue proper receipt to respondent and will not repossess the aforesaid vehicle and release the same on execution of proper Superdarinama by the respondent in the name of receiver to the effect that respondent will pay all the future installments regularly within time as per aforesaid agreement and will not dispose of the aforesaid vehicle without prior permission of the Arbitrator.

13. Petitioner shall file the affidavit indicating repossession of vehicle within three days of its repossession alongwith its photograph, inventory and valuation report.

14. That if the Respondent does not make the payment of the outstanding amount to the Petitioner on the date of repossession, but makes the payment of outstanding dues within thirty days from the date of repossession, the Receiver shall release the aforesaid vehicle on furnishing of Superdarinama on the aforesaid terms and conditions.

15. The Receiver will not seize the aforesaid vehicle, if an independent third party interest is involved into it, without seeking prior permission of the Court.

16. The Receiver shall take the police aid, if required. The concerned SHO of the area where the vehicle is found shall render all possible assistance to the Receiver for taking possession of the vehicle.

17. In case the vehicle is not repossessed within a period of one month 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.

18. Arbitral proceedings shall commence within 90 days of this order in terms of amended Section 9 (2) of Arbitration and Conciliation Act, 1996. For all further reliefs petitioner would be at liberty to approach Ld. Arbitrator u/s 17 of the Act.

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19. The petitioner is directed to refer the matter to the Arbitrator within three weeks. The petitioner is further directed not to transfer the possession as well as title of the vehicle in question. Compliance report regarding status of vehicle and appointment of Arbitrator be filed in due course. **In case, vehicle is repossessed, compliance report be filed immediately after its repossession, failing which interim order shall stand vacated.**

Application seeking ad-interim relief stands disposed off.

Issue notice of the present petition to respondent on filing of PF/RC and Speed Post, for 07.09.2026.

Copy of the order be given dasti.

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(Aanchal)
District Judge-03, Rohini Courts
North District, Delhi
01.07.2026