

ORDER

The applicant has filed present petition against respondents seeking the following reliefs;

a). To permit the petitioner company to take interim custody of vehicle bearing Reg.No.KA52B7119, fitted with Engine No.MPH016752P, Chassis No.MB1AB42EXPRMF9321 from the custody of the respondent with the assistance of jurisdictional police and pass an order to keep the same in his custody till the conclusion of Arbitration Proceedings.

b) In the alternative appoint any person including the manager of petitioner company as Receiver for repossession of vehicle bearing Reg.No.KA52B7119, fitted with Engine No.MPH016752P, Chassis No.MB1AB42EXPRMF9321 from the custody of the respondent with the help of jurisdictional police and pass an order to restore and preserve the same in the custody of petitioner till passing of Arbitration Award.

2. The applicant has filed IA No.1 U/Sec.151 of CPC seeking to dispense with the production of original documents mentioned in said application and IA No.2 filed under Section 9 of Arbitration & Conciliation (Amendment) Act, 2015 R/w Order XXXIX Rule 1 and 2 of CPC seeking to grant an ad-interim order permitting the applicant/ petitioner to take possession of vehicle bearing Reg.No.KA52B7119, fitted with Engine No.MPH016752P, Chassis No.MB1AB42EXPRMF9321 from the custody of the respondent with the assistance of jurisdictional police and pass an order to keep the same in his custody till the conclusion of Arbitration Proceedings.

3. In nutshell, it is averred in the affidavits filed in

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support of above interim applications that, the applicant M/s IDFC FIRST BANK LTD, is a company incorporated under the provisions of the Companies Act, 1956 and licensed by the Reserve Bank of India. The applicant company is involved in the business of lending financial facilities to the persons for purchasing and/or hiring the commercial vehicles on the terms and conditions as laid down in the agreement. The respondents have availed a loan of Rs.9,16,498/- from applicant company for the purchase of vehicle bearing Reg. No.KA52B7119, fitted with Engine No.MPH016752P, Chassis No.MB1AB42EXPRMF9321 agreeing to repay the same in repayable by 59 monthly installments by executing a loan cum hypothecation agreement dtd.24.03.2023. It is further averred that, the respondents have defaulted in making the monthly installments and they committed a breach of contract as per the terms of agreement and cheques issued by the respondents were dishonored with the endorsement insufficient funds. When the officials of the applicant company approached for the settlement and also for custody of the vehicle, the respondent in a vague manner have not heeded the request of the applicant company. The respondents are chronic defaulters in paying the monthly installment and an amount of Rs.663117.3/- is outstanding from the respondent towards full and final settlement of contract

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and in spite of repeated requests and demands they are neither paying monthly installments as agreed by them nor they have returned the vehicle to applicant company. The respondents are very power full persons having men and materials behind them and they are neither allowing applicant's company officials even for inspection of vehicle nor they are ready to surrender the vehicle to applicant custody. It is further averred that after due search about a week back, applicant came to know that the respondent are planning to misappropriate the said vehicle and secretly making an attempt to dispose of vehicle to some third party by removing its' parts with a dishonest intention to obstruct the petitioner in exercising their rights of repossession available as per the terms and conditions of agreement. The respondent are intentionally obstructing the officials of applicant company to enter place where the vehicle is placed with a common intention to misappropriate the vehicle and thereby respondent making hasty attempts to dispose of the vehicle with an intention to cheat the company. Respondents are bound to surrender the vehicle to the possession of applicant's company as per law. Hence present petition and interim applications.

4. Heard counsel for petitioner. Perused documents produced by the applicant.

5. In support of present applications, the applicant has

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produced Copy of Authorization Letter, Loan application form, Copy of Loan cum Hypothecation Agreement along with supporting documents, Copy of B- Registrar Extract, Copy of loan recall notice dtd.05.08.2025 issued to the respondents and Copy of Statement of accounts along with the foreclosure statement.

6. Further the loan Agreement dtd.24/03/2023 contains the Arbitration Clause 13.10, wherein it is mentioned as under:-

"13.10. Governing Law, Jurisdiction & Arbitration. *This Agreement shall be construed and governed in accordance with and governed by the laws of India. The parties hereto expressly agree that all disputes rising out of and/or relating to this agreement including any related documents shall be subject to the exclusive jurisdiction of the Courts/ Tribunals of the place/ governing the place having territorial jurisdiction over the place in which the Branch Office is situated. Provided t his clause shall not restrict the bank and the bank shall be entitled to initiate/ take proceedings relating to a dispute in any Courts/ Tribunals of any other place which has jurisdiction. Provided further that if any dispute arising under this agreement is below the pecuniary jurisdiction limit of the Debts Recovery Tribunals established under the Recovery of Debts due to Bank and financial Institutions Act, 1993, then such dispute shall be referred to arbitration in accordance with the provisions of the Arbitration and Conciliation Act, 1996 as many be amended or its re-enactment."*

7. The above clause shows that there is arbitration clause in loan agreement and documents prima facie shows that the respondents have borrowed aforesaid loans towards purchase of schedule asset from

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applicant. The applicant has contended that, the original documents are to be produced before learned arbitrator in arbitration case. Looking to facts and circumstance of the case and the grounds urged in IA No.1, it appears just and proper to dispense with production of original documents, by allowing said application.

8. Counsel for applicant has argued that, applicant company is entitled for an ad-interim ex parte order for appointment of Receiver, in order to protect the schedule property from being wasted However at this stage the original documents are not produced by applicant. Further the relief (a) claimed in main petition and relief claimed in IA No.2 appear to be same. Moreover, no documents are produced at this stage in order to believe that the respondents are making efforts to dispose of the same. Hence it is not just and proper to grant ad-interim order of appointment of receiver as prayed for in IA No.2, without hearing other side. Hence, following is:

ORDER

I.A.No.1 is allowed. Production of documents mentioned in said application is dispensed with for time being.

Issue notice on main petition and IA No.2 to Respondents by speed

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**post, if PF and copies are furnished,
R/by 13.02.2026.**

(ANAND T. CHAVAN)

LXXXIV Addl.City Civil & Sessions Judge,
Bengaluru.