Arbitration No. 197/2026

HDFC BANK LTD. VS. **YOGESH KUMAR**

06.02.2026

Fresh arbitration petition as filed online is received by way of assignment. It be checked and registered.

Present: Sh. Pardeep Choudhary Ld. Counsel for the petitioner.

Heard. Perused.

The petitioner has filed its affidavit stating that the advance copy of the petition has been sent to the respondent via postal receipt. The postal receipt is on record. The petitioner has complied with order of the High Court dated 20.06.2025 passed in "Surender Kumar Vs. Kotak Mahindra Bank Ltd." FAO (Comm) 161/25.

Ld. Counsel for the petitioner submits that as far as the territorial jurisdiction is concerned since the seat of the arbitrator is in **North West Delhi,** therefore, the present application i.e. u/s 9 of Arbitration & Conciliation Act, 1996, is maintainable before this Court. Ld. Counsel further submits that the outstanding amount is **Rs.87,001/-** only i.e. below Rs. 3 lacs. Hence, the matter cannot be entertained by the Commercial Courts in view of Section 2, 6, 10 (2) and 12 (b) of the Commercial Courts Act 2018. It is further stated that since the matter has to be decided by the Ld. Principal Civil Court in view of Section 2 (e) (i) of the Arbitration and Conciliation Act 1996, this court has pecuniary jurisdiction to entertain and try the present matter.

On merits, Ld. Counsel for the petitioner submits that the present application under Section 9 of the Arbitration & Conciliation Act, 1996 has been filed for interim relief of appointment of receiver with a direction to take possession of the vehicle i.e. **MAHINDRA BOLERO 1.5 B6 D MT, Bearing Registration No.-HR26FM9914, Engine No.-TVR6F77939, Chasis No. MA1XL2TVXR5F43333** (herein after referred as 'subject vehicle'). Petitioner has also filed an application for grant of ex-parte ad-interim orders for appointment of court receiver and direction to take possession of the subject vehicle. It is the case of the petitioner that it is a non- banking finance company duly

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registered with the Reserve Bank of India and is inter alia engaged in the business of providing finance for various purposes. The petitioner and respondent executed a Loan Agreement, whereby the petitioner advanced a loan of **Rs.10,06,201/-** to the respondent for purchase of subject vehicle which was hypothecated under the agreement. In terms of agreement, the loan was to be repaid by way of **60** monthly installments for **Rs.21,058/-** each. 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. It is stated that there is an outstanding payment against **04** EMIs. It is further stated that parties are bound by the Arbitration Agreement in event any dispute arises between the parties. It is stated that the matter has not been referred any arbitrator for the purpose of Arbitration proceedings by the petitioner company and will be referred soon in the event of non disposal of dispute after due process of law. It is stated that as of now re-possession of vehicle is the sole way before the petitioner to secure his/her present default and the future pending amount. It is therefore, humbly 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.

After considering the submissions of the petitioner, this court is of the considered view that the present application is maintainable before this Court.

Having perused the petition, the application and the documents filed therewith as well as having heard to submissions of Ld. Counsel for the petitioner, this court is of the opinion that in the present case, the petitioner has made out a prima faice case for appointment of receiver, since the respondent has failed to fulfill his/her 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 the petitioner in as much as there is Loan cum Hypothecation 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 being caused to the interest of the petitioner in case in the interregnum, the respondent sells or disposes of the above said vehicle.

Accordingly, **Sh. Gaurav Bisht** is appointed as receiver in this case to take custody of the vehicle i.e. **MAHINDRA BOLERO 1.5 B6 D MT, Bearing Registration No.-HR26FM9914, Engine No.-TVR6F77939, Chasis No. MA1XL2TVXR5F43333** from the respondent or his/her agent. The following direction are accordingly issued to the receiver:-

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.

1. 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.

2. 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.

3. That Receiver shall immediately show some 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 to him a photocopy of this order against due acknowledgment.

4. 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 before the Arbitrator who shall decide the same as per law.

5. 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.

6. 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.

7. 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.

8. 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.

9. 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.

10. 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.

11. 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.

12. Petitioner shall file the affidavit indicating repossession of vehicle within three days of its repossession alongwith its photograph and inventory.

13. 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.

14. 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.

15. In case the vehicle is not repossessed within a period of two months 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.

16. 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.

17. The observations made in this order have been made on a prima facie view of the matter. They are tentative in nature and not to be construed as a final expression of opinion on the merits of the case.

Issue notice of the present petition to respondent on filing of PF/RC/Speed Post/Courier, returnable on 06.03.2026.

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DJ-04(North-West)

Rohini Courts Delhi

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