14.08.2026

Present:- Sh.Ajeet Singh,learned counsel for the petitioner.

The Petitioner has filed an application under Section 9 of the Arbitration and Conciliation Act 1996 for appointment of a Receiver to take the possession of the vehicle i.e. PICKUP CNG, bearing registration No.DL1LAJ4035, Engine No.UKN1D23380 and Chassis no. MA1ZN2UKKN1D41294.

Ld. Counsel for the Petitioner has addressed the arguments on the interim application and has prayed for ex-parte appointment of receiver.

I have heard the submissions of learned counsel for the Petitioner. I have also perused the record and gone through the same.

The facts in brief, as stated in the application, are that the Petitioner is a Banking Company, established and incorporated under the Companies Act, 1956. The respondent availed a loan of Rs564389/- dated 12.01.2023 from the Petitioner vide Loan Agreement no. 103640134 for purchasing the vehicle i.e. PICKUP CNG, bearing registration No.DL1LAJ4035, Engine No.UKN1D23380 and Chassis no. MA1ZN2UKKN1D41294. The respondent agreed to pay the loan amount of Rs.564389/- in the form of 48 monthly installment of Rs.15141/- each. The respondent further agreed to strictly comply with the repayment schedule.

The Respondent is stated to have executed the loan-cum-hypothecation agreement dated 12.01.2023 with the Petitioner and the aforesaid vehicle was made a collateral security for the repayment

SUNIL KUMAR SHARMA Digitally signed by SUNIL KUMAR SHARMA Date: 2026.08.14 16:37:42 +0530 of the loan in question. It is further stated that after availing the loan facility, the respondent failed to pay the monthly installments as per schedule in spite of several reminders, visits and repeated request made by the applicant.

It is further stated that the tenure of the loan agreement commenced on 03.03.2023 and the respondent has paid only 33 installments and has defaulted in payment of 15 EMIs and therefore, the Petitioner issued loan recall notice dated 25.06.2026. It is stated that an amount of Rs.275378.65/- was due and outstanding till the time of issuance of the aforesaid notice. It is stated that the vehicle in question is the collateral security of the loan agreement and if the respondent disposes of the aforesaid vehicle, the petitioner will be gravely prejudiced. Therefore, the petitioner has requested for ex-parte appointment of receiver.

The petitioner has filed the relevant documents as well as statement of loan account. The total loan amount along with interest, i.e Rs.564389/- was payable in 48 monthly installments, commencing from 03.03.2023. More than half of the tenure of the loan agreement has already expired and the Respondent has defaulted in payment of 15 EMIs. The loan agreement contains an arbitration clause and the seat of arbitration is at Delhi. The Petitioner has already issued a loan termination notice. In case, the Respondent disposes of vehicle in question, the Petitioner will be gravely prejudiced as the vehicle is the collateral security for the loan. In terms of the Loan Agreement in question, the Petitioner in terms of clause 8.2 of the arbitration of agreement has the right to repossess the aforesaid collateral security,

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i.e., vehicle in question, in the event of non-payment by the Respondent. Thus, the default of the Respondent, in terms of continuous non-payment of EMIs, makes out a *prima-facie* case in favour of the Petitioner for grant of interim measure under Section 9 of Arbitration & Conciliation Act, 1996.

Accordingly, the official of the Petitioner, namely **Mr. RAJA MURAD, Collection Manager**, is hereby appointed as a receiver to repossess the vehicle in question, i.e **PICKUP CNG, bearing registration No.DL1LAJ4035, Engine No.UKN1D23380 and Chassis no. MA1ZN2UKKN1D41294.** subject to the following terms and conditions:

> *1) The receiver is directed to first give offer to the Respondent for making payment of defaulted outstanding amount before seizure of the vehicle;*
>
> *2) If the Respondent makes payment of the defaulted outstanding amount as on date of possession, the receiver shall release the vehicle in question to the respondent on Superdari, subject to an undertaking by the Respondent to the receiver for regular payment of future monthly installments, and a declaration not to part with the vehicle or create third party interest in the vehicle until the entire amount is paid;*
>
> *3) If the Respondent is not in a position to clear the entire outstanding amount, the receiver shall give him another opportunity to pay the outstanding amount within 15 days of taking over the possession of the vehicle and in case the Respondent makes the payment of the outstanding amount within the said period, the receiver shall release the vehicle to the Respondent subject to an undertaking as aforementioned;*

4) The receiver may take the police aid, if required. This order itself would amount to a notice/directions to the SHO of the concerned area to provide the requisite assistance to the receiver for repossession of the vehicle.

5) The receiver shall give the copy of the order to the person from whose custody he takes the vehicle.

6) The receiver shall issue appropriate receipt to the person from whose custody he takes the vehicle and will also note therein condition of the vehicle.

7) At the time of taking custody of the vehicle, the receiver will take the photographs of the vehicle from different angles and shall ensure that the vehicle is kept in same condition in which it was seized and:

8) The receiver shall prepare an inventory of the goods/accessories found in the vehicle and shall furnish the copy of the inventory to the person from whom the vehicle is seized.

9) The receiver shall submit his report before this court within two weeks along with the photographs and inventory mentioned above. The receiver shall also be bound to produce the vehicle in the court as and when required.

10) The Petitioner shall also initiate the arbitration proceedings within a period of 90 days from today.

Issue notice of the petition along with the application to the respondent, on filing PF/RC as well as by all other permissible modes. The steps be taken within a week from today.

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An attested copy of this order be given to the receiver / learned counsel for the petitioner at request.

List the matter for further proceedings on **29.10.2026.**

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(Sunil Kumar Sharma)
District Judge-04 (West)
THC/Delhi/30.05.2026