

Application No.5319 of 2019

PUSHPA SATHYANARAYANA, J.

This application has been filed by the applicant/finance company under Section 9 of the Arbitration and Conciliation Act, 1996, to appoint Mr.Sujith, K., Sr. Legal Executive of the applicant company, as a receiver to seize and take possession of the vehicle, which is more fully described in the schedule to the Judges Summons which is lying in the custody of respondent or his men, agents, servants from his premises or wherever found with police aid and break open of premises if necessary.

2. The respondent availed of a vehicle loan from the Applicant-company and executed a loan agreement No.XVFPTVM00001661458 dated 30.04.2016 for a sum of Rs.5,95,000/- to be paid in 60 monthly installments and the first installment commenced from 28.05.2016 and the re-payments were to run till 28.04.2021. It is stated that as of 10.07.2019, a sum of Rs.5,42,608.58 is outstanding. In terms of the loan agreement executed by the respondent, the applicant/Finance company is entitled to re-possess the vehicle in the event of default committed by the respondent. It is also submitted that the continued use of the vehicle by the respondent would depreciate its value.

3. Though notice has been served on the respondent and his name has been printed in the cause list, none appears on behalf of the respondent.

4. Upon considering the facts and circumstances of the case, this Court is satisfied that the applicant has made out a *prima facie* case in its favour and accordingly, Mr.Sujith, K., Sr. Legal Executive of the applicant company is appointed as Receiver to take custody of the vehicle. The receiver will be entitled to take possession of the vehicle from the respondent or its agent or any one in possession thereof. If necessary, the Receiver shall get police assistance and the Station House Officer of the concerned Police Station, within whose jurisdiction the vehicle is found, will render requisite assistance for this purpose.

5. The agreement entered into between the applicant and the respondent provides for arbitration in the event of disputes and differences between the parties. It is submitted by the learned counsel for the applicant that the arbitration proceedings have been initiated and are pending. The Receiver shall preserve the vehicle without alienating or encumbrance thereof till the arbitration proceedings are concluded.

6. The receiver shall seize the vehicle within a period of eight weeks from the date of receipt of a copy of this order. However, in case the respondent make payment of the outstanding installments, the Receiver shall release the vehicle to the respondent.

7. Accordingly, this Application is closed.

20.09.2019

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The counsel for the applicant is permitted to receive the certified copy of the order of the Receiver and communicate the same to the Receiver.



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