

Application No.5418 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 employee of the applicant, namely, Mr.M.Ram Prabu, Senior Manager-Legal as 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 respondent's men, agents servants from respondent premises or wherever found with Police aid and break open of premises if necessary.

2. The respondent availed of loan from the Applicant-company for purchase of vehicle and executed a loan cum hypothecation Agreement No.TN3007CA0002195 dated 07.03.2017 for a sum of Rs.3,54,250/- to be paid in 60 quarterly installments and the first installment commenced from 07.04.2017 and the re-payments were to run till 07.03.2022. As on 12.07.2019, the respondent is liable to pay a sum of Rs.3,56,462/- together with interest. In terms of the loan agreement executed by the respondent, the applicant/company is entitled to re-possess the vehicle in the event of default committed by the respondent. It is submitted that the continued use of the vehicle by the respondent would depreciate its value.

3. Notice sent to the respondent has been served and affidavit of service is also filed to that effect enclosing acknowledgement card. Though the name of the respondent is also printed in the cause list, there is no representation for him either in person or through counsel.

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.M.Ram Prabu, Senior Manager-Legal 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 his 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. The learned counsel for the applicant would submit that an award of arbitration between the applicant and the respondent has been passed on 07.05.2019.

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. In view of the above directions, this application is closed.

19.09.2019

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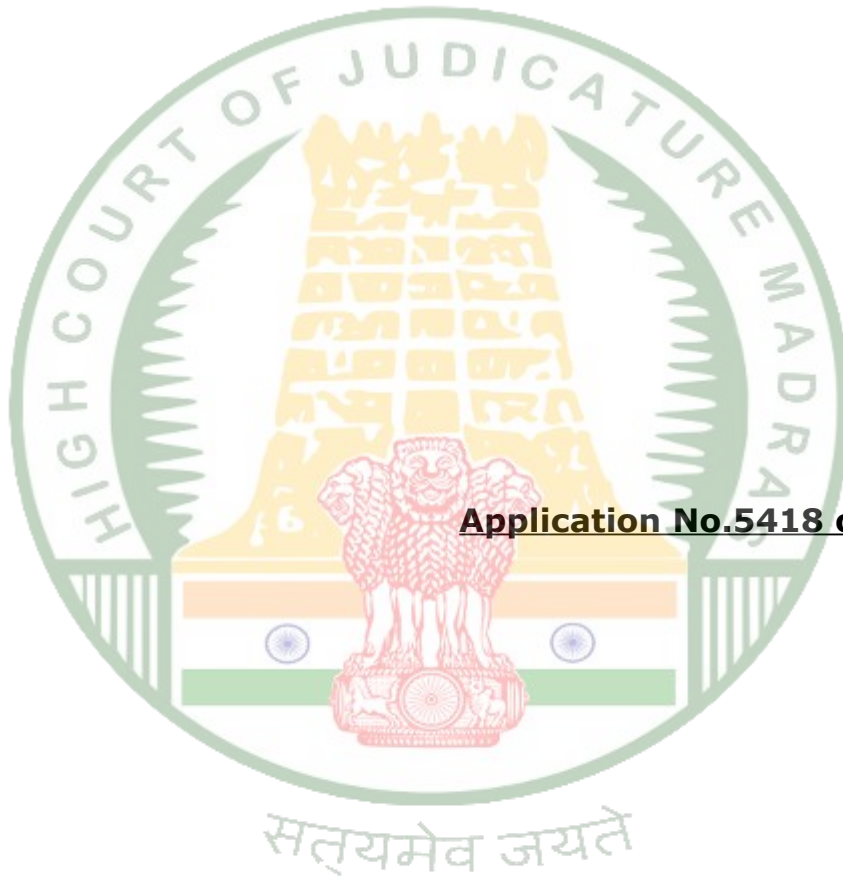
The counsel for the applicant is permitted to receive the certified copy of the order of the Receiver and communicate the same to the Receiver.



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