

Application No.7700 of 2019**PUSHPA SATHYANARAYANA, J.**

This application has been filed by the applicant/company, to appoint the employee of the applicant, viz., Mr.Maninder Singh Dhillon, Territory Manager Collections as Receiver to seize and take possession of the vehicle which is morefully 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 a vehicle loan from the Applicant-company and executed a loan cum hypothecation agreement dated 31.01.2018 bearing agreement No.MP3010CA0002135 for a sum of Rs.1,43,000/- to be paid in 24 instalments and the first instalment commenced from 07.03.2018 and the re-payments were to run till 07.02.2020. It is stated that as of 20.09.2019, a sum of Rs.1,30,085/- is outstanding. 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.

3. It is submitted that the continued use of the vehicle by the

respondent would depreciate its value.

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. Maninder Singh Dhillon, Territory Manager Collections 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 applicant shall commence arbitration proceedings and the Receiver shall preserve the vehicle without alienating or encumbering thereof till the arbitration proceedings are concluded. In view of the judgment passed in **Firm Ashok Traders and another etc., v. Gurumukh Das Saluja and others etc.**, reported in **2004 (2) CTC 208**, it is made clear that if the applicant herein fails to initiate arbitration proceedings within a period of six weeks from the date of receipt of a copy of this order, the order made in this Application would stand revoked, without further orders.

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 makes 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.

28.11.2019

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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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