IN THE NATIONAL CONSUMER DISPUTES REDRESSAL COMMISSION AT NEW DELHI

REVISION PETITION NO. NC/RP/1501/2015
(Against the Order dated 13th March 2015 in Appeal No. 60/2014 of the State Consumer Disputes Redressal Commission Bihar)
WITH
NC/IA/1734/2020 (DIRECTIONS)
NC/IA/9477/2025 (EXEMPTION FOR FILING TRANSLATION DOCUMENTS)
NC/IA/5791/2026 (FOR C/DELAY)

M/s Shriram Transport Finance Co. Limited
Office at - Bhagwanpur Chowk,
Thana - Sadar, Dist.- Muzaffarpur,
Bihar.
Through its Authorized Representative ... Petitioner

versus

Smt. Chanchla Kumari,
W/o Sh. Virendra Kumar Singh
R/o Village Athari,
P.S. Runni Saidpur,
District - Sitamadhi.

Present at:

Anadpuri, B.B. Ganj,
P.S. Sadar,
District – Muzaffarpur,
Bihar. ... Respondent

BEFORE:
HON'BLE MR. JUSTICE A.P. SAHI, PRESIDENT
HON'BLE MR. BHARATKUMAR PANDYA, MEMBER

For the Petitioner : Ms. Anisha, Advocate
Mr. Sudhanshu Prakash, Advocate

For the Respondent : Mr. Madhurendra Kumar, Adv. With
Respondent in person

Reserved on : 02.09.2026

Pronounced on : 09.09.2026

ORDER

JUSTICE A.P. SAHI, PRESIDENT

1. The Complaint was filed by the Respondent alleging unfair trade practice on the part of the Petitioner/Finance Company for having unauthorizedly repossessed the vehicle that had been financed by it. It was also alleged that excessive money had been realized inspite of the fact that the Complainant had been making all payments that were due in respect of the said vehicle, which is a Mahindra Bolero Pickup bearing Registration No.BR-06G-7832. The loan was financed in 2010 for a sum of Rs.2,00,754/-, repayable in 32 instalments between 05.10.2010 to 05.04.2013.

2. The vehicle was seized according to the Complainant forcibly without any notice on 27.12.2011 and on enquiry, it was informed that there were some outstanding instalments payable. The Complainant on 16.01.2012 made the payments, but the vehicle was not released. A legal notice was sent but the Petitioner Company demanded payments of outstanding instalments in respect of another vehicle which was in the name of the husband of the Complainant bearing registration no.BR-06P-1430. The Company, according to the Complainant, was compelling her to act accordingly, inspite of the fact that there was no relation in respect of the two vehicles.

3. CC/18/2012 was instituted before DCDRC, Muzaffarpur and an interim application for release was moved that was allowed on 08.11.2012. The vehicle was released on 13.12.2012 and further payments were made, out of which, three of the instalments were paid after the release of the vehicle.

4. The vehicle was however again repossessed by the finance Company inspite of the fact that a substantial amount had been paid by the Complainant. The District Commission, after taking into consideration the facts and the evidence on record, allowed the Complaint on 04.01.2014.

5. The Petitioner Company went up in Appeal being Appeal No. 60/2014 and the State Commission, after taking into consideration, also recorded that the vehicle was repossessed on 27.11.2012 without any issuance of proper notice and the evidence was not filed before the District Commission which was subsequently sought to be introduced at the Appellate level. The action of the Petitioner Company in having seized the vehicle of the Complainant for the dues of the other vehicle of the Complainant's husband, was unfair. It was also held that the husband was not a guarantor towards the loan taken by the Petitioner and in such circumstances, there was a deficiency in service by the Bank.

6. Learned counsel for the Petitioner, during the course of her submissions, has relied heavily on the interim order passed by the District Commission for release of the vehicle on 08.11.2012 to point out that the release was subject to the satisfaction of the instalments and in default thereof, it was also observed that the Company shall be entitled to repossess the vehicle. Learned counsel for the Petitioner also urged that an affidavit had also been filed by the Complainant to that effect on 10.12.2012 and hence, since there was a default in payment of the instalments, the Petitioner Company had a right to repossess the vehicle as per Clause-6 of the Agreement. Clause-6 of the Agreement is extracted herein under:

> *"6. SHRIRAM'S RIGHT ON DEFAULT:*
>
> *In the event of the borrower committing any act of default, as aforesaid, then, notwithstanding anything to the contrary herein contained, Shriram shall be entitled at its absolute discretion to interalia:*
>
> *(a) Call upon the Borrower to pay forthwith the outstanding balance of the said credit facilities together with interest and all sums payable by the borrower under this agreement.*
>
> *(b) REPOSSESSION OF ASSET: To take possession of the hypothecated assets from wheresoever it may be and remove the hypothecated asset including all accessories, bodywork and fittings and for the said purpose, it shall be lawful for Shriram or Shriram authorized representatives, servants, officers and agents forthwith or at any time and without notice to the Borrower(s) to enter upon the premises, or garage or godown where the hypothecated assets shall be lying or kept and to take possession or recover or receive the same and if necessary to break open such place of storage; Shriram will be within its rights to use a tow-van to carry away the assets. Any damage to the land or building caused by removal or the asset shall be the sole responsibility of the Borrower(s).*
>
> *(c) To take all necessary steps as fully and effectively as the Borrower could take to dispose off the said hypothecated assets at the risk and cost of the Borrower in all respects and it shall be lawful for Shriram forthwith or at any time thereafter and without notice to the Borrower to enter upon the*

premises or garage where the hypothecated assets shall be lying or kept and to take possession or recover and receive the same and if necessary to break open any such place of storage and shriram shall be entitled to appoint any officer or officers of Shriram or any other person authorized in this behalf as receiver of the said hypothecated assets or any part thereof with power to do all things as fully and effectively as the Borrower could do and/or to sell the said hypothecated assets by public auction or private contract or otherwise dispose off the said hypothecated assets including any material thereon at the risk and costs of the Borrower in all respects with power to rescind or vary any contract for sale without being bound or answerable for any loss or diminution in value and without being bound to exercise any of the powers hereby conferred or being liable for any loss occasioned by the exercise of any such power and to give effectual receipts and discharge for the purchase money and to do all such other acts and things for completing the sale as Shriram or the rec receiver, shall think proper. The Borrower shall not raise any objection to the regularity of any sale or other disposition made by Shriram nor shall Shriram be responsible for any loss that may arise from any act or default on the part of any broker or auctioneer or other person or body employed by Shriram or the receiver for the purpose of the sale or disposition. Provided that the Borrower expressly agrees that Shriram in reselling the assets shall only be obliged to offer the same to persons whose business is that of dealing in assets of the same type and description as that of the asset being resold and that in the event that such asset has no resale value, a certificate to that effect from such dealer will be binding on the Borrower.

(d) In the event of there being as surplus available of the net proceeds of such sale after payment in full of the balance due to Shriram, it shall be lawful for Shriram to retain and apply the said surplus together with any money or monies belonging to the borrower for the time being in the hands of Shriram in or under whatever accounts as far as the same shall extend against in or towards liquidation of all monies that shall be or may become due from the Borrower or from any of its group companies/associates/directors/promoters to Shriram or any of Shriram subsidiaries or group entities of Shriram Group whether solely or jointly with any other persons, firm or company by way of loans, discounted bills, letter of credit, Guarantees, charges or any other debts or liability including bill, notes, credits and other obligations current though not then due and payable or other demands legal or equitable which Shriram Group Companies may have against the Borrower or which the by law of set off or mutual credit would in any case admit alongwith interest thereon from the date on which any and all advance/s in respect thereof shall have been made at the rate or respective rates at which the same have been so advanced."

7. The matter had been heard earlier when we had passed the following order on 23.04.2025:

"Learned counsel for the petitioner has advanced his submissions contending that the respondent/complainant was essentially not a 'consumer' as defined under the Consumer Protection Act, 1986 and therefore the complaint ought not to have been entertained.

The second submission is that the repossession of the vehicle was justified keeping in view the provisions of Clause 6(b) of the Agreement where the petitioner was entitled to take repossession of the vehicle even without notice.

The contention further is that there is no pleading or proof regarding claim of any damages or compensation nor is, there any indication of the basis of the loss suffered by the respondent/complainant and as such the District Commission exceeded in its jurisdiction by calculating the loss without any evidence to that effect.

It is then submitted that there was no prayer or relief prayed for and consequently the order of the District Commission was not sustainable.

Learned counsel has cited decisions to contend that the issue of notice stands answered by the Apex Court in the judgment of ***Magma Fincorp Ltd. Vs. Raiesh Kumar Tiwari (2020) 10 SCC 399, Paragraphs 81 to 89****, and then he has also pressed into service another judgment of the Apex Court in the case of* ***Orix Auto Finance (India) Ltd. Vs. Jagmander Singh and Anr. (2006) 2 SCC 598****. Learned counsel has also relied on the decision of Delhi High Court in the case of* ***Win Medicare Pvt. Ltd. Vs. McLaren Biotech (P) Ltd. 2005 SCC OnLine Del 1446****.*

It is then submitted that in fact even assuming for the sake of argument that the repossession notice had not been filed before the District Commission, yet the vehicle during the pendency of the complaint before the District Commission was released on an application moved by the respondent/ complainant and the learned counsel for the petitioner has invited the attention of the Bench to the order passed on 08.11.2012 which is at page 91 of the reply paper-book. The submission is that the vehicle had been redelivered to the respondent/complainant in December, 2012 on the intervention of the order of the District Commission and was in her possession even when the appeal was filed. The order of the District Commission was passed on 04.01.2014 and therefore on the date of the passing of the order by the District Commission, the vehicle was in the

possession of the respondent/complainant. This aspect of the possession of the vehicle and its utilization has nowhere been taken into account by the District Commission while passing the order on 04.01.2014 and 2 calculating the damages to be awarded to the respondent/complainant in para 12 of the said order.

We also find that so far as the repossession notice as alleged by the petitioner is concerned, the same did not find part of either the" pleading or the evidence before the District Commission. The Hypothecation Agreement also had not been filed before the District Commission. These facts have been taken notice of and a conclusion drawn that since the same was not filed as evidence, it could not be looked into even at the Appellate stage.

Nonetheless, what appears from the pleadings on record is that a document titled as an 'Agreement' on a hundred rupees stamp was tendered V " ' before the District Commission, where-after the vehicle was actually released in terms of the order dated 08.11.2012. Thus, the vehicle seems to have been taken possession of by the respondent/complainant accordingly but the District Commission while passing the order finally does not seem to have made any calculations or adjustments vis-a-vis the said event which had intervened on account of the interim orders passed by the District Commission itself.

The statement of accounts has also been placed on record as Annexure 3 and therefore learned counsel has advanced his submissions that as on the date of the filing of the reply by the petitioner, the total sum due was Rs.2,87,568/- which aspect also has not been taken notice of by the District Commission.

Learned counsel has invited the attention of the Bench towards the written submissions filed by him with the aid whereof he has also urged that forcible repossession has not been proved and unless there is sufficient proof for the same, a mere allegation will not suffice. For this, he has relied on an order of the National Commission in the case of ***Surendra Kumar Agarwal Vs. Telco Finance Ltd., II (2010) CPJ 163.***

At the conclusion of the arguments, we also enquired into the status of the possession of the vehicle, for which Mr. Madhurendra Kumar, learned counsel for the respondent/complainant, prays that he

may be *granted time to respond to these submissions and also to bring forward any such material from the record itself to indicate the status of the possession of the vehicle and any facts that may have led to the calculation of the quantum as computed by the District Commission.*

Learned counsel for the respondent has orally submitted that the vehicle in question after being repossessed at the Appellate stage has been sold by the petitioner on 21.06.2018 to one Bhagwan Lal Rai.

Let an affidavit be filed to that effect *after serving a copy of the same on the learned counsel for the petitioner, and, in case such an affidavit is filed, learned counsel for the petitioner will respond to it accordingly.*

Let the matter be now listed at 2.00 p.m. on 01.08.2025."

8. A perusal of the said order indicates that there was an oral submission made on behalf of the Respondent/Complainant that the vehicle had been resold by the Petitioner Finance Company on 21.06.2018. In order to verify the said statement and the status of the vehicle, we had called upon the learned counsel to file an affidavit to that effect.

9. The affidavit has been filed on 29.07.2025 by the counsel for the Respondent stating as follows:

"14. That after release of the subject vehicle on 13.12.2012 by the petitioner to the respondent, in terms of the order dated 08.11.2012 passed by the Learned District Commission, the respondent deposited further instalment amount of Rs.14,000/- on 14.02.2013, Rs. 13,000/- on 23.02.2013 and Rs. 10,500/-on 06.05.2013 for the subject vehicle to the Petitioner. Therefore, totally the respondent had already paid 20 instalments out of total 32 instalments till 06.05.2013, amounting to total payment of Rs. 2,81,929/- to the petitioner. As per the final order dated 04.01.2014 passed by the Learned District Commission in the subject Consumer Case, the balance 12 instalments were to be adjusted by the petitioner from the payable compensation amount by the Petitioner to the Respondent, as per the directions/orders dated 04.01.2014 passed by the Learned District Commission in the said consumer case.

15. That vide final order dated 04.01.2014 in Complaint No.18 of 2012, the Learned District Commission directed the petitioner to pay the complainant a sum of Rs.3,60,000/- as compensation to the complainant for the period of seizing the vehicle, a sum of (Rs.4,15,000/- (-) Rs. 1,51,2100/-) = Rs. 2,63,800/-, Rs. 40,000/- towards expenses incurred in repairing of the vehicle after release, Rs. 10,000/- as mental agony and Rs.5,000/- as litigation cost to be paid within 30 days from the date of receipt of the District Forum order, failing which 10% annual interest will be payable.

16. That after expiry of 30 days' time from the date of receipt of order dated 04.01.2014 passed by the Learned District Commission in the said Consumer Case, on 18.02.2014 the respondent filed Execution Application No. 15 of 2014 in the said Consumer Complaint No. 18 of 2012 before the Learned District Commission, for seeking compliance of the said final order dated 04.01.2014.

17. That being aggrieved, on 10.02.2014 the petitioner filed time barred First Appeal No. 60 of 2014 before the Hon'ble State Commission, Bihar against the said order dated 04.01.2014 passed by the Learned District Commission in Complaint No. 18 of 2012.

18. ***That during the pendency of the said First Appeal No. 60 of 2014 before the Hon'ble State Commission, on 24.01.2015, suddenly the Petitioner forcefully again repossessed the subject vehicle bearing Registration No. BR06G7832 without giving any prior intimation or notice to the respondent.***

19. That it is an absolutely invalid and illegal act on the part of the petitioner that during the pendency of the said First Appeal and without seeking any permission from the Hon'ble State Commission or even giving any prior intimation to the respondent, the petitioner repossessed the subject vehicle and committed grave negligence and deficiency in service qua the respondent. It is submitted that when the matter relating to the subject vehicle was subjudice before the Hon'ble State Commission in the said First Appeal No. 60 of 2014 filed by the Petitioner itself, the petitioner willfully, deliberately and with malafide intention in order to cause irreparable loss and injury to the respondent, forcefully repossessed the subject vehicle and deprived the respondent from the sole source of livelihood.

20. That immediately after the repossession of the subject vehicle on 24.01.2015 by the petitioner, the respondent preferred an application before the Hon'ble State Commission in the said First Appeal No. 60 of 2014 for seeking direction to the Petitioner to release the vehicle of the respondent during the pendency of the First Appeal and Execution Case No. 15 of 2014 and to permit the respondent to ply

the vehicle in question on road. The respondent had also preferred similar application in Execution Case No.15 of 2014 before the Learned District Commission and respondent sought coercive orders by the Learned District Commission against the petitioner."

10. It is therefore, evident that on 24.01.2015, the vehicle was again repossessed forcibly during the pendency of the Appeal before the State Commission. The Respondent has made the following assertion in para-22 of the aforesaid affidavit dated 29.07.2025 :

"22. It is pertinent to mention that on 19.03.2013, the petitioner had issued the final notice for termination of higher purchase hypothecation notice to the husband of the Respondent for the other financed vehicle bearing no. BR06P1430 which belong to the husband of the respondent. Admittedly, the petitioner had repossessed the subject vehicle of the Respondent on 27.12.2011 solely on the ground that the due instalments for the vehicle bearing no. BR06P1430 was not paid by the husband of the respondent. Despite, the termination of higher purchase hypothecation agreement on 19.03.2013 of the vehicle belonging to the husband of the respondent, the Petitioner willfully, deliberately and ***intentionally again repossessed on 24.01.2015 the subject vehicle bearing no. BR06G7832 of the complainant****/respondent herein, during pendency of the appeal filed by the petitioner before the Hon'ble State Commission. There was no due or payment liability of the respondent to the petitioner as on 24.01.2015 for the subject vehicle bearing no. BR06G7832. The negligence and deficiency in services committed by the petitioner has indeed caused irreparable loss and injury to the Respondent."*

11. The Appeal filed by the Petitioner was dismissed on 13.03.2015 and then in the Execution, the learned District Commission issued warrants against the Petitioner on 04.04.2015. The present Revision Petition was filed at the moment and an interim order was passed subject to deposit of the 50% of the awarded amount.

12. The vehicle therefore, stood repossessed once again during the pendency of the Appeal on 24.01.2015 which fact has been stated in

paragraph-27 of the said affidavit. It has then been narrated in paragraph-29 and 30 about the resale of the vehicle for which an application had been moved for which an information was given to this Commission. However, the Respondent also stated in paragaraph-34 of the affidavit that the Petitioner was liable to provide strict proof of the actual possession of the vehicle as on date. The Respondent has claimed further compensation from the Company alleging other losses suffered on account of having been deprived of the vehicle.

13. The Petitioner, in response to this, has filed an affidavit on 19.05.2026 stating therein that the vehicle is in their possession and is standing in their yard. In the affidavit, they have filed photographs of the vehicle to demonstrate that it is lying in their yard. However, there is no denial about the fact of the vehicle having been repossessed on 24.01.2015 and then sold to Mr. Bhagwan Lal Rai. The only allegation in the affidavit is that no other details about the alleged purchaser has been given. However, while giving the present status of the vehicle, the only assertion made is that the vehicle is standing in the yard of the Petitioner Company and the photographs have been appended which shows that the vehicle has rusted and is in a dilapidated condition on an appearance from the photographs appended thereto. The vehicle therefore admittedly was repossessed on 24.01.2015.

14. We repeatedly called upon the learned counsel for the Petitioner to inform as to why did they not sell the vehicle if there was a default in the repayment of the loan to which the answer was that the matter was subjudice and was pending before the different forums.

15. We do not find this explanation to be genuine or worthwhile for the reason that admittedly, the vehicle was again repossessed and seized by the Petitioner in 2015 itself. This repossession, that appears to be forcible, has nowhere been justified by the Petitioner to have been lawfully done. There is no evidence to substantiate the same. When the Respondent/Complainant has made a specific allegation about it having been sold in 2018, no effective denial about such assertion has been made. We find that complete information regarding repossession and sale has been deliberately withheld but the photographs appended and the affidavit filed by the Petitioner clearly admit that the vehicle is lying in the yard of the Petitioner Company. There is however, no further detail or any information given by the Petitioner Company about the vehicle having been sold as on date. When the Respondent came up with the plea of the vehicle having been sold, the response of the Petitioner is that it is lying in its backyard. The presumption therefore, is that the Petitioner, without having sold off the vehicle or otherwise having negotiated the vehicle, has not secured any amount of remittance by disposing off the vehicle

which could have satisfied any outstanding demand as alleged by the Petitioners. This is clearly an unfair trade practice and the seizure as well as the confiscation of the vehicle by the Petitioner in the above given circumstances, cannot be justified and consequently, the concurrent findings of fact by the fora below in this background do not call for any interference in this Revision Petition.

16. A Revision Petition has a limited and narrow scope and on the peculiar facts of this case, we do not find any reason to invoke the revisional powers keeping in view the law laid down by the Apex Court in the case of *Rubi (Chandra) Dutta Vs. United India Insurance Company, (2011) 11 SCC 269, which is followed by the recent decisions of the Apex Court in the case of Sunil Kumar Maity v. SBI, 2022 SCC OnLine SC 77 and Rajiv Shukla vs. Gold Rush Sales and Services Ltd. and Ors., (2022) 9 SCC 31*.

17. The Revision Petition accordingly fails and is hereby dismissed.

Sd/-

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(A.P. SAHI, J.)
PRESIDENT

Sd/-

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(BHARATKUMAR PANDYA)
MEMBER

Indu/VM/Court-1/CAV