

IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION

APPEAL NO.281 OF 2015
IN
ARBITRATION PETITION NO.811 OF 2015

NKC Projects Private Limited	Appellant
versus	
Tata Motors Finance Ltd. and others	Respondents

Mr.Kezer A. Kharawala for appellant.

Mr.Nitin Thakkar, Sr.Advocate with Ms.Sonal Salwi i/by Wadia Ghandy & Co. for respondent no.1.

Ms.Ankita Singhania with Mr.Prasad Dhande with Mr.Amit Khairwar i/by D.H.Law Associates for respondent no.2.

CORAM : MOHIT S. SHAH, C.J. AND
A.K.MENON, J.

DATE : 2 September 2015

PC :

The parties have been able to arrive at an amicable settlement in respect of seven vehicles which are subject matter of arbitral proceedings and Arbitration Petition (L) No.441 of 2015, which have given rise to the present appeal.

2. The learned counsel for the appellant and learned counsel for respondent nos.2 and 3 state that the appellant and

respondent no.2 had entered into an agreement under which respondent no.2 had sold seven vehicles for total consideration of Rs.89,50,956/- and the vehicles were handed over to the appellant. Tata Motors Finance Limited ('Tata Motors') respondent no.1 herein with which the respondent no.2 had entered into the hypothecation agreement for vehicles, taken the loan for the said seven vehicles, filed Arbitration Petition (L) No.441 of 2015 for recovering the amounts under the hypothecation agreement paid against seven vehicles. In the said petition, the learned Single Judge passed an order dated 11 March 2015 impugned in the present appeal, directing present appellant (respondent no.3 in the arbitration petition) to deposit a sum of Rs.51,79,166/- with Tata Motors and to disclose on affidavit all assets owned by them and details of the bank accounts held by present respondent no.2 (respondent no.1 in the arbitration petition).

3. At the hearing of this appeal, the appellant agreed to deposit the said amount of Rs.51,79,166/-, provided, the appellant is allowed to retain the vehicles and the respondent no.2 herein hands over all the documents pertaining to the seven vehicles including registration book and no objection certificate etc. By our order dated 24 June 2015, Tata Motors was permitted to withdraw Rs.51,79,166/- and was also directed to deposit no objection certificate in respect of seven vehicles.

4. At the hearing today, learned counsel for appellant and respondent nos.2 and 3 state, under instructions of their respective clients, that against amount of Rs.51,79,166/- paid by the appellant to Tata Motors, the respondent no.2 agrees that following vehicles be treated as sold by respondent no.2 to the appellant :

- (i) Transit Mix-3 (ML 10A-5467);
- (ii) Transit Mix-13 (ML 10A-5474);
- (iii) Transit Mix-12 (ML 10A-5473); and
- (iv) Transit Mix-15 (ML 10A-5462).

5. Learned counsel for respondent no.2 states that respondent no.2 shall hand over all the documents relating to the above four vehicles to the appellant within three weeks from today, including registration certificates, no objection certificates for transfer etc. Learned counsel for the appellant states that above documents may be handed over to the learned Advocate for the appellant or authorized representative of the appellant, whose name shall be sent by the appellant to respondent no.2 within one week from today.

6. In view of the above arrangement, we direct that respondent no.2 shall not make any other claim against appellant in respect of above numbered four vehicles.

7. As far as remaining three vehicles are concerned, bearing registration numbers (i) ML 10A-5461, (ii) ML 10A-5465 and (iii) ML 10A-5463, the learned counsel for the appellant and respondent nos. 2 and 3 state that parties have agreed that the appellant will return the following three vehicles to respondent no.2 within two weeks from the date of getting the documents in respect of above referred four other vehicles. The learned counsel for the appellant also states that thereafter the appellant shall not make any claim against respondent nos.3 and 4 in respect of said vehicles.

8. We are informed that the transfer of the above seven vehicles was a part of an agreement relating to transfer of other assets. In these proceedings, we are not concerned with any other item referred in the said agreement.

9. The learned counsel for respondent no.1 Tata Motors states that in view of the above settlement between the parties, Tata Motors will hand over hypothecation termination certificate in respect of above numbered four vehicles to the appellant and the hypothecation termination certificates in respect of other three vehicles to respondent no.2, within two weeks from today.

10. The learned counsel for respondent no.1 Tata Motors further states that in view of the above arrangement,

pending arbitral proceedings in respect of above numbered seven vehicles, shall stand terminated and the learned arbitral tribunal will be informed accordingly within two weeks from today.

11. In view of the above statements, observations and directions, the appeal is accordingly disposed of and consequently Arbitration Petition (L) No.441 of 2015 also stands disposed of as infructuous.

12. Liberty to apply in case of difficulty. The parties shall report compliance of this order within four weeks from today before the Division Bench of which Justice A.K.Menon will be a member.

(CHIEF JUSTICE)

(A.K.MENON, J.)