

IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION
CONTEMPT PETITION NO. 14 OF 2016
IN
COMPANY APPLICATION NO. 451 OF 2013
IN
COMPANY PETITION NO. 460 OF 2005

Rajesh Sheth & Ors ...Petitioners

Versus

Traxpo Enterprises Pvt Ltd & Ors ...Respondents

Mr. Dinesh Kumar for the Petitioners.
Mr. Vivek Kantawala a/w. Mr. Amey Patil I/b. Vivek Kantawala
and Co. for Respondent Nos. 1 and 2.

CORAM: K.R. SHRIRAM, J.
DATED: 15th December, 2017

PC:-

1. This contempt petition is filed on the basis that the respondents had willfully breached the Consent Terms as well as order dated 05th May, 2014 passed by this Court.
2. Counsel for the petitioners at the outset submitted that, as per the Consent Terms, the respondents gave an undertaking that they shall not prosecute any proceeding which they had instituted

against the petitioners or file fresh proceedings against the petitioners because the petitioners had paid a sum of Rs. 74,00,000/- in full and final settlement of scheme which was sanctioned by this Court earlier.

3. I have considered the order dated 05th May, 2014 in which this Court had recorded in paragraph 2 as under:

“2. Learned Advocate for the petitioners/applicants states that no proceedings under Section 138 of the Negotiable Instrument Act will be pursued nor will fresh proceedings be filed to the extent of the provisions in these consent terms, limited to the amount of the provisions of the scheme.”

4. Paragraph 6 of the Consent Terms also dated 05th May, 2014 which is relevant to the matter at hand which reads as under:

“6. That it is agreed, declared and confirmed that whatever has been stated herein above shall be without prejudice to the rights of the applicant company to pursue such other proceedings as have been instituted by them against the respondent company, its sister concerns or any of its directors for recovery of the amount due and payable to the applicants outside the scheme.”

5. Despite repeatedly asking the counsel to explain, why according to the petitioners respondents have breached the orders of this Court and how the petitioners state that respondents have filed fresh proceedings or are pursuing existing proceedings which fell within the scheme, counsel was unable to point out

specifically.

6. It is settled law that, contempt jurisdiction of this Court cannot be used by parties to settle scores. Before the Court even takes a *prima facie* view that there is a contempt, the petitioners who are only assisting the Court, have to clearly point out how the respondents should be called upon to show cause, as to why they should not be held guilty of contempt of Court.

7. Having perused the petition and heard the counsel, I am unable to come to a conclusion that there is a contempt. Accordingly, the petition is dismissed.

(K.R. SHRIRAM, J.)