



**IN THE HIGH COURT OF PUNJAB AND HARYANA
AT CHANDIGARH**

CWP-10318-2021

Date of Decision : **19.03.2025**

TATA MOTORS FINANCE COMPANY LTD.Petitioner

VERSUS

PERMANENT LOK ADALAT AND OTHERSRespondents

CORAM: HON'BLE MR. JUSTICE KULDEEP TIWARI

Present : Mr. Atul Lakhanpal, Sr. Advocate with
Mr. Arjun Lakhanpal, Ms. Caral, and
Ms. Shikha Charak, Advocates
for the petitioner.

Mr. Pankaj Bali, Advocate,
for respondent no.2.

None for respondents no.3 and 4.

KULDEEP TIWARI, J.(Oral)

1. Through the instant writ petition filed under Article 226/227 of the Constitution of India, challenge is thrown to the Award dated 08.02.2021 (Annexure P-14), passed by the Permanent Lok Adalat (Public Utility Services), Karnal, to the extent of directing respondents no.3 and 4, to make the payment of insured amount of Rs.20,25,000/- to respondent no.2 instead of petitioner.

2. Learned counsel for the petitioner, at the very outset, informs this Court that the authorised signatory of the petitioner-Finance Company, is no longer holding the said designation, as he has departed from the petitioner-company, and now the letter of authorisation, has been

issued in favour of Mr.Yogesh Kumar Bansal, (Employee Code-523429), who has issued a fresh validly executed power of attorney in favour of Mr. Arjun Lakhanpal, Advocate. In support of letter of authorisation, a duly sworn in affidavit has also been filed by him, today in Court. The same are ordered to be taken on record.

3. The Award (*supra*), was passed to make the payment of the aforesaid amount to respondent no.2. The main dispute here, which has been raised through the instant petition, as to whether, respondents no.3, and 4-insurance company, is to make payment of the awarded amount to respondent no.2 or the petitioner, who has financed the vehicle in question.

3. During the pendency of the instant petition before this Court, the matter was amicably settled between the parties concerned, and a Memorandum of Understanding (MOU), was also got prepared on dated 19.03.2025, the original copy of which has been produced before this Court, which is ordered to be taken on record as Annexure-A.

4. In view of the above MOU, respondent no.2 has extended “no objection,” to the effect, that in case the Award dated 08.02.2021 (Annexure P-14), be modified to the extent, that directing respondents no.3, and 4-insurance company, to make the payment of the amount awarded by Permanent Lok Adalat (Public Utility Services) concerned, to the petitioner-Finance Company directly, instead of respondent no.2.

5. Further, the petitioner-Finance Company, is under obligation

to withdraw the execution proceedings, which is pending in lieu of another arbitral Award dated 07.06.2014 (Annexure P-1), and shall not claim any further amount apart from the above mentioned amount from the petitioner. The relevant extract of the MOU is extracted hereinafter:-

“3. That on 11.03.2025, at the time of hearing, second party/respondent No.2 has given his consent also to the proposal given by petitioner and the case was adjourned for 19.03.2025 for filing the final proposal. Hence, the final proposal in lieu of memorandum of understanding is being prepared, as under:-

a. That respondent No.2/second party is having no objection, if the award dated 08.02.2021 (Annexure P-14) be modified to the extent of directing the respondent No.3 & 4 to make the payment of the amount awarded by the Permanent Lok Adalat be given to the petitioner directly, instead of respondent No.2.

b. That the petitioner/first party shall withdraw the executing proceedings, which are pending in lieu of arbitral award dated 07.06.2014 (Annexure P-1) and shall not claim any further amount apart from the above mentioned amount from the petitioner. In lieu of this proposal, by way of memorandum of understanding, the said arbitral award has become defunct and the petitioner/first party shall never claim any further amount from the respondent No.2/second party. The present compromise is termed as full and final settlement in lieu of the awarded amount passed by Permanent Lok Adalat (Annexure P-14), and the first party shall issue NOC to the second party.

c. That both the parties shall remain bound, not to file any case against each other before any Court of law related to the present dispute related to theft truck bearing registration No. HR45A-9864 and the above mentioned settlement shall be treated as full and final settlement between the parties.

6. In view of the above, the Award (*supra*), is modified to the extent that the awarded amount (*supra*), be paid to the petitioner-Finance Company directly. The parties concerned to the MOU shall be bound by terms and conditions mentioned therein.

7. **Disposed of** accordingly.

March 19, 2025
dharamvir

(KULDEEP TIWARI)
JUDGE

Whether speaking/reasoned. : Yes/No
Whether Reportable. : Yes/No