

**IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION
IN ITS COMMERCIAL DIVISION
COMMERCIAL ARBITRATION PETITION NO. 341 OF 2024**

Tata Motors Finance Limited

...Petitioner

Versus

Mandamuri Transporters

...Respondent

Mr. Gaurav Jangle a/w Ms Akshita Jain a/w Mr. Akshit Vats i/b I V Merchat &
Co. for Petitioner.

CORAM : ARIF S. DOCTOR, J.

DATE : 7th APRIL 2026

P.C.

1 Heard, Mr. Jangle, who today seeks leave of the Court to sell two hypothecated vehicles, possession of which has been handed over to the Petitioner by the Court Receiver. Mr. Jangle has invited my attention to an order dated 10th March 2025 by which, this Court appointed the Court Receiver to take physical possession of the hypothecated vehicles, more particularly described in Exhibit C to the Petition as per the repossession clause under the loan agreement. Mr. Jangle submits that the Court Receiver pursuant to the said order took possession of the said two vehicles and as noted in the report dated 18th August 2025 handed over the same to the Petitioner. Mr. Jangle then invited my attention to the loan agreement in particular clauses 12.4(iv) and 13 (Repossession), 13.3 (Release of Assets) and 13.4 (Sales of Assets) and 13.5 (Appropriation of sale proceeds). He, therefore, by pressing reliance for the said

purpose points out that the agreement in question specifically contemplated that on an event of default otherwise, the petitioner would be entitled to a repossession of hypothecated assets and thereafter appropriate the sale proceeds in the manner agreed to in the loan agreement. He points out that given the fact that this Court has already noticed the default on the part of the Respondent, pursuant to which this Court on 10th March 2025 passed the first order, the Petitioner be permitted now to sale the two hypothecated vehicles, since the same would only deteriorating in value. He submits that the sale proceeds from the sale shall be earmarked and kept aside pending the arbitration proceedings and undertakes that in the event the Petitioner fails in the arbitration proceedings, the same shall be repatriated to the Respondent.

2 Having due regard to the submissions made and having noted that clauses upon which reliance is placed, in my view, the Petitioner has made out a case for the sale of the said two vehicles. The Petitioner is accordingly therefore permitted to sale the said vehicles and is granted further relief in terms of prayer clause (f) which reads thus:

“f) In the event if the Respondents fails to handover possession of the hypothecated vehicles in terms of prayer clause (e) above, pending the hearing and final disposal of the arbitration and until final execution of the Arbitral Award,, this Hon'ble Court be pleased to direct the Court Receiver, High Court, Bombay to take forcible physical possession of the Hypothecated Assets and/or other disclosed assets/properties of the Respondents, by breaking open seal/ locks of whatsoever nature or by whomsoever put on the premises where the said hypothecated vehicles are lying, with or without giving notice of their visit to the Respondents, with a direction to visit the place where the assets of the Respondents is lying/situate and take physical possession of the same from the Respondents and or the person in possession of the same, with police assistance, if necessary, and with the power to sell the same by public auction or private

treaty and/or recover and/or realize the same and to pay over the net sale proceeds and/or net recoveries and/or the net realization thereof to the Petitioner in or towards the satisfaction of its dues claimed hereunder and give credit thereof and in that event the Court Receiver so appointed be directed to handover the hypothecated assets so possessed to the Petitioner or buyer of the said hypothecated assets;"

3 Since the petition under Section 11 of the Arbitration and Conciliation Act is presently pending before a Co-ordinate Bench of this Court and is listed on 18th April 2026, stand over to 4th May 2026.

[ARIF S. DOCTOR, J.]