

M/s. Shivhare Roadlines Pvt. Ltd. and Anr. Vs. Madhya Pradesh Electricity Board

Special Leave Petition (C) No. 5432 of 2026 · Supreme Court of India · 2026-05-26 · J.K. Maheshwari · Atul S. Chandurkar · F2J-C-1064

Full judgment text

M/s. Shivhare Roadlines Pvt. Ltd. and Anr. Vs. Madhya Pradesh Electricity Board

[Special Leave Petition (C) No. 5432 of 2026]

1. The petitioners are aggrieved by the decree passed by the Trial Court for an amount of ₹23,02,932.28/- being the value of the vehicles stated to be in their possession, an amount of ₹23,56,752/- towards outstanding rent for use of the said vehicles with interest @ 6% per annum, an amount of ₹90,000/- per month towards compensation till the return of the vehicles with interest @ 6% per annum payable to the respondent. The counter-claim preferred by the petitioners was dismissed by the Trial Court. This decree has been upheld by the High Court of Madhya Pradesh¹. Hence, the present proceedings.

2. The parties would be referred to as per their status before the Trial Court. According to the plaintiff- Madhya Pradesh Electricity Board, on 22.04.1992, a contract was entered into by it with the defendants- M/s Shivhare Roadlines Pvt. Ltd. and another, whereby two tractor trailers owned by the plaintiff were given on hire to the defendants. One tractor trailer had the capacity of 100 metric tonnes while the other tractor trailer had the capacity of 50 metric tonnes. The hire charges payable per month were ₹55,000/- and ₹35,000/- respectively.

Various other terms and conditions were mentioned in the said contract. Pursuant to the aforesaid contract, the defendants took the said tractor trailers on hire and started operating the same. Though initially the hire charges were regularly paid, the defendants sought waiver of such charges from June 1994 on the ground that services were being provided to the plaintiff. Since the defendants failed to pay the outstanding hire charges, the plaintiff on 01.08.1998 instituted the above suit for recovery.

3. The defendants filed their written statement denying the claim of the plaintiff. In addition, they also raised a counter-claim for an amount of ₹73,19,372/- being the amount liable to be paid to the defendants towards transportation bills. By filing a written statement to the said counter-claim, the plaintiff opposed the same.

4. The parties led evidence before the Trial Court. In the deposition of plaintiff's witness, it was revealed that while the tractors were manufactured in America in 1982, the trailers were manufactured in India in 1979. They were registered in the year 1982 and their value at purchase was about ₹50,00,000/-. It was further brought on record that the validity of the tractor trailer having capacity of 100 metric tonnes was 25.03.1992 while that of the other tractor trailer having capacity of 50 metric tonnes was 25.03.1991. No steps were taken to obtain fitness certificates after the said period as the said vehicles were intended to be sold on 'as is where is basis'. The contract agreement between the parties dated 22.04.1992 was for a duration of three years.

5. The Trial Court by its judgment dated 30.07.2011 decreed the suit of the plaintiff and directed the defendants to pay the depreciated value of said vehicles being ₹23,02,932.28/-. A further direction to pay outstanding rent of the said vehicles of ₹23,56,752/- with interest @ 6% per annum and compensation @ ₹90,000/- per month with interest @ 6% from the date of filing of the suit till return of the vehicles was directed. The counter-claim was held to be barred by limitation and was accordingly rejected.

6. The defendants filed an appeal under Section 96 of the Code of Civil Procedure, 1908 before the High Court. On reconsideration of the entire matter, learned Single Judge confirmed the decree passed by the Trial Court and dismissed the first appeal.

7. It may be mentioned that while issuing notice in the present proceedings, the parties were directed to have an attempt at mediation so as to resolve the dispute. The defendants were also directed to deposit an amount of ₹20,00,000/- as a condition for staying the execution of the decree. The process

of mediation was, however, not successful. We have accordingly heard Mr. Gagan Gupta, learned Senior Advocate for the defendants and Mr. Ravishankar Jaiswal, learned Senior Advocate for the plaintiff. Besides making their respective submissions in brief, the learned Senior Advocates submitted to the orders of the Court since it was suggested to them that considering the nature of dispute, the same needed to be put to quietus.

8. Having given due consideration to the entire matter, it can be seen that the vehicles that were given on hire by the plaintiff to the defendants were of the make of 1982 and 1979, respectively. The fitness certificates issued to them expired on 25.03.1992 and 23.05.1991. No further steps were taken to renew the same. The depreciated value of the said vehicles in 2011 was found by the Trial Court to be approximately ₹23,00,000/-. During pendency of the appeal before the High Court, the defendants had deposited an amount of ₹12,00,000/- there. A further amount of ₹20,00,000/- was deposited with the Registry of this Court on 27.02.2026 as a condition for stay and further amount of ₹30,00,000/- that was directed to be deposited by the order dated 30.04.2026 has been, accordingly, deposited.

Taking an overall view of the matter and without entering into detailed appreciation of the rival submissions, in our view, the ends of justice would be met if the plaintiff is awarded a sum of ₹62,00,000/- towards its claim as made so as to put an end to the entire litigation that has continued for almost three decades. As stated above, an amount of ₹12,00,000/- has already been deposited by the defendants before the High Court. Further amount of ₹50,00,000/- stands deposited with the Registry of this Court. These amounts with accrued interest can be made over to the plaintiff so as to end dispute between the parties that arose pursuant to the contract dated 22.04.1992.

9. Accordingly, by holding the plaintiff entitled to an amount of ₹62,00,000/- towards full satisfaction of the decree passed by the Trial Court in Civil Suit No.6-B/2006 decreed on 30.07.2011, the Special Leave Petition stands disposed of.

The respondent would be entitled to withdraw the amount of ₹12,00,000/- with accrued interest lying in deposit with High Court in First Appeal No.893 of 2011. Further, the amount of ₹50,00,000/- with accrued interest shall be released by the Registry in favour of the respondent. Ordered accordingly.

.....J. [J.K. Maheshwari]

.....J. [Atul S. Chandurkar]

New Delhi,

May 26, 2026.

1 For short, 'the High Court'

Source disclosure: Complete sanitized public judgment text retained for research; official-primary replacement remains pending.

Disclaimer: General information only. Verify the current legal position and obtain professional advice before acting.