

**2023 LiveLaw (SC) 515**

**IN THE SUPREME COURT OF INDIA**

**CIVIL APPELLATE JURISDICTION**

**SURYA KANT; J., DIPANKAR DATTA; J.**

**CIVIL APPEAL NOS.4192-4194/2023; 5 July, 2023**

**FORD INDIA PRIVATE LIMITED *versus* M/S. MEDICAL ELEBORATE CONCEPT PRIVATE LIMITED & ORS.**

**Consumer Law – Manufacturing Defect - the Supreme Court directs Ford India Ltd. to pay Rs. 42 lakhs as compensation to a consumer who purchased a car which had manufacturing defects.**

Petition for Special Leave to Appeal (C) Nos.21192-21194/2022 (Arising out of impugned final judgment and order dated 11-11-2022 in MA No. 355/2022 in MA No. 287/2022 in FA No. 169/2019, order dated 12-10-2022 in MA No. 287/2022 in FA No. 169/2019 and order dated 17-08-2022 in FA No. 169/2019 passed by the National Consumer Disputes Redressal Commission, New Delhi)

*For Petitioner(s) Mr. A. Karthik, AOR Ms. Arundhati Katju, Adv. Mr. Sukrit R Kapoor, Adv. Ms. Shailja Singh, Adv. Ms. Ritika Meena, Adv.*

*For Respondent(s) Ms. Kaveeta Wadia, Adv. Mr. Manikya Khanna, Adv. Mr. Anand Chichra, Adv. Ms. Shruti Venugopal, Adv. Mr. Devanshu Aggarwal, Adv. Ms. Nidhi Mohan Parashar, AOR Mr. Yadav Narendra Singh, AOR*

**ORDER**

1. Leave granted.
2. These appeals are directed against the orders dated 17-08-2022, 12-10-2022 and 11-11-2022 passed by the National Consumer Disputes Redressal Commission, New Delhi, whereby the order passed by the State Consumer Disputes Redressal Commission at Chandigarh, Punjab has been broadly upheld.
3. The controversy pertains to a Ford Titanium Endeavour 3.4L vehicle purchased by the first respondent from the appellant's company through one of its authorized dealers, namely, Respondent No.2 – M/s. A.B. Motors Private Limited. The first Respondent filed a consumer complaint before the State Commission pointing out various defects in the vehicle including oil leakage from the very beginning. The State Commission accepted the complaint of the first Respondent and issued various directions to the appellant herein, including free of cost replacement of the engine and to pay Rs.2,000/- per day. The appellant challenged the above-stated order before the National Commission and vide impugned orders, the said Commission has declined to interfere with the orders passed by the State Commission.
4. We have heard learned counsel for the parties and gone through the material placed on record.
5. Previously also, on various dates, learned counsel for the parties were heard and possibility of an amicable settlement of the dispute was explored. Meanwhile, the appellant replaced the engine of the vehicle but unfortunately even after replacement, it is averred by the first Respondent that there were numerous problems with the vehicle and they are unable to drive it smoothly.
6. Taking into consideration the totality of the circumstances and it being an admitted fact that the vehicle had some manufacturing defects and despite replacement of the engine, the vehicle has been alleged to be not road worthy, we deem it appropriate to close the controversy and dispose of this appeal with the following directions :-

(i) the appellant is directed to pay a sum of Rs.42,00,000/- (Rupees Forty Two Lakhs only) to the first respondent minus Rs.6,00,000/- which were deposited prior with the State Commission, and have since been released to the first respondent. In this manner, the appellant shall be required to pay the balance amount of Rs.36,00,000/which shall be paid within two weeks from today;

(ii) in addition to the amount of Rs.36,00,000/- as directed above, the appellant shall also pay a sum of Rs.87,000/- towards insurance of the vehicle which the first respondent has already paid to the insurance company. Resultantly, the insurance cover shall remain valid for the duration for which the policy has been purchased;

(iii) on receipt of amount of Rs.36,87,000/- from the appellant, the first respondent shall hand-over the subject-vehicle to the appellant and the said vehicle shall be the property of the appellant - company for all intents and purposes;

(iv) upon payment of the above-stated amounts by the appellant, the attachment orders passed by the State Commission shall stand set aside and all the proceedings pending between the parties shall be deemed to have been terminated.

7. The appeals are disposed of in above-terms.

---

© All Rights Reserved @LiveLaw Media Pvt. Ltd.

\*Disclaimer: Always check with the original copy of judgment from the Court website. Access it [here](#)