



REPUBLIC OF KENYA
IN THE HIGH COURT OF KENYA AT NAIROBI
COMMERCIAL AND TAX DIVISION
CORAM: F. MUGAMBI, J
CIVIL SUIT NO. E251 OF 2024

BETWEEN

TRUCKMART AFRICA LIMITED
APPLICANT

AND

CENTRELINE LOGISTICS LIMITED
RESPONDENT

RULING

Background and Introduction

1. By an application dated 6th May 2024, the plaintiff, (TRUCKMART) seeks a temporary injunction restraining the defendant (CENTRELINE) from selling or otherwise disposing of 12 Ashok Leyland 2518 Tipper trucks, pending the hearing and determination of the suit. The circumstances giving rise to the dispute are outlined in the plaint filed in court.

2. According to the plaint, the parties entered into a credit-based sale agreement dated 18th April 2023 for the purchase of the aforementioned trucks at a total price of Kshs. 80,400,000/= . TRUCKMART asserts that CENTRELINE paid a deposit and subsequently took possession of the vehicles, which were duly registered and transferred to CENTRELINE's name. CENTRELINE continued to service the credit facility until October 2023, after which payments ceased, leaving an outstanding balance of Kshs. 44,360,001.08, which remains unpaid to date.
3. TRUCKMART accordingly seeks a mandatory injunction directing the release of the motor vehicles subject to outstanding arrears, an order restraining CENTRELINE from selling or otherwise disposing of the 6 specified vehicles and a further order compelling CENTRELINE to settle the outstanding balance together with accrued interest and costs.

Analysis and Determination

4. I have carefully considered the parties' pleadings and submissions. The main issue for determination is whether TRUCKMART has met the threshold for

granting the injunction orders they seek. To succeed, TRUCKMART must satisfy the conditions established in **Giella V Cassman Brown & Co Ltd, [1973] EA 358**. These conditions require the them to demonstrate a *prima facie* case with a probability of success, show that they would suffer irreparable harm that could not be adequately compensated by damages, and, if the court is in doubt, have the application determined on the balance of convenience.

5. These conditions are applied as distinct, sequential hurdles which the applicant is expected to surmount sequentially. This means that if the applicant fails to establish a *prima facie* case, there is no need to consider irreparable harm or the balance of convenience (see **Nguruman Limited V Jan Bonde Nielsen & 2 Others, [2013] KECA 347 (KLR)**).
6. As to what constitutes a *prima facie* case, the Court of Appeal in **Mrao Ltd V First American Bank of Kenya Ltd & 2 Others, [2003] KECA 175 (KLR)** explained as follows:

“A prima facie case in a civil application includes but is not

confined to a “genuine and arguable case.” It is a case which, on the material presented to the court, a tribunal properly directing itself will conclude that there exists a right which has apparently been infringed by the opposite party as to call for an explanation or rebuttal from the latter”.

- 7.** Turning to the dispute at hand, the vehicle finance and purchase agreement between TRUCKMART and CENTRELINE is dated 18th April 2023. Clause 2.1 stipulates that: *the purchase price shall be deemed as a debt immediately the vehicles are registered.* Clause 2.4 further affirms that: *immediately on the transfer of the vehicle to the purchaser, the balance of the purchase price due and outstanding shall automatically be deemed as a debt owed by the purchaser to the company and which debt shall be paid in instalments as envisaged under clause 2.*

- 8.** The core import of these clauses is that CENTRELINE’s contention that the outstanding

balance of the purchase price was to be settled only upon receipt of payment from Nairobi County for garbage collection services is untenable. On the face of it, the agreement is strictly between TRUCKMART and CENTRELINE. It contains no express or implied condition tying CENTRELINE's payment obligations to any third-party performance or external revenue stream.

- 9.** Additionally, it is CENTRELINE, not the County, that has received and continues to benefit from the use of the vehicles under the agreement. The obligation to pay the outstanding balance rests solely with CENTRELINE, and any failure by a third party to remit funds to CENTRELINE cannot therefore be used as a shield against its contractual duties. CENTRELINE's line of argument is fundamentally flawed as it contravenes the doctrine of privity of contract.
- 10.** Moreover, CENTRELINE has expressly acknowledged that the last instalment toward the purchase price was made in October 2023, and no further payments have been made since. CENTRELINE has not disputed the statement provided by

TRUCKMART neither has it presented an alternative to prove the amounts due.

- 11.** The fact that the vehicles were registered and physically transferred to CENTRELINE does not, in itself, extinguish TRUCKMART's proprietary interest in them. Clause 2 of the agreement expressly provides that the balance of the purchase price shall be deemed a debt immediately upon registration and transfer. This clause, read in context, implies that TRUCKMART's security interest in the vehicles was to be preserved notwithstanding the change in legal title and possession, akin to a lien.
- 12.** I am therefore satisfied that TRUCKMART has established a *prima facie* case with a reasonable probability of success. I am further unpersuaded by the argument that CENTRELINE would suffer irreparable harm should the orders sought be granted. Any inconvenience or operational disruption to CENTRELINE is quantifiable and compensable through damages. In contrast, TRUCKMART continues to endure a compounded loss, first, from the unpaid debt, and second, from being deprived of the opportunity to realize its

security through the vehicles, which remain in CENTRELINE's possession.

- 13.** As such, the balance of convenience tilts in favor of allowing the application so as to preserve the 12 tippers pending the hearing and determination of the dispute.

Disposition

- 14.** Accordingly,

i. The application dated 6th May 2024 is allowed. A temporary injunction is hereby issued restraining the defendant/respondent whether by itself, its servants, or agents, from offering for sale, purporting to sell, selling and or/disposing of the 12 Ashok Leyland 2518 Tippers either by public auction or private sale and in any way dealing with the following units: KDK 116L, KDK 492A, KDK 102L, KDK 174S, KDL 236T, KDK 233T, KDL 237T, KDL 232T, KDL 231T, KDL 306T, KDL 235T and KDK 253T, pending hearing and determination of this suit.

ii. The costs of the application shall be in the cause.

**DATED, SIGNED AND DELIVERED AT NAIROBI
THIS 14TH DAY OF NOVEMBER 2025.**

**F. MUGAMBI
JUDGE**