

IN THE COURT OF SH. ARUN SUKHIJA,
ADDITIONAL DISTRICT JUDGE – 07, (CENTRAL DISTRICT)
TIS HAZARI COURTS, DELHI.

SUIT NO.:- 272/2017

UNIQUE CASE ID NO.:- 1352/2017

IN THE MATTER OF :-

M/s. ICICI Bank Ltd.

Having its Registered Office at:

Landmark, Race Course Circle,

Vadodara - 390007.

Inter alia having its Branch Office at:

E-Block, Videocon Tower,

Jhandewalan Extention,

New Delhi-110055.

Through its Authorized Representative

Mr. Mohit Grover

....Plaintiff

VERSUS

Ms. Anjali Malhotra

W/o Sh. Amit Malhotra,

(Borrower)

R/o B-101, Sector-39,

Noida, U.P.-201301.

....Defendant

SUIT FOR RECOVERY OF RS.6,64,988.01P (RUPEES SIX LAKHS
SIXTY FOUR THOUSAND NINE HUNDRED EIGHTY EIGHT AND
ONE PAISE ONLY)

Date of institution of the Suit : 03/04/2017

Date on which Judgment was reserved : 02/07/2020

Date of Judgment : 10/07/2020

::- J U D G M E N T -::

By way of present judgment, this Court shall adjudicate upon suit for recovery of Rs.6,64.988.01P (Rupees Six Lakhs Sixty Four Thousand Nine Hundred Eighty Eight and One Paise Only) filed by the plaintiff against the defendant.

CASE OF THE PLAINTIFF AS PER PLAINT

Succinctly, the necessary facts for just adjudication of the present suit, as stated in the plaint, are as under:-

- (a) The plaintiff bank is a body incorporated under the provisions of the Companies Act, 1956 and a banking company under the provisions of Banking Regulation Act, 1949 and is having registered office and branch office at the aforementioned addresses. Sh. Mohit Grover is duly authorized representative of the plaintiff bank and is fully conversant with the facts of the case as per information received and derived from the records and the books of the plaintiff bank, maintained in usual and ordinary course of business. He is duly authorized, empowered and competent to sign and verify the pleadings for and on behalf of the plaintiff bank, institute the suit in the Court, prosecute the suit and to do all acts, deeds in general for due prosecution of the suit.
- (b) The defendant is a borrower to the loan agreement. In the month of February 2016, the defendant had approached and requested the plaintiff bank for grant of loan of Rs.6,50,000/- for purchase of the vehicle namely SKODA/LAURA and entered into a Loan Agreement under the loan-cum-hypothecation scheme of the plaintiff. The defendant executed Credit Facility Application along-with standard terms & conditions for the said

facility, Deed of Hypothecation and Irrevocable Power of Attorney in favour of plaintiff bank on 11.02.2016. The defendant agreed to repay the said loan in 59 Equated Monthly Installments with interest as per the repayment schedule, the defendant also secured the loan by way of hypothecating the vehicle.

- (c) Keeping in view the request of defendant, the plaintiff bank sanctioned a loan of Rs.6,50,000/- on 12.02.2016 to the dealer Hemant Kumar Madan, after deducting an amount of Rs.1,950/- towards processing fees, stamp duty & other charges as per request by the defendant in terms of the loan documents. The said loan was disbursed under the loan-cum-hypothecation scheme as per the request of defendant and defendant undertook to supply the registration number to the plaintiff bank. The defendant agreed to pay the said loan along-with interest @ 15.26% in 59 Equated Monthly Installments of Rs.15,730/-. The said loan was subject to the terms & conditions of the documents, which the defendant executed in favour of the plaintiff bank. The defendant's loan number maintained by the plaintiff bank is LUNOD00034147208. The vehicle of the defendant is registered with the registration authority with registration no. DL-4CNA-5501 and the same was hypothecated in favour of the plaintiff bank in terms of Deed of Hypothecation dated 11.02.2016 executed by the defendant in favour of the plaintiff bank and the charge is registered with the RTO. The said vehicle is the security against the loan amount.
- (d) The defendant, in terms of the Loan documents executed, had paid an amount of Rs.1,10,110/- (07 Installments) and had defaulted in repayment of Rs.47,190/- (03 Equated Monthly Installments) towards equated monthly installments and Rs.16,168/- towards late payment & cheque bouncing

charges totaling to Rs.63,358/- besides future installments of Rs.7,64,456.90/- as on 23.12.2016. Since there was default in repayment of the monthly installments, the plaintiff bank in terms of the Loan documents executed by the defendant, recalled the loan facility available to the defendant by way of sending a Loan Recall Notice dated 17.09.2016. Despite issuance of the notice, the defendant has neither cared to reply to the notice nor has made any effort to repay the outstanding amount and also to hand-over the peaceful possession of the vehicle. As per the loan account maintained by the plaintiff bank, the defendant is liable to pay a sum of Rs.6,64,988.01p towards principal, interest, penal interest and other dues as on 13.12.2016.

EX-PARTE PROCEEDINGS

The defendant was served by way of courier and speed post, but despite service, the defendant has not appeared and proceeded ex-parte vide Order dated 20.08.2019.

EX-PARTE EVIDENCE OF THE PLAINTIFF AND DOCUMENTS RELIED UPON BY PW-1

The plaintiff, in order to prove its case, led plaintiff's evidence and got examined Sh. Mohit Grover as PW-1. PW-1 has filed his evidence by way of affidavit, wherein, he reiterated and reaffirmed the contents of the plaint. PW-1 in his testimony has relied upon the following documents:-

1. Photocopy of the Power of Attorney is Ex.PW-1/1 (OSR) (4 pages).
2. The Credit Facility Application alongwith terms & conditions of the loan is Ex.PW-1/2 (11 pages).
3. The Deed of Hypothecation is Ex.PW-1/3 (6 pages).
4. The Irrevocable Power of Attorney is Ex.PW-1/4 (3 pages).

5. Copy of Notice is Ex.PW-1/5 and postal receipt is Mark-X.
6. Certified copy of Statement of Account dated 23.12.2016 is Ex.PW-1/6 (5 pages).
7. Certificate under Section 2A of the Bankers Book of Evidence Act, 1891 is Ex.PW/7.
8. Certificate under Section 65-B of the Indian Evidence Act is Ex.PW-1/8 (2 pages).

This Court heard ex-parte final arguments, as advanced by Ld. Counsel for the plaintiff through video conferencing. I have perused the material available on record.

FINDINGS AND CONCLUSIONS OF THE COURT

The plaintiff has filed the present suit for recovery of the suit amount against the defendant. In the present case, the defendant was proceeded ex-parte, despite this fact, the plaintiff has to prove its case on merits and satisfy the Court that the plaintiff is entitled for the recovery of the suit amount from the defendant.

As per plaintiff, a sum of Rs.6,64,988.01/- was due as on 23/12/2016 against the defendant. The break-up of the said amount is as under:-

Principal Outstanding	– Rs.5,92,459.30
Late payment penalties	– Rs.7,196.00
Cheque bouncing charges and other charges	– Rs.3,678.00
Interest for the month	– Rs.5,294.20
Prepayment charges @ 5.75% at O/S Principal	– Rs.34,066.41
Interest on pending installment	– Rs.22,294.10
Total	– Rs.6,64,988.01

The plaintiff in the present plaint has claimed a sum of Rs.3,678/- as cheque bouncing charges, but as per Credit Facility Application Form Ex.PW-1/2, the loan

was to be repaid by the Electronic Clearing System (Debit Clearing), as notified by the RBI (“ECS method”). Hence, the plaintiff is not entitled to claim Rs.3,678/- towards the cheque bouncing charges.

The plaintiff has also claimed a sum of Rs. 34,066.41p towards pre-payment charges at the outstanding principal. In the Credit Facility Application Form Ex.PW-1/2, no pre-payment charges have been mentioned. Moreover, pre-payment charges are recoverable only when borrower himself is coming forward to make the entire outstanding amount prior to completion of period, for which the loan was advanced whereas, in the present case, it is the plaintiff, who has recalled the loan as defendant defaulted in making regular installment. In these circumstances, plaintiff cannot be held to be entitled to pre-payment charges.

The plaintiff has also claimed amount of Rs. 22,294.10/- towards interest on the pending installment. Credit facility application form Ex.PW-1/2 reflects the agreed fixed rate of interest at 15.26% p.a., but this interest has already been calculated in the installments, hence, grant of separate interest on the defaulted amount would result in charging interest twice, therefore, the plaintiff cannot claim interest on the pending installments and consequently, same cannot be awarded.

In the present case, the defendant has not filed the Written Statement to contest the present suit of the plaintiff. The defendant has also not cross-examined the PW-1 to contradict or disprove the case of the plaintiff. The defendant has chosen not to appear and when the case of the plaintiff has gone un-challenged, uncontroverted, un-rebutted and duly corroborated by the documents, this Court has no reason to disbelieve the version of the plaintiff qua the other claims, as mentioned in Ex.PW-1/6.

The present suit of the plaintiff is well within the period of limitation. In the present case, the plaintiff/PW-1 has proved on record the documents, as mentioned

in his testimony, showing the liability of the defendant to pay the suit amount along-with interest to the plaintiff. The plaintiff has been able to prove its case. Hence, the plaintiff is entitled for the recovery of amount of Rs.6,04,949.50p from the defendant.

Section-34 CPC postulates and envisages the pendent-elite interest at any rate not exceeding 6% and future interest at any rate not exceeding the rate, at which nationalized banks advance loan. Keeping in mind the mandate of the said proposition, interest of justice would be served if plaintiff is granted simple rate of interest @ 6% per annum from 24.12.2016 till decision of the suit and future rate of interest @ 9% per annum till its realization. The prior interest is already included in Ex.PW-1/6.

In terms of order dated 20.08.2019, the sale of the vehicle was allowed in terms and conditions mentioned in the said order as well as the order dated 13.04.2017. In terms of the order dated 20.08.2019, the receiver was also directed to file the final report within 10 days from the auction. The receiver has not filed any report within the said period and the plaintiff bank has filed the sale report on 14.01.2020 which does not clarify whether the terms and conditions of order dated. 20.08.2019 as well as 13.04.2017 was complied. In case there is non-compliance of order dated 20.08.2019 and 13.04.2017, the defendant is at liberty to challenge the sale of vehicle in future in accordance with law. As per report, the vehicle was sold for Rs.1,25,000/-. In terms of the findings above, the amount of interest till 20.11.2019 comes out approximately to Rs.1,11,462.87p say Rs.1,11,463/- and the said amount is less than the amount of Rs.1,25,000/- which was recovered from the alleged sale of the vehicle in question. Accordingly, after squaring off the interest amount, the balance amount of Rs.13,537/- is required to be deducted from Rs.6,04,949.50p. The balance amount which the defendant is liable to be pay as on

21/11/2019 comes to Rs.5,91,412.50p, therefore, the plaintiff is entitled to Rs.5,91,412.50p with simple rate of interest @ 6% per annum from 21.11.2019 till decision of the suit. The plaintiff will also be entitled to future rate of interest @ 9% per annum till its realization.

Applying priori and posteriori reasoning, this Court is satisfied that plaintiff has been able to prove its case against the defendant for the aforesaid amount.

RELIEF

From the discussions, as adumbrated hereinabove, I hereby pass the following

FINAL ORDER

- a. A decree of Rs.5,91,412.50p is passed in favour of the plaintiff and against the defendant alongwith simple rate of interest @ 6% per annum from 21.11.2019 till decision of the suit and future simple rate of interest @ 9% per annum till its realization.
- b. The cost of the suit is also awarded in favour of the plaintiff and against the defendant.

Decree-sheet be prepared accordingly.

File be consigned to Record Room after due compliance.

**Announced through video conferencing on
this 10th day of July, 2020.**

ARUN
SUKHIJA
(ARUN SUKHIJA)
ADJ-07 (Central)
Tis Hazari Courts, Delhi

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ARUN SUKHIJA
Date: 2020.07.10
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CS No. 272/17 (ID no.1352/2017)

ICICI Bank Ltd.

Vs.

Anjali Malhotra

10.07.2020

The Judgment has been pronounced through cisco webex video conferencing.


Present: None for the Plaintiff.
Defendant is already ex-parte.

The Ahlmad has sent the meeting ID for pronouncement of Judgment, however, despite waiting for 5 minutes, none has appeared on behalf of the Plaintiff.

Vide Separate Judgment announced the suit of the Plaintiff is decreed in terms of the Judgment. Decree Sheet be prepared accordingly.

File be consigned to record room after due-compliance.

ARUN
SUKHIJA



Digitally signed
by ARUN
SUKHIJA
Date: 2020.07.10
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(Arun Sukhija)

ADJ-07/Central/Tis Hazari Courts,
Delhi/10.07.2020