

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

SUIT NO.:- 01/2018

UNIQUE CASE ID NO.:- 37/2018

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

Sudhir Kumar Bharti
S/o Sh. Ram Sharan Bharti
(Borrower)
R/o House No. 573,
Bharat Colony, Old Faridabad,
Faridabad-121006.

....Defendant

SUIT FOR RECOVERY OF RS.5,15,138.18P (RUPEES FIVE LAKHS FIFTEEN THOUSAND ONE HUNDRED THIRTY EIGHT AND EIGHTEEN PAISE ONLY)

Date of institution of the Suit : 23/12/2017

Date on which Judgment was reserved : 10/06/2020

Date of Judgment : 20/06/2020

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

By way of present judgment, this Court shall adjudicate upon suit for recovery of Rs.5,15,138.18P (Rupees Five Lakhs Fifteen Thousand One Hundred Thirty Eight and Eighteen 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 and he is available at the above mentioned addresses. In the month of August 2016, the defendant had approached and requested the plaintiff bank for grant of loan of Rs.4,84,000/- for purchase of the vehicle namely SWIFT/ZXI 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 30.08.2016. He defendant agreed to repay the said loan in 36 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.4,84,000/- and disbursed an amount of Rs.4,81,050/- on 31.08.2016 to the dealer TCS AND ASSOCIATES PVT. LTD., after deducting an amount of Rs.2,950/- 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 @ 9.50% in 36 Equated Monthly Installments of Rs.15,504/-. 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 LAFDB00034723803. The vehicle of the defendant is registered

with the registration authority with registration no. HR-51-BK-1539 and the same was hypothecated in favour of the plaintiff bank in terms of Deed of Hypothecation dated 30.08.2016 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.62,016/- (04 Equated Monthly Installments) and has defaulted in repayment of Rs.1,39,536/- (09 Equated Monthly Installments) towards equated monthly installments and Rs.23,927/- towards late payment & cheque bouncing charges totaling to Rs.1,63,463/- besides future installments of Rs.3,56,591.80/- as on 25.10.2017. 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 12.05.2017. 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.5,15,138.18p towards principal, interest, penal interest and other dues as on 25.10.2017.

EX-PARTE PROCEEDINGS

The defendant was served by way of publication in the “Rashtriya Sahara” newspaper on 02.09.2019, but despite service, the defendant has not appeared and proceeded ex-parte vide Order dated 25.11.2019.

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 Power of Attorney is Ex.PW-1/1 (OSR – 4 pages).
2. Credit Facility Application Form along-with terms and conditions of the loan is Ex.PW-1/2 (6 pages).
3. Deed of Hypothecation is Ex.PW-1/3 (5 pages).
4. Irrevocable Power of Attorney is Ex.PW-1/4 (2 pages).
5. Copy of loan recall notice dated 12.05.2017 is Ex.PW-1/5 (1 page) and photocopy of its postal receipt is Mark-X.
6. Certified copy of Statement of Account dated 25.10.2017 is Ex.PW-1/6 (6 pages).
7. Certificate under Section 2A of the Bankers Book of Evidence Act, 1891 is Ex.PW/17 (1 page).
8. Certificate under Section 65-B of the Indian Evidence Act, 1860 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 suit for recovery of the suit amount against the defendant. 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 5,15,138.18P was due as on 25/11/2017 against the defendant. The break-up of the said amount is as under:-

Principal Outstanding	– Rs.4,36,659.00
Late payment penalties	– Rs.16,733.00
Cheque bouncing charges and other charges	– Rs.5,695.00
Interest for the month	– Rs.2,571.70
Prepayment charges @ 5.9% at O/S Principal	– Rs.25,762.88
Interest on pending installment	– Rs.27,716.60
Total	– Rs.5,15,138.18

The plaintiff, in the present plaint, has claimed a sum of Rs. 5,695/- as cheque bouncing charges, but as per Credit Facility Application Form Ex.PW-1/2, the loan was to be repaid by direct debit from the applicant bank account with the Electronic Clearing System (Debit Clearing), as notified by the RBI (“ECS Method”). Hence, the plaintiff is not entitled to claim Rs.5,695/- towards the cheque bouncing charges.

The plaintiff has also claimed a sum of Rs.25,762.88p towards the 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.27,716.60p towards interest on the pending installment. Credit facility application form Ex.PW-1/2 reflects the agreed fixed rate of interest at 11.25% 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, plaintiff cannot claim interest on the pending installments and consequently, same cannot be awarded.

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. The plaintiff has been able to prove its case. Hence, plaintiff is entitled for the recovery of amount of Rs.4,55,963.70p say Rs.4,55,964/- 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 26/11/2017 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.

Applying priori and posteriori reasoning, this Court is satisfied that plaintiff has been able to prove his 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. 4,55,964/- is passed in favour of the plaintiff and against the defendant alongwith simple rate of interest @ 6% per annum from 26/11/2017 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 20th day of June, 2020.**

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