IN THE COURT OF Sh. RAJESH KUMAR GOEL
District Judge (Commercial Court) -02,
Central, Tis Hazari

DLCT010018942026

CS (COMM.) No. 134/2026
CNR No. DLCT010018942026

In the matter of :-

M/s Kanchan Fashion Pvt. Ltd.
Shop No. 773, 1st Floor, Nai Sarak,
Chandni Chowk, Delhi-110006
Through its Attorney
Shri Satish Kaushik ...*Plaintiff*

Versus

Anu Ohri
Proprietor of M/s Ohri Sons
SCF No. 77, Ground Floor, Sector-15 Market,
District- Faridabad Haryana-121007

Also at:
CS No.-UG-8, Upper Ground Floor, DLF City Centre
M. G. Road, District Gurugram, Haryana-122002

Also at:
Ms. Anu Ohri
R/o House No. 287,
Sector-15 A
Distt Faridabad
Haryana-121007 ......*Defendant*

Presented on : 30-01-2026
Registered on : 31-01-2026
Final Arguments : 04.08.2026
Decided on : 05-08-2026
Duration : 0 years, 6 months, 6 days

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Advocate for Plaintiff : Sh. Subhash Chandra
Advocate for Defendant: Ms. Vaishnavi Nair

JUDGMENT

1. Vide this judgment, I shall dispose of the present suit for recovery of Rs. 4,56,221/- (Rs. Four Lacs Fifty Six Thousand Two Hundred Twenty One Only) filed by M/s Kanchan Fashion Pvt. Ltd. ***(herein after referred to as "plaintiff company")*** against the defendant Anu Ohri.

FACTUAL MATRIX

2. The brief facts of the case, as mentioned in the plaint are that :-

(a) The plaintiff company is registered with Registrar of Company, NCT of Delhi and Satish Kaushik has been duly authorised vide GPA and Board Resolution to file, sign and institute the present suit; the plaintiff company is a wholesalers of Boutique Fabrics & Designers, Suit-Dupattas and carrying its business of sale and purchase of ladies suits, Dupattas and Ladies Dress Material***(herein after referred to as*** **'goods').**

(b) The defendant is the proprietor of M/s Ohri Sons; on being satisfied with the assurances of timely payment by the defendant, the plaintiff company agreed to have business relations with the defendant; the defendant had been purchasing the goods from the plaintiff company on credit basis; the plaintiff company raised the invoices against the goods sold to the defendant; the plaintiff company is maintaining a books of accounts of the defendant during the ordinary

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course of its business.

(c) As per the books of accounts as maintained by the plaintiff company during the ordinary course of its business, there is a closing outstanding balance against the defendant in the sum of Rs. 3,68,666/-as a principal amount; as per trade practice and agreed terms and conditions, the defendant is liable to pay interest in the sum of Rs 87,555/- i.e 24 % till 20.08.2025 on the principal amount to reach at the suit amount of Rs 4,56,221/-

(d) Despite several requests and demands, the defendant failed to clear the outstanding amount; a legal notice dated 27.08.2025 was issued to the defendant but despite the service, the outstanding amount was not paid by them. Hence, the present suit was filed.

3. Since, the subject matter of the suit is a commercial dispute, therefore, the plaintiff company is said to have approached Central DLSA in terms of section 12 (A) of the Commercial Court Act, 2015 and the Central DLSA has released a non-starter report dated 20.12.2025 in pre-institution mediation process.

<u>Filing of Written Statement:</u>

4. Summons of the suit were issued to the defendant. The record would indicate that on 27.02.2026, the defendant put appearance through counsel; adjournment was sought on behalf of the defendant and it was submitted that the defendant shall be filing the written statement within the stipulated time; case came to be adjourned for

07.04.2026. On 07.04.2026, none was present on behalf of the defendant and the right of the defendant to file the written statement was closed and the defence was struck off. Subsequently, on 21.04.2026, an application under Order VIII rule 1 CPC alongwith the written statement and affidavit of admission and denial of documents was filed on behalf of the defendant.

5. Records would further indicate that on 08.05.2026, taking into consideration the no objection of the Ld. Counsel for the plaintiff company, the application under Order VIII Rule 1 CPC moved by the defendant, came to be allowed subject to the cost and the written statement filed by the defendant was taken on record.

6. In the written statement the defendant has taken the following objections:-

(a) The present suit is liable to be dismissed as it is based on incorrect, misleading and incomplete facts.

(b) The plaintiff company has not approached this court with clean hands and has deliberately suppressed material facts; the plaintiff company had supplied the defective and substandard goods to the defendant; the goods provided by the plaintiff company were different as ordered and few goods were not supplied.

(c) The suit is devoid of any cause of action; no legally enforceable liability exists against the defendant in view of the defective goods supplied by the plaintiff company.

(d) The plaintiff company is not entitled to recover the alleged amount, as the claim is arbitrary, inflated and not supported by proper accounts or acknowledgments.

(e) It was again reiterated that the goods supplied by the plaintiff company were defective, substandard and not in conformity with the agreed specifications, which caused substantial loss to the defendant; the employee of the plaintiff company was clearly communicated that all the goods did not reach the defendant.

(f) All the allegations made by the plaintiff company in the plaint, have been denied by the defendant. It is prayed that the present suit of the plaintiff company may kindly be dismissed with heavy cost.

7. The plaintiff company filed the rejoinder/replication denying the allegations made in the written statement and reiterated the facts as mentioned in the plaint.

Settlement of issues and Fixing the Schedule for Second Case Management Hearing:-

8. From the pleadings of the parties and documents on record, vide order dated 29.05.2026 the following issues were framed by this court and the schedule of Second Case Management hearing was fixed:-

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1. ***Whether the plaintiff is entitled for recovery of an amount of Rs. 4,56,221/-, as prayed for ? (OPP)***
2. ***In case the issue no. 1 is decided in affirmative, whether the plaintiff is entitled for any interest ? If so, at what rate and for what period ? (OPP).***
3. ***Relief.***

<u>Evidence led by the parties:-</u>

9. In support of its case, the plaintiff company has examined its AR Satish Kaushik as PW1 who has filed his evidence by way of affidavit **Ex.PW1/A** and has deposed on the lines of the averments made in the plaint. He also relied upon/ proved the following documents:-

Sl. No.	**Document**	**Exhibit No.**
1.	Original booklet of memorandum and articles of association of plaintiff company	**Ex. PW1/1**
2.	Copy of resolution (original)	**Ex. PW1/2**
3.	Photocopy of the general power of attorney	**Ex. PW1/3 (OSR)**
4.	Invoice dated 01.10.2024	**Ex. PW1/4**
5.	Invoice dated 16.10.2024	**Ex. PW1/5**
6.	Invoice dated 26.11.2024	**Ex. PW1/6**
7.	Copy of e-way bill	**Ex. PW1/7**
8.	Copy of transport *bilty no. 6424*	**Ex. PW1/8**
9.	Copy of transport *bilty*	**Ex. PW1/9**
10.	Copy of courier receipt	**Ex. PW1/10**
11.	Copy of ledger account	**Ex. PW1/11**
12.	Interest detail chart	**Ex. PW1/12**

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13.	Postal receipts	**Ex. PW1/13 (colly)**
14.	Copy of legal notice dated 27.08.2025	**Ex. PW1/14**
15.	Tracking reports	**Ex. PW1/15 (colly)**
16.	Non-starter report dated 20.12.2025	**Ex. PW1/16**
17.	Certificate u/s 63 of BSA, 2023	**Ex. PW1/17**
18.	GST certificate pertaining to the defendant	**Ex. PW1/18**

10. PW1 was cross examined by the Ld. Counsel for the defendant.

11. In support of her case, the defendant has examined herself as DW1 and filed her evidence by way of affidavit **ExDW1/1** and has reiterated the stand taken by her in the written statement.

12. DW1 Anu Ohri was cross examined by the Ld. Counsel for the plaintiff company.

<u>Arguments made by the Ld. Counsels</u>:-

13. Ld. Counsel for the plaintiff company made the following submissions:-

(a) At the very outset, Ld. Counsel for the plaintiff company has taken me to the averments made in the plaint and the reply thereto given by the defendant in the written statement and submitted that the defendant has not disputed the supply of goods vide invoices in question and the only defence of the defendant is that the plaintiff company has supplied the defective goods but the defendant has failed to prove the same.

(b) By referring to the testimony of PW1 Satish Kaushik, he submitted that PW1 has proved all the relevant documents i.e invoices **ExPW1/4** to **ExPW1/6**, e-way

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bill, transport billties and courier receipt **ExPW1/7** to **ExPW1/10.** He further submitted that as per the ledger account **ExPW1/11**, principal amount of Rs. 3,68,666/- is due and outstanding against the defendant .

(c) With regard to the claim of the plaintiff company qua interest, it was stated that as per the terms and conditions printed on the invoices, which are not in dispute, the plaintiff company is entitled for the interest @ 24 % p.a. He submitted that the plaintiff company has placed on record the interest detail chart **ExPW1/12**, and the plaintiff company is entitled to recover the interest in the sum of Rs 87,555/- on the principal amount, as claimed for.

(d) It was stated that although PW1 Satish Kaushik was cross examined by the Ld. Counsel for the defendant but the main claim of the plaintiff company has not been disputed, therefore, the plaintiff company is entitled for the decree, as prayed for.

14. Per contra, Ld. Counsel for the defendant has made the following submissions:-

(a) The plaintiff company has concealed the material facts; there is a debit note regarding the defective goods which has not been adjusted by the plaintiff company and the entries made in the ledger account **ExPW1/11**, are false and fabricated.

(b) By referring to section 119 of BSA, 2023, Ld. Counsel submitted that adverse inference has to be drawn against the plaintiff company as the plaintiff company has concealed the evidence which could have gone against the plaintiff company; the plaintiff company is well aware that the amount claimed by way of present suit is not outstanding against the defendant.

(c) She submitted that the defendant firm was being managed by the husband of the defendant; the defendant was not aware of the affairs of the defendant firm and that is why she could not place on record the requisite documents including the books of accounts. Rather there is a liability in the sum of Rs 1,13,050/-

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against the plaintiff company and no amount is payable by the defendant.

(d) Refuting the claim of the plaintiff company qua the interest, she submitted that there is nothing on record suggesting that the defendant had ever accepted the terms and conditions as printed on the invoices; there is no acknowledgement by the defendant and the defendant never agreed to the interest @ 24 % p.a even if there is a delay in the payment.

(e) In support of her arguments, Ld. Counsel for the defendant has relied upon a case titled as **M/s Vijay Industries vs M/S NATL Technologies Limited, AIR 2009 SC 1695.**

15. I have gone through the material available on record and heard the Ld. Counsels of both the parties.

Issue No. 1

Whether the plaintiff is entitled for recovery of an amount of Rs. 4,56,221/-, as prayed for ? (OPP)

16. Before proceeding further, I deem it appropriate to go through the relevant provision of the CPC regarding denial by the defendant in a suit filed before Commercial Court.

17. Order 8 rule 3 A (1) CPC, as applicable to the commercial disputes, says that denial shall be in the manner provided in sub rules 2,3, 4 and 5 of this rule. Sub rule 2 says that the defendant in his written statement shall state which of the allegations in the particulars of the plaint he denies, which

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allegations he is unable to admit or deny, but which he requires the plaintiff to prove, and which allegations he admits. Sub rule 3 says that where the defendant denies an allegation of fact in a plaint, he must state his reasons for doing so and if he intends to put forward a different version of events from that given by the plaintiff, he must state his own version.

18. Further, as per the second proviso attached to Order 8 Sub rule 5 (i), if the allegations of the fact in the plaint, are not denied in the manner provided under rule 3 A CPC of this order, the same shall be taken to be admitted except as against a person under disability. Meaning thereby, if the denial is not in terms of order 8 rule 3 A CPC and sub rules, as noted herein above, then it shall be taken as an admission on the part of the defendant.

19. Coming back to the present case at hand, it would be relevant to refer to the pleadings of the parties. The main case of the plaintiff company has been set up in Para no.3 and 4 of the plaint, which are being reproduced as under:-

> "3. That the defendant is also running her business in the same trade and defendant looking after the day to day business affair of her business being proprietor of her firm and was in business terms with the plaintiff

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and had been purchasing fabrics on credit basis from the applicant and the defendant had assured to the plaintiff of timely payment and on being satisfied by assurances of the defendant the plaintiff agreed to have business relations with the defendant . The defendant have been purchasing knitted fabrics which was sold and delivered to the defendant by the plaintiff and invoices were raised in the name of the firm as desired by the defendant. An account was opened in name of the company of the defendant, in the books of accounts of the applicant maintained by him during the ordinary course of its business.

4. That as per the books of accounts maintained during the ordinary course of its business there is a balance of Rs 3, 68,666/ - (Rupees Three Lacs Sixty Eight Thousand Six Hundred Sixty Six Only) still lying outstanding from defendant to the plaintiff company and the plaintiff had been requesting and reminding the defendant to pay the aforesaid amount but the defendant is neglecting and avoiding to pay the same , in the aforesaid circumstances and as per trade practice the defendant is liable to pay interest on delayed payments @ 24% p.a till the payment of the dues. "

20. The aforesaid averments, as made in the plaint were replied by the defendant on merits, as under:-

"3. The contents of para 3 are wrong and denied. It is denied that the defendant had any unconditional or absolute assurance of timely payment as alleged. It is submitted that the goods supplied by the plaintiff were defective, substandard and not in conformity with the agreed specifications, which caused substantial loss to the defendant. Moreover, all the goods were not reached to the defendant which was clearly communicated to the employee of the plaintiff. The plaintiff has deliberately concealed these material facts. The alleged business transactions are admitted only to the extent that certain goods were supplied;however, the terms and conditions as stated by the plaintiff are denied. Copy of conversation of Screenshot with the employee are annexed herewith.

4. The contents of para 4 are wrong and denied. The alleged outstanding amount of Rs.3,68,666/- is incorrect and fabricated. It is submitted that due to defective goods and resultant losses, the defendant is not liable to pay the said amount. The plaintiff has failed to account for returns, rejections, and losses suffered by the defendant. "

21. If the aforesaid averments made in the plaint and the reply thereto are scrutinized, as noted herein above, it would be revealed that the defendant has not disputed supply of the goods by the plaintiff company. The only objections of the defendant was that the goods supplied by the plaintiff company were defective and were not as per specifications due to which the defendant suffered huge losses.

22. In addition to that, from the evidence led by both the parties also it can be easily inferred that the plaintiff company has been able to establish its case.

23. It would be relevant to refer to the evidence led by both the parties i.e PW1 and DW1. These witnesses have filed their evidence by way of affidavits **ExPW1/A** and **ExDW1/1** respectively, which is nothing but reiteration of their respective pleadings, and the same has already been noted in

the initial paragraphs, therefore, I would be referring to their cross examination which is relevant to adjudicate the dispute between the parties and not otherwise.

24. During the cross examination, PW1 Satish Kaushik replied that the goods were generally dispatched through transport or through courier services; no photographs and video-graphs of the goods were taken prior to the delivery of the goods; the transport and courtier receipt attached with the invoices are the proof of delivery of the goods; they use the transport facility of third party and do not run any transport company; defendant Anu Ohri is having dealing with the plaintiff company since the year 2018-19; when the defendant did not make the payment of first consignment, the plaintiff company made the delivery of the goods by second consignment as the defendant telephonically assured to clear all the outstanding payments and on the same assurance, third consignment was sent. PW1 denied the suggestion that the plaintiff company had supplied the defective goods to the defendant.

25. The cross examination of the PW1 revealed that the defendant has not disputed that the plaintiff

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has supplied the goods vide invoices dated 1.10.2024, 16.10.2024 and 26.11.2024 **ExPW1/4, ExPW1/5** and **ExPW1/6** respectively, e-way bill **ExPW1/7**, transport billties **ExPW1/8 to ExPW/19** and courier receipt **ExPW1/10** and as per ledger account **ExPW1/11** , an amount of Rs 3,68,666/- is due and outstanding against the defendant. The aforesaid testimony of PW1 has gone un-rebutted and unchallenged. Although one suggestion was put to the PW1 that the plaintiff company has supplied the defective goods but except this nothing has been brought on record in this regard.

26. Coming to the cross examination of DW1 Anu Ohri. During his cross examination DW1 replied that she has no knowledge about the transactions with the plaintiff company as her husband Vikram Ohri used to look after the same; had issued the debit note to the plaintiff company and the debit note is a proof that the plaintiff company had supplied the defective goods; had not sent any other communication or written communication to the plaintiff company informing them that the goods supplied by the plaintiff company are defective/ substandard and were not as per specification; had not send any

communication to the plaintiff company for replacement or return of the goods through any mode; admitted receipt of legal notice dated 27.08.2025 **ExPW1/14** and she had not replied the said notice in writing; voluntarily stated that she had telephonic discussion with the plaintiff company in this regard**;** denied the suggestion that she is liable to make payment of Rs 3,68,666/- alongwith interest @ 24 % to the plaintiff company.

27. From the testimony of DW1, it has come on record that she had received the legal notice but it was not replied which leads to adverse inference being drawn against her. DW1 was again and again referring to some debit note but the said debit note has not seen the light of the day. If at all any goods supplied by the plaintiff company were defective, the defendant could have brought on record the material evidence in this regard but no such evidence is there. Even the books of accounts have not been produced by the defendant. The last payment of Rs 50,000/- made on 19.07.2025, as reflected in the statement of account **ExPW1/11** has not been disputed.

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28. From the pleadings of the parties, documents on record and the testimonies of PW1 Satish Kaushik and DW1 Anu Ohri, it stands established that the goods were supplied to the defendant vide invoices **ExPW1/4** to **ExPW1/6,** e-way bill **ExPW1/7** and transport billties and courier receipts **ExPW1/8 to ExPW1/10**; as per ledger/statement of account **ExPW1/11** principal amount of Rs 3,68,666/- is due and outstanding against the defendant.

29. Coming to the claim of the defendant qua interest, at the outset I may mention that there is no doubt about the proposition of law as laid down in a case of ***Vijay Industries (Supra)*** but the same would not be of any help to the defendant being distinguishable on facts.

30. In the present case, the invoices **ExPW1/4** to **ExPW1/6** are not in dispute as the defendant has admitted the delivery. It is not the case of the defendant that these invoices are false and fabricated or the goods had been supplied vide some other invoices. Once the supply of the goods vide aforesaid invoices has been admitted, the defendant cannot be allowed to run away from the

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terms and conditions printed on the invoices. Invoices in question are having the details of the defendant including the GST details, description of the goods, quantity of the goods and rate thereof etc. which has been proved and also admitted by the defendant, and so as is the case with the terms and conditions also as printed on the aforeasid invoices. There is nothing on record suggestsing that defendant ever raised any objection in respect of the said terms and conditions. In these circumstances, the plaintiff company is within its right to claim the interest @ 24 % p.a. As per the interest chart **Ex PW1/12**, the plaintiff company has claimed the interest in the sum of Rs 87,555/- which is within the right of the plaintiff company. Thus, the plaintiff company would be entitled for the interest in the sum of Rs 87,555/-

31. Coming to the contention of the defendant that the goods supplied by the plaintiff company were defective and not as per specification, the onus was on the defendant to establish the same, but the defendant has failed to discharge the same.

32. Here, I may refer to the provision of section 41 and 42 of Sales Goods Act 1930 where the buyer

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is deemed to have accepted the goods when he returns the goods after a reasonable time without intimation to the seller that he has rejected them. The Hon'ble High Court in the case of ***Lohmann Rausher Gmbh vs Medisphere Marketing Pvt. Ltd. , 117 (2005) DLT 95,*** held that "*The long gap after which goods were ostensibly rejected on the premise that they were defective/substandard is clearly fatal to the projected defense in the context of statutory law being section 41 and 42 of the Sale of Goods Act.*"

33. Reverting back to the case at hand, in order to decide the aforesaid contention, the testimony of DW1 Anu Ohri would be most relevant. In her evidence filed by way of affidavit **ExDW1/1,** it is being claimed by the defendant that the plaintiff company supplied the defective goods due to which the defendant had suffered losses but failed to establish the same.

34. DW1 during her cross examination admitted that she had not sent any written communication to the plaintiff company informing them that the goods supplied by the plaintiff company are defective or the same are not as per the specifications. Although, the defendant has taken the objection that the goods supplied were defective but except mere allegations

no substantial piece of evidence has been brought on record. Even the alleged debit note, as referred to by the DW1 were not placed on record. The allegations of the defendant, in this regard, are vague, general and not specific.

35. In order to prove her contention, the defendant was obligated to prove certain facts like (a) what was the actual quantity and price of the defective goods allegedly supplied to her? (b) when exactly such defective goods were supplied? (c) the amount allegedly withheld due to the supply of the defective goods (d) why any communication as such was not given to the plaintiff company informing the plaintiff company itself that there was a supply of defective goods ? (e) why the alleged debit note qua the defective goods was not placed on record, but the same remain unproved. No record as such has been brought on record by the defendant. In these circumstances, the aforesaid contention of the defendant that the plaintiff company had supplied the defective goods or the goods were not as per the specification, is unacceptable and the same being devoid of merits stands rejected.

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36. In view of my aforesaid discussion, the plaintiff company has been able to establish that an amount of **Rs. 4,56,221/-** ***(Rs 3,68,666/- principal amount + Rs 87,555/- interest)*** (**Rs Four Lakh Fifty Six Thousand Two Hundred and Twenty One only)** is due and outstanding against the defendant and the plaintiff company is entitled for recovery of the same. Hence, issue no.1 is answered accordingly.

Issue No. 2

> ***In case the issue no. 1 is decided in affirmative, whether the plaintiff is entitled for any interest ? If so, at what rate and for what period ? (OPP).***

37. The plaintiff company has claimed pendente-lite and future interest@ 8% p.a. Keeping in view the overall facts and circumstances of the case, interest of justice would be met by awarding pendente-lite and future interest @ 8 % p.a, so is ordered accordingly. Issue No.2 stands answered accordingly.

Issue No. 3 : Relief

38. In view of my aforesaid discussion, suit is decreed in favour of the plaintiff company and against the defendant and following reliefs are granted:-

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(i.) The Plaintiff company is entitled to recover **Rs. 4,56,221/- (Rs Four Lakh Fifty Six Thousand Two Hundred and Twenty One only**) from the defendant.

(ii)The **Plaintiff company is also awarded pendente-lite and future interest @ 8 % p.a.**

(ii) Cost of the suit is also awarded to the plaintiff company.

39. Decree sheet be prepared accordingly.

40. File be consigned to Record Room, after due compliance.

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(Rajesh Kumar Goel)
District Judge (Commercial)-02
Central, Tis Hazari Courts
5.8.2026

Announced in the Open Court
today i.e : 5.8.2026