IN THE COURT OF SH. NARESH KUMAR MALHOTRA : DISTRICT JUDGE (COMMERCIAL)-01 SAKET COURTS, SOUTH: NEW DELHI

CS (Comm.) No. 486/2025
CNR No. DLST-010172522025

09.07.2026

Canara Bank
a body corporate constituted under
the Banking Companies (Acquisition and
Transfer of Undertaking) Act, 1970 having
its Head Office at 112, JC Road, Bangalore-560002,
Karnataka and its branch at Mehrauli Gurugram Road,
Air Force Station, Arjangarh,
New Delhi-110047.

.....Plaintiff.

VS

Mr. Alok Kumar Choudhary
S/o Mr. Arun Kumar Choudhary,
Sole Proprietor of : M/s. Well Care Trades
A 129, Gali no. 5, Phase-5,
Near Shiv Durga Mandir,
Aya Nagar, Delhi-110047

Also at:
A 136/B, Phase-5,
Aya Nagar, Delhi-110047.

....Defendant.

Date of institution	**: 18.10.2025**
Date of arguments	**: 09.07.2026**
Date of judgment	**: 09.07.2026**

SUIT FOR RECOVERY OF Rs. 6,12,295.96 paise ALONGWITH INTEREST.

EX-PARTE JUDGMENT

1. Vide this ex-parte judgment, I am deciding the suit filed by the plaintiff against the defendant seeking recovery of Rs. 6,12,295.96 paise along with interest.

2. In the plaint, it is mentioned that in terms of RBI Circular No. RBI/2019-20/197 dated March 30,2020 that the Syndicate Bank has been merged with the Canara Bank w.e.f. 01.04.2020 vide the Gazette of India Notification G.S.R 153(E).G.S.R 154 (E), G.S.R 155(E), G.S.R 156 (E) dated 04 March 2020. It is submitted that the Syndicate Bank is now known to be Canara Bank and now the Erstwhile Syndicate Bank means Canara Bank, at present the plaintiff bank. The plaintiff bank body corporate constituted under, the Banking Companies (Acquisition and Transfer of Undertaking) Act, 1970 having its corporate office at 117, JC Road, Bangaluru, Karnataka State and its Branch at Mehrauli Gurugram Road, Air Force Station, Arjangarh, New Delhi-110047. Ms. Hena Saha, Manager of plaintiff bank is duly authorized to sign, verify and file the present suit. It is mentioned that the defendant is the sole proprietor of M/s. Well Care Traders having its addresses mentioned in the cause title and carrying on business of mobile accessories. The defendant approached the plaintiff bank on 06.09.2019 at Arjangarh Branch, New Delhi for grant of OD Limit of Rs. 3.00 lacs against hypothecation of stocks. The defendant made a loan application on 06.09.2019 for grant of OD Limit of Rs. 3.00 lacs with the plaintiff bank. The plaintiff bank considered the request of the defendant and sanctioned Working Capital Secured Over Draft Limit of Rs. 3.00 lacs to the defendant on 06.09.2019 under the terms and conditions mentioned therein. The OD Limit of Rs. 3.00 lacs was granted subject to the condition that 25% of the receivables was to be maintained by the defendant in the form of margin money. The

said OD limit amount of Rs. 3.00 lacs was repayable on demand on which interest @ 9.35% per annum monthly compounded was applicable at floating rate. The defendant duly accepted the terms and conditions of the sanction letter. In consideration of the sanction of the aforesaid OD Limit of Rs. 3.00 lacs and in order to secure repayment of amount, the defendant executed and delivered to the plaintiff bank various security documents on 06.09.2019 which are as under:-

(i) ASD-4, Composite Hypothecation Agreement dated 06.09.2019 for Rs. 3.00 lacs.

(ii) Charge & Hypothecation of Debt Agreement dated 06.09.2019 for Rs. 3.00 lacs.

(iii) Undertaking dated 06.09.2019.

(iv) Power of Attorney dated 06.09.2019.

The OD Limit account no. 9081-140-0000-697 was opened by the plaintiff bank on 06.09.2019. The defendant again approached the plaintiff bank at Arjangarh, New Delhi branch for grant of GECL Covid-19 facility on 30.06.2020. The plaintiff bank considered the request of the defendant and sanctioned the GECL Working Capital Term Loan Facility of Rs. 60,000/- to the defendant on 30.06.2020. The amount of Rs. 60,000/- was repayable in 48 monthly installments with 12 months moratorium period on which interest @ 9.25 per annum monthly compounded was applicable at floating rate. The defendant executed and delivered following documents to the plaintiff bank:-

(i) Appendix- I, Undertaking dated 30.06.2020.

(ii) NF-855, Agreement cum Deed of Hypothecation dated 30.06.2020 for Rs. 60,000/-.

(iii) NF-721, Letter of Undertaking dated 30.06.2020.

The defendant again approached the plaintiff bank at Arjangarh Branch, New Delhi on 06.08.2022 for enhancement of OD Limit of Rs. 5.00 lacs against hypothecation of stocks. The plaintiff bank considered the request of the defendant and sanctioned OD Limit of Rs. 5.00 lacs to the defendant on 06.08.2022. The OD Limit of Rs. 5.00 lacs was granted subject to the condition that 25% of the receivables was to be maintained by the defendant in the form of margin money. The said OD Limit amount of Rs. 5.00 lacs was repayable on demand on which interest @ 9.65% per annum monthly compounded was applicable at floating rate. The defendant executed and delivered following documents to the plaintiff bank:-

(i) NF-372, Request for Overdraft Facility dated 06.08.2022.

(ii) NF-795, Cash Credit Agreement dated 06.08.2022 for Rs. 5.00 lacs.

(iii) NF-855, Agreement cum Deed of Hypothecation dated 06.08.2022 for Rs. 5.00 lacs.

(iv) NF-480, Pronote dated 06.08.2022 for Rs. 5.00 lacs.

The OD Limit of Rs. 5.00 lacs was utilized by defendant by withdrawing sums from the account. The defendant again approached the plaintiff bank at Arjangarh Branch, New Delhi on 28.11.2023 for renewal of the OD Limit to Rs. 5.00 lacs against hypothecation of stocks. The defendant made a loan application on 28.11.2023 for grant/renewal of OD Limit of Rs. 5.00 lacs with the plaintiff bank. The plaintiff bank considered the request of the defendant and sanctioned OD Limit of Rs. 5.00 to the defendant on 28.11.2023. The defendant executed and delivered following documents in favour of plaintiff bank:-

(i) Letter of Proprietorship dated 28.11.2023.

(ii) NF-493, Letter of Renewal dated 28.11.2023.

(iii) NF-721, Letter of Undertaking dated 28.11.2023.

(iv) NF-372, Request for Overdraft facility dated 28.11.2023.

(v) NF-795, Cash Credit Agreement dated 28.11.2023 for Rs. 5.00 lacs.

(vi) NF-855, Agreement cum Deed of Hypothecation dated 28.11.2023 for Rs. 5.00 lacs.

(vii) NF-481, Take Delivery letter to DPN dated 28.11.2023 with Pronote dated 28.11.2023.

(viii) NF-480, Pronote dated 28.11.2023 for Rs. 5.00 lacs.

The OD Limit of Rs. 5.00 lacs was fully utilized by defendant by withdrawing sums from the account. The defendant failed to maintain the financial discipline and the accounts of the defendant became Non Performing Asset w.e.f. 22.08.2024 & 29.08.2024. The plaintiff bank issued legal notice dated 28.03.2025. The plaintiff bank is entitled to interest accrued, from time to time, compounded with monthly rests. As per the plaintiff the outstanding amount against the defendant are as under:-

OD Limit a/c 9081-140-0000-697		Amount	Amount
A	Outstanding balance as on 31.08.2024 (NPA date 22.08.2024)	Rs. 5,21,543.49	
B	Add. Interest after NPA date from 01.09.2024 to 31.05.2025	Rs. 58,013.03	
	Total	Rs. 5,79,556.52	Rs. 5,79,556.52

GECL Loan (TL) a/c 9081-916-0000-078			
A	Outstanding Balance as on 01.08.2024 (NPA date 29.08.2024	Rs. 23,093.09	

B	Add: Interest after NPA dated from 01.08.2024 to 31.05.2025	Rs. 9,646.35	
	Grand Total	Rs. 32,739.44	Rs. 32,739.44

It is prayed by the plaintiff to pass a decree of Rs. 5,79,556.52 paise outstanding in the SOD Limit account and sum of Rs. 32,739.44 paise outstanding in the GECL Term Loan account aggregating amount of Rs. 6,12,295.96 paise in its favour and against the defendant. Plaintiff has also claimed interest The plaintiff bank has also claimed pendentelite and future interest on the outstanding amount in the SOD Limit account @ 11.00 per annum monthly rests and in the GECL Term Loan account @ 8.85% per annum along with additional penal interest @ 2% from the date of the suit till the date of realization of the entire amount.

3. Notice of the suit was sent to the defendant. The defendant was served through publication in the newspaper "Veer Arjun) dated 14.02.2026 and "The Statesman" dated 13.02.2026 but one appeared on behalf of defendant and he was proceeded ex-parte on 23.03.2026.

4. In ex-parte evidence, plaintiff has examined Sh. Pratul Singh, Manager/AR of the plaintiff bank as PW-1. This witness has filed affidavit on the lines of plaint. This witness has proved Sanction letter dated 06.09.2019 as Ex. PW-1/1, ASD-4, Composite Hypothecation Agreement dated 06.09.2019 for Rs. 3.00 lacs as Ex. PW-1/2, Charge & Hypothecation of Debt Agreement dated 06.09.2019 for Rs. 3.00 lacs as Ex. PW-1/3, Undertaking dated 06.09.2019 as Ex. PW-1/4, Power of Attorney

dated 06.09.2019 as Ex. PW-1/5, Process note cum Sanction letter dated 30.06.2020 as Ex. PW-1/6, Appendix- I, Undertaking dated 30.06.2020 as Ex. PW-1/7, NF- 855, Agreement cum Deed of Hypothecation dated 30.06.2020 for Rs. 60,000/- as Ex. PW-1/8, NF-721, Letter of Undertaking dated 30.06.2020 as Ex. PW-1/9, Loan Application dated 03.08.2022 as Ex. PW-1/10, Sanction letter dated 06.08.2022 as Ex. PW-1/11, NF-372, Request for Overdraft Facility dated 06.08.2022 as Ex. PW-1/12, NF-795, Cash Credit Agreement dated 06.08.2022 for Rs. 5.00 lacs as Ex. PW-1/13, NF-855, Agreement cum Deed of Hypothecation dated 06.08.2022 for Rs. 5.00 lacs as Ex. PW-1/14, NF-480, Pronote dated 06.08.2022 for Rs. 5.00 lacs as Ex. PW-1/15, Loan Application on 28.11.2023 as Ex. PW-1/16, Letter of Proprietorship dated 28.11.2023 as Ex. PW-1/17, NF-493, Letter of Renewal dated 28.11.2023 as Ex. PW-1/18, NF-721, Letter of Undertaking dated 28.11.2023 as Ex. PW-1/19, NF-372, Request for Overdraft Facility dated 28.11.2023 as Ex. PW-1/20, NF-795, Cash Credit Agreement dated 28.11.2023 for Rs. 5.00 lacs as Ex. PW-1/21, NF-855, Agreement cum Deed of Hypothecation dated 28.11.2023 for Rs. 5.00 lacs as Ex. PW-1/22, NF-481, Take Delivery Letter to DPN dated 28.11.2023 with Pronote dated 28.11.2023 as Ex. PW-1/23, NF-480, Pronote dated 28.11.2023 for Rs. 5.00 lacs as Ex. PW-1/24, Legal notice along with postal receipts as Ex. PW-1/25 (colly), Original statement of account of the OD Limit account and GECL Term Loan Account as Ex. PW-1/26 (colly), Original certificate as per Banker's Book Evidence Act as Ex. PW-1/27 (colly), Copy of the GPA as Ex. PW-1/28 and copy of the Power of Attorney as Mark-A.

5. I have heard Ld. Counsel for plaintiff and perused the record carefully.

6. From the documents placed on record by the plaintiff bank, it is proved that defendant has availed OD Limits Facility and defaulted in making payment of loan amount. Further, there is no reason to disbelieve the unchallenged and uncross examined testimony of PW-1. Accordingly, the suit of the plaintiff is decreed and ex-parte decree for a sum of 5,79,556.52 paise and a sum of Rs. 32,739.44 paise is passed in favour of the plaintiff and against the defendant. Plaintiff is also entitled to interest @ 9.35% per annum on the amount of Rs.5,79,556.52 paise and interest @ 8.85% per annum on the amount of Rs. 32,739.44 paise from the date of filing of the suit till realization of decreetal amount along with cost of the suit. Decree sheet be prepared accordingly. File be consigned to record room, after necessary compliance.

Announced in open
Court on 09.07.2026

(NARESH KUMAR MALHOTRA)
District Judge, Comm. Court-01
South District, Saket Courts,
New Delhi/09.07.2026

NARESH KUMAR MALHOTRA

Digitally signed by NARESH KUMAR MALHOTRA
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