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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**

Date of decision: 4th May, 2026
Uploaded on: 7th May, 2026

\+ **RFA(COMM) 135/2024**

SABHYATA COTTON PVT. LTD. .....Appellant

Through: Mr. Vaibhav Suri, Mr. Pulkit Shree and Mr. Aryan Jalali, Advs.

versus

PUNEET BUDHIRAJA .....Respondent

Through: None.

CORAM:
JUSTICE PRATHIBA M. SINGH
JUSTICE MADHU JAIN

Prathiba M. Singh, J. (Oral)

1. This hearing has been done through hybrid mode.

2. This appeal has been filed against the judgment and decree dated 16th December, 2023 *(hereinafter, the impugned judgment)* passed by the ld. District Judge, Commercial Court, Saket Court, New Delhi.

3. Vide the impugned judgment, the ld. District Judge has dismissed the suit for recovery instituted by the Appellant, as also the counter claim filed by the Respondent.

4. As per the impugned judgment the suit of the Appellant has been dismissed on the ground that the delivery of goods has not been demonstrated by the Appellant and that the proof of acknowledgement of delivery of goods by the Defendant has not been placed on record. The Court has also held that the computer printout of invoices is not sufficient to show the delivery of

goods.

5. The relevant portion of the findings by the ld. District Court in the impugned judgment is set out below:

> ***"The plaintiff neither filed the invoices which is acknowledged by the defendant nor the copy retained by the plaintiff at the time when the goods alongwith the second copy of invices delivered to the defendant. Merely on the basis of the computer printout of the invoices taken on 17.08.2021 and 27.07.2021, and the ledger statements, the plaintiff cannot be held to have proved the invoices despite discrepencies or deficiencies in the case of the defendant. In absence or credible invoices, merely on the basis of account statements, it cannot held that plaintiff able to prove its case.***
> *Accordingly, issue no. 1 is decided against the plaintiff and in favour of the defendant."*

6. The background of the case is that a suit for recovery for a sum of Rs.15,66,518/- was filed by the Appellant/Plaintiff who is a renowned seller of ethnic women wear known by the name of Sabhyata Cotton Pvt. Ltd.

7. The Respondent/Defendant is a proprietary concern and runs a shop in Aggarwal Mall situated at Plot no. 3, MLU Pocket, Sector 5 Dwarka, New Delhi-110075.

8. According to the Appellant, the Respondent had approached them in 2012 for purchasing apparels and thereafter, he was a regular customer. In 2017, the last order was placed by the Respondent and an outstanding amount was due to be paid, which the Respondent did not pay. Hence, the suit was filed by the Appellant before the ld. District Judge.

9. A perusal of the Trial Court Record would show that the suit has been dismissed on the ground that properly acknowledged invoices have not been

placed on record by the Appellant.

10. The Trial Court Record also shows that there was a counter claim which was also filed by the Respondent/Defendant seeking a sum of Rs.7,00,000/-, which was also dismissed by the ld. District Court vide the impugned judgment.

11. Before the ld. commercial Court, a Local Commissioner had recorded the evidence and thereafter, both, the suit and the counter claim have been dismissed.

12. Before this Court, the Respondent has not appeared and the Respondent has been proceeded ex-parte in the appeal *vide* order dated 9th October, 2025.

13. A perusal of the evidence dated 19th September, 2023 before the ld. District Judge would show that the printout of the ledger account has been exhibited and tax invoices have also been exhibited by the Appellant/Plaintiff.

14. PW2– Chandan Shivam from the office of the Department of Trade and Taxes had also produced the relevant GST and VAT forms as well. However, none of this has been considered by the ld. Commercial Court.

15. The VAT forms on record would *prima facie*, show that the summary of purchase has been mentioned in the said forms and Sabhyata Cotton Pvt. Ltd. has been also shown as the seller in the said VAT forms.

16. Under these circumstances the ld. District Court ought to have considered the evidence properly and thereafter adjudicated the matter.

17. Under these circumstances, since the Respondent/Defendant was represented before the ld. District Court, but not before this Court, we are not inclined to adjudicate the matter in the appeal. We are inclined to set aside the impugned judgement dated 16th December, 2023 and remand the matter for fresh adjudication before the ld. District Court.

18. Accordingly, the impugned judgment dated 16th December, 2023 is set aside.

19. The Plaintiff's suit shall be heard afresh at the stage of final arguments after giving notice to the Respondent, as a last opportunity. In view of the fact that the Respondent has not challenged the impugned judgement, it is made clear that the counter claim shall not be revived.

20. The present appeal is disposed of in the said terms. Pending applications, if any, are also disposed of.

21. List the matter before the Commercial Court on 20th May, 2026, who shall endeavour to dispose of the matter within four months.

22. Physical TCR, if any, be sent back to the concerned court.

PRATHIBA M. SINGH
JUDGE

MADHU JAIN
JUDGE

MAY 4, 2026/*nm/ys/ss*