Received on	16	10	2025
Registered on	16	10	2025
Decided on	15	07	2026
Duration	Y.	M.	D.

EXH. No.

IN THE COURT OF PRINCIPAL SENIOR CIVIL JUDGE, AT RAJKOT.

Commercial Civil Suit No. 64/2025

Plaintiff:-
Union Bank of India,
Through Branch Manager,
Mr. Vivek Verma,
41 Years, Occu. : Service,
Add. :- Nana Mava Road Branch,
Nr. Rajnagar Chowk, Rajkot.

V/s.

Defendant:-
M/s. Satnam Food Industries,
Proprietor
Jitendra Vinodkumar Harvani,
Adult, Business,
Factory Add. :-
Prayag Industrial Park, Nr. N. N. Sales,
Kuvadava Road, Village : Anandpar (Navagam),
Taluka & Dist. : Rajkot – 360 003.
Residential Add. :-
“Shivkrupa”, 6 – Gayakwadi, Street No. 6,
Nr. Junction Plot, Rajkot – 360 001.

Appearance:-
Mr. C. V. Asodariya, Ld. Advocate for the plaintiff Bank.
Defendant – Ex-parte.

Suit For recovery of an amount Rs. 6,92,046/-.

// JUDGMENT //

1] Brief facts of the present suit are as under :

That the plaintiff - Bank is constituted under the Banking Companies (Acquisition & Transfer of Undertakings) Act, 1970 head office at Mumbai and branches amongst other places one at Gujarat in Nanamava Road Branch, Near Rajnagar Chowk, Rajkot. That the defendant as a borrower had requested the plaintiff Bank for Term Loan for purchase of machinery of Rs. 9,91,000/-. That the said amount of Term Loan facility of Rs. 9,91,000/- having interest at the rate of 8.55% per annum as agreed by both the parties. That to secure repayment of the said Term Loan, the sanctioned amounting to Rs. 9,91,000/- and the amount was credited in the bank account. That the defendant has executed the necessary documents in favour of the plaintiff Bank like Sanction Letter, Demand Promissory Note, Letter of Continuity, Term Loan Agreement etc. It is also stated that the plaintiff Bank has lent and advanced the amount of Rs. 9,91,000/- to the defendant and therefore, the defendant is become liable to repay the same to the plaintiff Bank.

1.1 Further it is submitted That the defendant has failed and neglected to repay the amount of Rs. 9,91,000/- along with an interest in accordance with the agreed terms and therefore, the plaintiff Bank has requested the defendant to pay the outstanding amount and to make the account regular, but the defendant has failed to pay the due amount of plaintiff Bank. That the defendant is become found due to the sum of Rs. 6,92,046/- and the Account No. 293316440000010 of defendant is maintained regularly and properly and when the defendant has not paid due amount of plaintiff Bank, then the plaintiff has issued a notice to defendant which has been serve on 03/07/2025, but the defendant did not take care to repay the outstanding amount due by the defendant.

1.2 Further it is submitted that the cause of action has arisen on dt. 14/10/2021 for the plaintiff Bank to file this suit against the defendant at the time when the loan was sanctioned and documents were executed by the defendant and as an when defendant has deposited the amount in his said cash credit account. That whole cause of action has arisen at Rajkot and therefore, this Court has jurisdiction to try & entertain the suit. Therefore, the plaintiff Bank has instituted this suit against the defendant for recovery of an amount of Rs. 6,92,046/- together with an interest at the rate of 8.55% p. a. as claimed in relief clause para-22 (a) of plaint.

2] On the presentation of the suit , the summons of the suit has been issued to the defendant and it has duly served to the defendant and in response to the same, the defendant is not appeared before the Court and thereafter, this Court has passed an order below the Exh. 1 on dated 18/12/2025 to proceed the suit as an ex-parte against defendant.

3] In support of this suit, the plaintiff Bank has produced following oral as well as documentary evidence for proving it's case.

Oral Evidence

1	Affidavit of examination in chief of plaintiff Vivek Varma	Ex. 08

Documentary Evidence

Sr.	Particulars	Ex.No.
1	Sanction Letter	11
2	Demand Promissory Note	12
3	Letter of Continuity	13
4	Term Loan Agreement	14
5	Account Ledger of Defendants	15
6	Legal Notice, Dtd. 03/07/2025	16
7	Receipt of RP-AD	17

8	Notice Return with Refused Endorsement	18
9	Plaintiff Authority Letter	19
10	Plaintiff ID Card	20

Plaintiff has filed the closing pursis at Exh. 21.

Right of evidence of the defendant has been closed. Right of cross-examination of the Defendant also closed.

4] **Arguments :-** I have heard arguments of the Ld. Advocate for the plaintiff Bank and he has vehemently argued as per pleadings as well as documentary evidence produced by the plaintiff bank. The Ld. Advocate for the Plaintiff has argued that the defendant is in need of Term Loan for purchase of machinery for an amount of Rs. 9,91,000/-, which was in turn granted and Loan Application Form for Term Loan has been filled in and thereafter, Sanction Letter has been issued for an amount of Rs. 9,91,000/- has been granted with interest rate of 8.55% per annum. Thereafter, Agreement cum Deed of Hypothecation has been executed, but thereafter, the defendant has refused to pay the remaining amount and Legal Notice, dated 03/07/2025 has been issued by Ld. Advocate of the Bank. Therefore, for the outstanding amount copy of Ledger of Accounts of the defendant has been produced on record at Exh. 15, wherein an amount of Rs. 6,92,046/- has been outstanding with the defendant. Therefore, it is stated by the Ld. Advocate for the Plaintiff that all the relevant documents produced on record and case is ex-parte as the defendant has not remain present before the Court and therefore, he has prayed to grant the present suit with interest. Right of argument of the defendant has been closed.

5] The following issues have framed vide Exh. 06 for determination.

1 Whether the Plaintiff proves that they have granted term loan of Rs. 9,91,000/- to the defendant and loan has been sanctioned on 14.10.2021 ?

2 Whether the Plaintiff proves that defendant has executed the various agreement to the Plaintiff Bank and the loan amount was to repay by 84 equal monthly installments by the defendants ?

3 Whether the Plaintiff is entitled to get the Interest ? If Yes, at what rate ?

4 Whether the Plaintiff is entitled to get relief as prayed for ?

5 What Order and Decree ?

6] My findings on the above issues are as under:

1 In the affirmative.

2 In the affirmative.

3 In the affirmative @ 8.55 % per annum

4 In the Affirmative.

5 As per Final Order.

R E A S O N S

7. ***Issues No. 1 to 4.***

All the issues are interconnected and co-related and therefore, to avoid repetition, I have discussed them together

To prove of plaintiff case, plaintiff has examined witness Mr. Vivek Verma who is the Authorised Signatory of plaintiff bank vide affidavit of examination in chief produced at Ex. 08 and he has reiterated the same facts, which is narrated in the plaint and also referred the documents executed between the plaintiff bank & defendant and prayed to grant the suit .

Further he has mainly stated that the defendant has applied for Term Loan of **Rs. 9,91,000/-** for development of his business and he had requested for granting the loan and accordingly, the plaintiff Bank had sanctioned the Term Loan of **Rs. 9,91,000/-** along with interest @ 8.55 % per annum and necessary documents were executed by the defendant in favour of the plaintiff Bank. Further he has stated that the defendant has not pay any installment regularly as agreed upon and defaulted in the repayment of Loan availed by him. In his deposition, the witness of the plaintiff Bank has referred necessary documents like Sanction Letter at Exh. 11, Demand Promissory Note at Exh. 12, Letter of Continuity at Exh. 13 and Term Loan Agreement at Exh. 14. The Legal notice issued by Ld. Advocate for the Plaintiff is produced at Exh. 16 and Books of Accounts in Ledger of the Defendant is produced at Exh. 15. He has stated that the defendant has not paid amount regularly and therefore, the plaintiff Bank has issued a notice through it's advocate on dt. 03/07/2025 and in this regard, the plaintiff has produced above notice at Ex. 16. The plaintiff witness has stated that defendant is become found due to the sum of **Rs. 6,92,046/-** and the defendant is also liable to pay an interest and prayed to grant the relief in favour of the plaintiff Bank.

8. On the appreciation of above oral as well as documentary evidence adduced by the plaintiff Bank, it is undoubtedly transpired that plaintiff Bank has sanctioned the Term Loan for **Rs. 9,91,000/-** to the defendant & credited to defendant's Loan Account. Further, it is also proved that the defendant has not regularly repaid the amount to the plaintiff Bank as per terms and conditions of the agreement. Meaning thereby, it can be said that the defendant has neglected the matter in question. There is no reason to disbelieve the sworn testimony of the plaintiff's witness at Ex. 08 who has proved and produced the documents so far sanctioning amount of loan to the defendant is concerned. Now looking to account statement of defendant produced by the plaintiff Bank at Ex. 15, it seems that the defendant is become found due to the sum of **Rs. 6,92,046/- as on 29/01/2025.** The defendant has not appeared and nor challenged the documents produced by the Plaintiff and facts stated by the Plaintiff in his arguments in chief. Plaintiff has proved the facts in his evidence as well as by documentary evidence. Defendant has not come into the witness box nor defendant has challenged his signature in documentary evidence produced by the Plaintiff.

8.1 :- Issue No. 4 is pertaining to the question of interest. Looking to relief clause para 10 (C) of the plaint, the plaintiff Bank has claimed an interest at the rate of 8.55% p. a. on the amount of **Rs. 9,91,000/-.** As per documentary evidence produced by Plaintiff being Sanction Letter at Exh. 11 and Demand Promissory Note at Exh. 12 along with Term Loan Agreement at Exh. 14, it is mentioned in these documentary evidence that borrower pay interest @ 8.55%. But perusing the documents, it is nowhere stated about 2% penalty. Therefore, in this circumstances looking to the documents produced on records, it is clearly mentioned in the documents about the rate of interest being 8.55% per annum, therefore, it would be just and proper to award an interest at the rate of 8.55% p. a. on suit amount. In view of the above, the plaintiff Bank is entitled to get an interest at the rate of 8.55% p. a. on suit amount. Hence, considering the aforesaid discussion I give my reply to issue No. 1 and 2 in the **"Affirmative"** and accordingly, finding of issue No. 3 is given **"In the Affirmative".** Regarding Issue No. 4, I give my reply as **"In the Affirmative".**

8.2 :- In view of above discussion of issue No. 1 to 4, the plaintiff Bank is entitled to get the relief accordingly, plaintiff's suit is hereby partly allowed with costs and in the interest of justice, I pass the following final order for issue No. 5.

ORDER

(1) The present suit of plaintiff Bank is hereby allowed.

(2) The Defendant is directed to pay Rs. 6,92,046/- (Rupees Six Lakhs Ninety Two Thousand Forty Six only) to the Plaintiff along with the interest at the rate of 8.55%

per annum from the date of institution of the suit till the realization.

The defendant is hereby directed to pay the suit amount of Rs. 6,92,046/- (Rupees Six Lakhs Ninety Two Thousand Forty Six only) to the plaintiff along with the interest at the rate of 8.55% per annum from the date of institution of suit till its realization.

(3) The defendant do bear his own costs and to bear the cost of the plaintiff Bank.

(4) Decree to be drawn accordingly.

Signed and Pronounced in the open court today on this 15th day of July, 2026.

Date:- 15/07/2026

RAJKOT

(Chirag Vasantlal Rana)
Principal Senior Civil Judge,
RAJKOT
UIC No. GJ 00870