KACB010015122025

IN THE COURT OF THE PRINCIPAL DISTRICT JUDGE & COMMERCIAL COURT, AT CHIKKABALLAPURA

Dated this the 10th day of April 2026

Present:

Sri. T.P.RAMALINGE GOWDA,
B.Sc., LL.M., M.B.A.
Principal District & Sessions Judge,
Chikkaballapura.

Com. O. S. NO. 138 OF 2025

Plaintiff :

Canara Bank
Chintamani Branch
Chintamani Taluk,
Represented by its PA Holder
& present as assistant Manager
Sri. Jitendra Kumar Verma
S/o Sudhakar Verma
Aged about 38 years,
R/at., Chintamani Town,
Chintamani Taluk,
Chickballapur District.
(By Pleader Sri. S.M.I. - Advocate)

- V e r s u s -

Defendant :
Defendant/s

Norjan Telcom
Prop: Farh naaz
W/o Mohamed Shariff
Aged about 34 years,
R/at., Shop No.8,
PCR Complex, MG Road,
Chintamani Town & Taluk,
Chikkaballapura District.
Mob. No.9663968374.
(Rep. by Sri. R.A.K. - Advocate)

Date of Institution of the suit	:	16.09.2025
Nature of the suit [suit on pro-note, suit for declaration and possession suit for injunction etc.]	:	Recovery of money
Date of commencement of recording of the evidence	:	12.02.2026
Date on which the judgment was pronounced	:	10.04.2026

	Year/s	Month/s	Day/s
Total Duration	00	06	25

JUDGMENT

This suit is filed by the plaintiff against the defendant for recovery of a sum of Rs.5,22,238.04/- on 12.09.2025 together with current interest at the rate of 8.70% p.a. along with penal interest at 2% p.a. monthly/ yearly from the date of the suit till the date of payment and other consequential relief.

2. The brief facts of the case as averred in the plaint are that, on 01.06.2020 the defendant had approached the plaintiff bank for a loan of Rs.4,00,000/- under MSME Scheme. After proper verification of all the documents and after ascertaining eligibility and feasibility of the defendant the plaintiff bank has considered the request of the defendant and sanctioned a loan of Rs.4,00,000/- on 01.06.2020. On the same day in consideration of the said loan, the defendant has executed necessary documents such as cash credit agreement, request for overdraft facilities, letter of undertaking re;Loans/ Advances, sanction letter etc in favor of the plaintiff bank. The defendant has agreed to discharge the debt within repayment stipulated period installments subject to annual renewal with interest at the rate of 10.05% p.a. subject to variation from time to time as per R.B.I. directions. After availing the loan the defendant has failed to discharge the debt fully as per the terms of repayment schedule even inspite of repeated requests and demands made by the plaintiff bank. Inspite of it the defendant has not cleared the loan amount with up to date interest. The defendant has renewed and acknowledged his liability by executing Revival letter on 30.05.2023. The plaintiff's bank has filed application U/Sec. 12(A) of Commercial Court Act before the District Legal Services Authority at Chikkaballapur to exhaust the remedy of mediation and it was numbered as P.I.M.S. No.186/2025. Therefore, the notice were served to the defendant, but the defendant was not appeared and the matter was not settled through mediation. So after completion of mediation process, the DLSA has issued NON-STARTER Report to the plaintiff bank. Therefore, the defendant is due for a sum of Rs.5,22,238.04/-. Hence, this suit.

3. After institution of this suit, suit summons was sent to the defendant. In pursuance of service of suit summons, the defendant appeared through her counsel, she did not chosen to contest the suit by filing written statement.

4. In order to prove the case of the plaintiff bank, its branch Manager has been examined as PW1 and marked seven documents as per Ex.P1 to Ex.P7. PW1 was not subjected for cross-examination by the defendants.

5. Heard the arguments and perused the records.

6. The following points are arise for my consideration:-

1) Whether the plaintiff proves that the defendant has borrowed loans by executing loan documents and agreeing to pay the interest along with penal interest in case of default as pleaded in the plaint?

2) Whether the plaintiff is entitled for the relief sought for?

3) What order or decree?

7. My findings on the above points are as follows:

Point No.1 & 2 : ***In the Affirmative.***

Point No.3 : As per final order,
for the following:

REASONS

8. **Point No.1 and 2:** It is the specific case of the plaintiff that, the defendant has approached the plaintiff bank for the loan facilities of Rs.4,00,000/- under MSME Scheme. Basing on the loan application, the plaintiff Bank has sanctioned financial assistance to the extent of Rs.4,00,000/- to her. On 01.06.2020 the defendant has executed cash credit agreement, request for overdraft facilities, letter of undertaking re:Loans/ advances, sanction letter in favor of the plaintiff bank. Thereby, the defendant has agreed discharge the debt within repayment stipulated period installments subject to annual renewal with interest at the rate of 10.05% p.a. subject to variation from time to time as per R.B.I. directions. After availment of loan, the defendant has not been cleared the loan amount with up to date interest. The plaintiff had demanded many occasions to clear the loan followed by legal notice. Inspite of it, the defendant has not cleared the loan amount with up to date interest. The defendant has renewed and acknowledged his liability by executing Revival letter on 30.05.2023.

9. It is also forthcoming that, the plaintiff's bank has exhausted the mediation process before the District Legal Services Authority at Chikkaballapur by filing necessary application U/Sec. 12(A) of Commercial Court Act vide P.I.M.S. No.138/2025. Even though, the notice were served to the defendant, she was not appeared and participated in the mediation process. Hence, the matter was not settled. Therefore, after completion of mediation process, the DLSA has issued NON-STARTER Report to the plaintiff bank. Hence, the defendant is liable to pay the entire amount due amount of Rs.5,22,238.04/-.

10. In order to prove its case, the plaintiff bank has examined its Manager as PW1 and reiterated plaint averments and produced the documentary evidence such as Loan Application form at Ex.P1, Request letter for overdraft at Ex.P2, Cash credit agreement at Ex.P3, Sanction memorandum at Ex.P4, Letter of undertaking at Ex.P5, Letter of revival at Ex.P6 and Accounts statement for the period 01.06.2020 to 30.06.2025 at Ex.P7.

11. On perusal of the afore mentioned documentary evidence, it is amply forthcoming that, the defendant has approached the plaintiff bank for financial assistance under MSME SCHEME and availed the loan of Rs.4,00,000/- and the same is evident from Ex.P1 and Ex.P4. It is also clear that the defendant has executed request letter for overdraft, cash credit agreement and Letter of undertaking and the same is evident from Ex.P2, Ex.P3 and Ex.P5. It is also clear that the defendant has acknowledge the liabilities by executing three Revival Letter dated 30.05.2023 and the same is evident from Ex.P6. It is also clear that the accounts statement for the period 01.06.2020 to 30.06.2025 at Ex.P7, which discloses that the defendant was due for a sum of Rs.5,22,238.04/-, which is rounded of to Rs.5,22,238/-.

12. Having referred the oral and documentary evidence available on record it is worthy to mention that, defendant has borrowed a loans of Rs.4,00,000/- under MSME SCHEME. As noted supra the defendant has appeared before the court through her counsel but did not chosen to file written statement. Thereby the defendant has not contested the suit by filing written statement and by cross-examining PW1. As such, the entire oral and documentary evidence adduced by the plaintiff is remained unchallenged and uncontroverted. As a result, absolutely no contra evidence is forthcoming on record to disbelieve the case of the plaintiff. Thus, it can be held that the plaintiff has established its case and thereby the defendant is liable to pay the outstanding loan amount of Rs.5,22,238.08/- as on 16.07.2025 as sought by the plaintiff. Thereby, defendant is liable to pay outstanding balance of Rs.5,22,238.08/-.

13. If turned to the aspect of future interest as claimed in the plaint is concerned, the loan agreement provides together with interest at the rate of 8.70% p.a. along with penal interest at 2% p.a.

As could be seen from the plaint averments, the defendant has borrowed the loan under the MSME scheme. Thereby, justice would met if the interest is awarded at the rate of 10.70% p.a. on the outstanding balance amount of Rs.5,22,238/- from the date of the suit, till the date of its realization. Therefore, the defendant is liable to pay the decretal amount. Accordingly, ***I answer point No.1 and 2 in the affirmative.***

14. **Point No.3**: In the result, I proceed to pass the following:

ORDER

The suit of the plaintiff is decreed for Rs.5,22,238/- (Rupees Five Lakhs Twenty Two Thousand Two Hundred and Thirty Eight only) with cost.

The defendant is liable to pay the decretal amount of Rs.5,22,238/- along with interest at the rate of 10.70% p.a. from the date of the suit, till the date of its realization.

Accordingly, office to draw up decree.

(Dictated to the STENOGRAPHER GRADE-III directly on computer, revised and corrected by me, signed and then pronounced in the open court on this the 10th day of April, 2026)

T P RAMALINGE GOWDA
Digitally signed by T P RAMALINGE GOWDA
Date: 2026.04.10 17:02:18 +0530

(T.P. RAMALINGE GOWDA)
Prl. District and Sessions Judge
Chikkaballapura.

APPENDIX

List of witnesses examined on behalf of plaintiff:-

PW1 : Sudhakar Verma

List of witnesses examined on behalf of defendants:-

- Nil -

List of documents marked on behalf of plaintiff:-

Ex.P1	:	Loan Application form
Ex.P2	:	Request letter for overdraft
Ex.P3	:	Cash credit agreement
Ex.P4	:	Sanction memorandum
Ex.P5	:	Letter of undertaking
Ex.P6	:	Letter of revival
Ex.P7	:	Accounts statement for the period 01.06.2020 to 30.06.2025

List of documents marked on behalf of defendants:-

- Nil -

T P RAMALINGE GOWDA

Digitally signed by T P RAMALINGE GOWDA
Date: 2026.04.10 17:02:24 +0530

(T.P. RAMALINGE GOWDA)
Prl. District and Sessions Judge
Chikkaballapura.