PBGDA00013542020

Presented on : 27-10-2020
Registered on : 27-10-2020
Decided on : 01-02-2024
Duration : 3 years, 3 months, 5 days

IN THE COURT OF
Additional Civil Judge (Senior Division) AT Batala,Gurdaspur
Presided Over by Ms.Vineeta Luthra

CS/1076/2020

Case Type	**Civil Suit**
Registration number	**CS-1076-2020**
Filing Number	**1354/2020**
CNR number	**PBGDA001354-2020**
Date of Institution	**27.10.2020**
Date of decision	**01.02.2024**

UCO Bank (A body corporate constituted under the Banking Companies Acquisition and Transfer of Undertaking Act, 1980) having its head and Central office at 10, B.T.M, Sarani, Kolkata with Branch office at Batala, Tehsil Batala, Distt. Gurdaspur and Zonal office at Jalandhar through Sh. Gurvinderjit Singh, Chief Manager, UCO Bank, Batala.

…....Plaintiff

Versus

1. M/s Gurjit Enterprises through its Proprietor Ranjit Kaur, 132-A Focal Point, Batala.
2. Smt. Ranjit Kaur W/o Gurwinder Singh, Proprietor M/s Gurjit Enterprises, 132-A Focal Point, Batala.

....Defendants

Suit for recovery of Rs.8,02,126.08/- on account of Principal, interest and other incidental charges upto 31.10.2018, with costs of suit and pendent-lite and

future interest w.e.f 01.11.2018 till realization at the rate of 9.70% per annum with monthly rests.

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Present : Sh. Ankur Dutta, Advocate. counsel for the plaintiff.
Sh. Arvind Gupta, Advocate counsel for defendants
(defence of defendants struck off vide order dt. 04.10.2023)

JUDGMENT

1. The present suit has been filed by the plaintiff under order 34 CPC seeking recovery of Rs.8,02,126.08/- as detailed in the head note of the plaint.

2. The plaintiff bank (A body corporate constituted under the Banking Companies Acquisition and Transfer of Undertaking Act, 1980) having its head office and Central office at 10, B.T.M, Sarani, Kolkata with Branch office at Batala, Tehsil Batala, Distt. Gurdaspur and Zonal office at Jalandhar through Sh. Gurvinderjit Singh, Chief Manager, UCO Bank, Batala.

3. It is averred that the present suit is being filed/instituted through Sh. Gurvinderjit Singh, Chief Manager, UCO Bank, Batala who has been duly authorized and empowered by the plaintiff bank to sign and verify the plaint being Principal Officer of the plaintiff/bank and is fully conversant with the facts of the case and, therefore, is in position to depose about the same as he is competent to sign, verify the plaint and to file the present suit.

4. It is averred that the defendant no.2 Ranjit Kaur being the

proprietor/manager of defendant no.1 approached and requested the UCO, Bank Batala Branch for grant of Cash Credit Limit of Rs.8,00,000/- for the purpose of running the business of manufacturing Lathe Machine, Electric Machines etc at Focal Point, Batala. It is averred that the plaintiff bank granted the same, as the representation and assurance of the defendant no.2 Ranjit Kaur being the proprietor/manager of defendant no.1 indicated that her request was genuine and need based. It is averred that the defendant no.2 being the proprietor/manager of the defendant no.1, accordingly, executed and signed the loan documents with respect to the loan facility. The details of the said documents are as follows:-

i.	Demand Promissory Note dated 26.10.2015 for Rs.8,00,000/- at the rate of 9.70% per annum with monthly rests.
ii	Letter of waiver dated 26.10.2015
iii	Undertaking dated 26.10.2015
iv	Deed of Hypothecation of movable plant and machinery to secure term loan
v	Hypothecation of goods to secure cash credit

It is averred that defendant no.2 being the proprietor/manager of defendant no.1 also executed and signed the balance and security confirmation letter dated 09.04.2018 and acknowledged the outstanding amount of Rs.8,08,857.50/-. It is further averred that the rate of interest is to vary from time to time as per the instructions of the Reserve Bank of India and Head office and at present the rate of interest is 8.80% per annum with monthly rests and the defendants are bound to pay the interest at this rate. It is averred that the amount due to the plaintiff bank by the defendants is Rs.8,02,126.08/- inclusive of interest upto 31.10.2018 and the statement of Loan account duly certified under banker's book Evidence Act. That the defendants have failed to pay the balance outstanding against them inspite of repeated requests and demands and the cause of action arose on 26.10.2015 i.e. date of execution of the documents etc by the defendants and on subsequent dates i.e. 09.04.2018 when the defendant no.1 through defendant no.2 acknowledged the outstanding amount and when the defendants failed to pay the suit amount as agreed. It is averred that cause of action accrued at UCO Bank, Batala Branch where the advances were made and the entire outstanding amount is repayable. Hence, the present suit.

5. On the other hand, the defendants appeared, but failed to file written statement, and accordingly the defence of defendants was struck off vide order dated 04.10.2023 and the case was fixed for evidence of the plaintiff.

6. To prove its case, the plaintiff bank examined **PW-1 Amit Atra,** Manager of UCO, Bank, Branch Batala, who tendered into evidence his duly sworn and attested affidavit **Ex.PW1/A** in his examination-in-chief and by way of his affidavit reiterated the contents of the plaint in verbatim. He also proved the documents i.e. Demand Promissory Note dated 26.10.2015 for Rs.8,00,000/- at the rate of 9.70% per annum with monthly rests **Ex.P1**, Letter of waiver dated 26.10.2015 **Ex.P2,** Undertaking dated 26.10.2015 **Ex.P3**, Deed of Hypothecation of movable plant and machinery to secure term loan **Ex.P4,** Hypothecation

of goods to secure cash credit **Ex.P5,** Balance and security confirmation letter dated 09.04.2018 **Ex.P6** and statement of account duly certified under the Banker's Book Evidence Act **Ex.P7**. However, this witness appeared in the witness box for his cross-examination, but his cross-examination could not conducted by Ld. counsel for defendants and, therefore, his cross-examination was treated as opportunity given cross-nil vide order dated 19.01.2024. Thereafter, Ld. counsel for the plaintiff closed the evidence of the plaintiff vide separate statement dated 19.01.2024.

On the other hand, the defendants appeared, but failed to file the written statement, and accordingly the defence of the defendants was struck off vide order dated 04.10.2023.

7. I have heard the learned counsels for the parties and carefully gone through the entire record placed on the file, minutely.

8. The present case has been filed by the plaintiff Bank under Order 34 CPC for recovery of Rs.8,02,126.08/- including interest. It is averred that the defendant no.2 Ranjit Kaur being the proprietor/manager of defendant no.1 approached and requested the UCO, Bank Batala Branch for grant of Cash Credit Limit of Rs.8,00,000/- for the purpose of running the business of manufacturing Lathe Machine, Electric Machines etc at Focal Point, Batala. It is averred that the plaintiff bank granted the same, as the representation and assurance of the defendant no.2 Ranjit Kaur being the proprietor/manager of defendant no.1 indicated that her

request was genuine and need based. It is averred that the defendant no.2 being the proprietor/manager of the defendant no.1, accordingly, executed and signed the loan documents with respect to the loan facility. It is averred that defendant no.2 being the proprietor/manager of defendant no.1 also executed and signed the balance and security confirmation letter dated 09.04.2018 and acknowledged the outstanding amount of Rs.8,08,857.50/-. It is further averred that the rate of interest is to vary from time to time as per the instructions of the Reserve Bank of India and Head office and at present the rate of interest is 8.80% per annum with monthly rests and the defendants are bound to pay the interest at this rate. It is averred that the amount due to the plaintiff bank by the defendants is Rs.8,02,126.08/- inclusive of interest upto 31.10.2018 and the statement of Loan account duly certified under banker's book Evidence Act. That the defendants have failed to pay the balance outstanding against them inspite of repeated requests and demands and the cause of action arose on 26.10.2015 i.e. date of execution of the documents etc by the defendants and on subsequent dates i.e. 09.04.2018 when the defendant no.1 through defendant no.2 acknowledged the outstanding amount and when the defendants failed to pay the suit amount as agreed. It is averred that cause of action accrued at UCO Bank, Batala Branch where the advances were made and the entire outstanding amount is repayable.

To prove its case, the plaintiff bank examined **PW-1 Amit Atra,** Manager of UCO, Bank, Branch Batala, who tendered into evidence his duly sworn and attested affidavit **Ex.PW1/A** in his examination-in-chief and by way of his affidavit reiterated the contents of the plaint in verbatim. He also proved the documents i.e. Demand Promissory Note dated 26.10.2015 for Rs.8,00,000/- at the rate of 9.70% per annum with monthly rests **Ex.P1**, Letter of waiver dated 26.10.2015 **Ex.P2,** Undertaking dated 26.10.2015 **Ex.P3**, Deed of Hypothecation of movable plant and machinery to secure term loan **Ex.P4,** Hypothecation of goods to secure cash credit **Ex.P5,** Balance and security confirmation letter dated 09.04.2018 **Ex.P6** and statement of account duly certified under the Banker's Book Evidence Act **Ex.P7**. However, this witness appeared in the witness box for his cross-examination, but his cross-examination could not conducted by Ld. counsel for defendants and, therefore, his cross-examination was treated as opportunity given cross-nil vide order dated 19.01.2024.

No other witness was examined by both the parties.

9. After appreciation of evidence led by both he parties and in view of the oral statements made by the plaintiff coupled with the documentary evidence on record, it stands proved on record that defendants had taken the loan of Cash Credit Limit of Rs.8,00,000/- for the purpose of running business of manufacturing Lathe Machines, Electric Machines etc at Focal Point, Batala and executed documents i.e. Demand Promissory Note dated 26.10.2015 for Rs.8,00,000/- at the rate of 9.70% per annum with monthly rests **Ex.P1**, Letter of waiver dated

26.10.2015 **Ex.P2,** Undertaking dated 26.10.2015 **Ex.P3**, Deed of Hypothecation of movable plant and machinery to secure term loan **Ex.P4,** Hypothecation of goods to secure cash credit **Ex.P5** in favour of bank. Further, Account statement under the Bankers Book Evidence Act i.e. **Ex.P7** reveals that loan amount i.e. Rs.8,02,126.08/- is still outstanding towards the defendants. Therefore, plaintiff bank is entitled to recover the loan amount along-with interest from the defendants.

<u>Relief:-</u>

10. In view of the oral and documentary evidence placed on record by the plaintiff bank, the suit of the plaintiff bank stands **decreed** with cost for the recovery a sum of Rs. 8,02,126.08/- alongwith pendente lite interest @ 6% per annum from the date of institution of suit and future interest @ 9% per annum with half yearly rests till its realization from the defendants. The defendant no.2 Ranjit Kaur being the proprietor of defendant no.1 M/s Gurjit Enterpises is given 3 months time for making payment of decreetal amount from date of decree failing which plaintiff bank shall be entitled to recover the decreetal amount from the person/property of defendants including the mortgaged all kind of stock and other stocks of defendant no.2 Ranjit Kaur. Decree sheet be prepared and file be consigned to the Judicial Record Room, Batala after due compliance.

Pronounced in open Court.
Dated: 01.02.2024
Nitesh Kumar, Stenographer-II

(Vineeta Luthra), PCS
Addl. Civil Judge (Sr. Division)
Batala (UID No. PB-0349)

Present : Sh. Ankur Dutta, Advocate. counsel for the plaintiff.
Sh. Arvind Gupta, Advocate counsel for defendants
(defence of defendants struck off vide order dt. 04.10.2023)

Arguments heard. Vide my separate detailed judgment of even date, the suit of the plaintiff bank stands **decreed** with cost, as per the terms contained in said judgment. Decree Sheet be prepared accordingly. File be consigned to judicial record room, Batala.

Pronounced in open Court.
Dated: 01.02.2024

(Vineeta Luthra), PCS
Addl. Civil Judge (Sr. Division)
Batala (UID No. PB-0349)

Nitesh Kumar, Stenographer-II