

**IN THE COURT OF JUDGE, COMMERCIAL COURT (SENIOR CIVIL
JUDGE CADRE), COIMBATORE**

PRESENT: THIRU.C.B.VEDAGIRI, B.PHARM, MS-IT (AUS), L.L.M., Judge
Commercial Court, (Senior Civil Judge Cadre)
Coimbatore

Dated this the 06th Day of March 2026, Friday

C.O.S. No. 239 of 2025

(CNR.No.TNCB23-000330-2025)

State Bank of India,
SECC,
Coimbatore.
Rep by its Chief Manager

...Plaintiff

//Vs//

1. M/s. Shruthi Fashion Designers
Rep by Prop. Mrs. S.Selvi
2. Mrs.S.Selvi

...Defendants

This Original Suit came up before me for final hearing in the presence of Thiru D Mohan Rajkumar, Advocate for the plaintiff bank and the defendants having remained *exparte* on **24.09.2025** and upon hearing the counsel for the Plaintiff and perusing the materials available in the case records and having stood over this case for consideration till this date this court delivered the following...

JUDGMENT

The Suit has been filed by the Plaintiff bank against the defendants for the relief of recovery of Sum of **Rs.4,30,241/-** as on 10.02.2025 together with interest at the rate of 12.40% per annum from the date of suit till the date of realization with cost to the plaintiff.

1. The Plaintiff averments which are found essential for the Disposal of the suit is that:-

The Suit has been filed by the Plaintiff Bank against the Defendants. The defendants are running a business in the name and style of M/s. Shruthi Fashion Designers and the defendants had approached the plaintiff bank for availing the Term Loan facilities under PMMY Scheme for developing their business on 09.02.2018. As per the loan application of the defendants, the plaintiff bank had sanctioned the Cash Credit Loan facility to the defendants for a sum of Rs.3,00,000/- with interest at the rate of 10.90% per annum on 27.03.2018. The defendants have executed the necessary documents in favor of the plaintiff bank and agreed to repay the said loan facilities as per the agreed terms in the respective agreements. Thereafter the plaintiff bank renewed the existing Cash Credit Loan of Rs.3,00,000/- on 03.03.2020 and the defendant had executed necessary documents in the favour of the plaintiff bank. Later the defendant had applied for restructuring the above loan on 27.08.2021. As per the request of defendants, the plaintiff bank had restructured the existing Cash Credit Loan of Rs.3,00,000/- along with additional FITL loans of Rs.69,000/-, totally the defendants loans were restructured to the tune of Rs.3,69,000/-. Again the defendants have executed the necessary documents in favour of the plaintiff bank for the loan restructuring facilities. The loans of the defendants were further renewed at the existing level of cash credit loan of Rs.3,00,000/- and the FITL Loan at Rs.63,452/- both totaling of Rs.3,63,452/- on 27.10.2023. The defendants had executed necessary

documents in favour of the plaintiff bank for the loan renewed facilities. The defendants had availed the said loans and promising to repay the same along with interest. After availing the loan amount, the defendants have not come forward to repay the balance outstanding amount. Based on the documents and account statements, the defendants have liable to repay the sum of **Rs.3,58,359/-** (Round off) as on 10.02.2025 for Cash Credit Loan and **Rs.71,882/-** (Round off) for FITL Loan as on 10.02.2025 which was totally as **Rs.4,30,241/-** (Round off) to the plaintiff bank. Hence the present suit filed by the plaintiff bank against the defendants for the aforementioned relief against the defendants.

2. The notice was issued to the defendants through court and post. The court and postal summons to the defendants were being served. Upon receipt of summons, the defendants did not appear before the court proceedings. Since the defendants have not turned up on **24.09.2025**, the defendants were set *exparte* on **24.09.2025**.

3. Point for determination:

Whether the plaintiff is entitled for recovery of suit amount as prayed for?

4. On the side of the plaintiff, the Plaintiff's Bank present manager was examined as PW1 and the documents from Ex.A1 to Ex.A21 were marked through PW1. Statement of Truth was filed by the Plaintiff through online. Oral argument was heard through *video conference* and the plaintiff didn't file any written submission and in consideration with the available records thus the suit is taken up for Judgement.

5. Point:

The plaintiff is the bank. The plaintiff bank has filed the suit for recovery of money from the defendants. The defendants had approached the plaintiff bank for availing the Term Loan facilities under PMMY Scheme for developing their business vide Loan Application in Ex.A1 dated 09.02.2018. The plaintiff bank had sanctioned

the Cash Credit Loan facility to the defendants for a sum of Rs.3,00,000/- with the interest at the rate of 10.90% per annum with monthly rests vide Sanction Letter in Ex.A2 dated 27.03.2018. The defendants had executed necessary documents in favour of the plaintiff bank vide Ex.A3 to Ex.A5 dated 19.04.2018 and agreed to repay the loan amounts in 12 equated monthly instalments as per records. Further the plaintiff bank renewed the existing Cash Credit Loan of Rs.3,00,000/- with interest at the rate of 11.05% per annum along with monthly rests vide Sanction Letter dated 03.03.2020. The defendants had executed necessary documents vide Ex.A7 dated 05.03.2020 and agreed to repay the renewed loan into 60 equated monthly installments of Rs.5000/- each, commencing from March 2020 as per records. It is from the record that as per the request of defendants, the said loan was restructured by the plaintiff bank at the existing of Cash Credit Loan facility of Rs.3,00,000/- along with an additional FITL Loan of Rs.69,000/- , totally the defendants loans were restructured to the tune of Rs.3,69,000/- together with interest at the rate of 9.90% per annum vide Ex.A9 dated 27.08.2021.the defendants have executed necessary documents to the plaintiff bank vide Ex.A10 to Ex.A11 dated 27.08.2021. It is also from the record that the defendants further renewed at the existing level of Cash Credit Loan of Rs.3,00,000/- with interest at the rate of 12.40% per annum and the FITL Loan of Rs.63,452/- totalling to the sum of Rs.3,63,452/- for vide Sanction Letter in Ex.A13 dated 27.10.2023. Further the defendants have also executed the necessary documents vide Ex.A14 and Ex.A15 dated 14.11.2023 and agreed to repay the renewed CC and FITL Loan in stipulated period of time as per records. The learned plaintiff counsel has urged that the defendants have availed the said loans and promising to repay the same along with interest and after availing the said loans and that the defendants were irregular towards repayment of monthly dues inspite of several of attempts in person and as well as letters calling upon the defendants to repay the same, the defendants didn't care to discharge the same and thus committed wilful default and the loan account became Non Performing Asset on 26.12.2023.

Hence the plaintiff bank has issued a legal notice to the defendants through their advocate vide Ex.A18 dated 25.03.2024 and the said notice to the defendants were being served vide served Acknowledgement card in Ex.A19 and Ex.A20 dated 28.03.2024, upon receipt of the said notice the defendants had not chosen to reply nor settle the dues to the plaintiff bank. It is the case of the plaintiff that the defendants have to repay the loan amount for sum of Rs.3,58,359/- (Round off) for Cash Credit Loan and sum of Rs.71,882/- (Round off) for FITL Loan thus was totally as **Rs.4,30,241/-** (Round off) as on **10.02.2025**. It is from the records that the plaintiff has initiated Pre – Institution Mediation before Coimbatore District Legal Service Authority in PIM No. 1139/2024 and it was treated as Non – Starter vide Report in Ex.A21 dated 06.12.2024 (Non – Starter Report). Since the defendants have not repaid the loan amounts as agreed and thus the present suit is instituted by the plaintiff bank for the recovery of outstanding loan amounts based on the **Ex.A16 and Ex.A17** account statements.

6. This court refers to the provision under **Sec.2(c)(i) of the Commercial Courts Act, 2015** hereunder:

(c) "commercial dispute" means a dispute arising out of-

(i) ordinary transactions of merchants, bankers, financiers and traders such as those relating to mercantile documents, including enforcement and interpretation of such documents;

and that the first category referred, includes disputes of ordinary transactions of merchants, bankers, financiers and traders such as those relating to mercantile documents including enforcement and interpretation of such documents. The definition naturally will cover the dispute of all kinds of ordinary transactions of merchants, bankers, financiers and traders. The banks are established under Banking Regulation Act for the purpose of business and commerce, naturally all transaction of

bank about giving of loans, recovery thereof, deposits in banks etc., should fall within the category of commercial dispute. The specified value thereof is more than Rs.3,00,000/-. So the facts pleaded before this court in the present plaint comes under the commercial dispute.

7. The next question which this court would like to answer is whether the dispute which is stated *supra* comes under the jurisdiction of commercial court. Thus, this court refers to **Sec.6 of Commercial Courts Act, 2015** which reads like this:

Jurisdiction of Commercial Court.

6. The Commercial Court shall have jurisdiction to try all suits and applications relating to a commercial dispute of a Specified Value arising out of the entire territory of the State over which it has been vested territorial jurisdiction.

Explanation.-For the purposes of this section, a commercial dispute shall be considered to arise out of the entire territory of the State over which a Commercial Court has been vested jurisdiction, if the suit or application relating to such commercial dispute has been instituted as per the provisions of sections 16 to 20 of the Code of Civil Procedure, 1908 (5 of 1908).

8. From the above provision it is very much clear that the commercial court shall have the jurisdiction to try all suits and applications relating to **commercial dispute**. Now, the question is whether this court having the pecuniary jurisdiction to adjudicate the matter which is in dispute. Thus, this court drawn its attention on Sec.3 of Commercial Courts Act, 2015 which reads like this:

Section 3: Constitution of Commercial Courts.

3. (1) The State Government, may after consultation with the concerned High Court, by notification, constitute such number of Commercial Courts at District level, as it

may deem necessary for the purpose of exercising the jurisdiction and powers conferred on those Courts under this Act:

2[Provided that with respect to the High Courts having ordinary original civil jurisdiction, the State Government may, after consultation with the concerned High Court, by notification, constitute Commercial Courts at the District Judge level:

Provided further that with respect to a territory over which the High Courts have ordinary original civil jurisdiction, the State Government may, by notification, specify such pecuniary value which shall not be less than three lakh rupees and not more than the pecuniary jurisdiction exercisable by the District Courts, as it may consider necessary.]

3[(1A) Notwithstanding anything contained in this Act, the State Government may, after consultation with the concerned High Court, by notification, specify such pecuniary value which shall not be less than three lakh rupees or such higher value, for whole or part of the State, as it may consider necessary.]

9. The above provision is very much clear that by virtue of the notification specified the pecuniary value of this court which shall not be less than Rs.3,00,000/-. Admittedly, the plaintiff bank in the plaint itself has stated that the defendants have to pay a due sum of **Rs.4,30,241/- (Round off)** with interest and the plaintiff has filed the instant suit against the defendants on **03.06.2025** i.e., after the amendment of Commercial Courts Act, 2018.

10. Prior to the amendment, the pecuniary jurisdiction of the commercial court is of Rs.1 Crore and above, but by virtue of the amendment of Commercial Courts Act, the pecuniary jurisdiction of the commercial court shall not be less than Rs.3,00,000/-. So this court is having the pecuniary jurisdiction to adjudicate the matter which is in dispute by virtue of the provisions which are stated **supra**.

11. This court considered the plaint averments, Chief examination of the plaintiff, and the documents filed in support thereof. From the documents it is clear that the defendants have availed the loan from the plaintiff bank on **27.03.2018, 03.03.2020, 27.08.2021 and 27.10.2023**. Further the plaintiff bank has classified the loan account as NPA on **26.12.2023**. The suit is instituted on **03.06.2025** and e-filed on **28.04.2025**. Hence this court is of the considered view that the suit is filed within the Limitation Period. The claim of the plaintiff is based on the Account Statement and the entries in the Account Statement as maintained by the plaintiff bank during the normal course of the business. From the entries in the Account Statement **vide Ex.A16 and Ex.A17**, it could be perceived that the Suit Amount of **Rs.3,58,359/-** (Round off)(Principal Outstanding Rs.3,02,172.10 + Accrued Debit Interest Rs.44,937.00 + Accrued Penalty Interest of Rs.6,412.00+ Pending Memo Charges of Rs.4,838/-) and the Suit Amount of **Rs.71,882/-** (Round off) (Principal Outstanding of Rs.60,577.00 + Accrued Interest of Rs.11,305.00) thus was totalling to the tune of **Rs.4,30,241/-** (Round off) is the outstanding amount to be paid by the defendants to the plaintiff bank along with interest as on **10.02.2025**. As per the Bankers Book of Evidence Act, 1891 the account Statements maintained by the Bank in the normal course of business is primary evidence.

12. From the oral and documentary evidence of the plaintiff bank, it is proved that the defendants are liable to pay the suit claim with subsequent interest. Hence the plaintiff bank is entitled to succeed the claim. Since the defendants have been proceeded exparte in this matter, the oral as well as documentary evidence led by plaintiff remain unchallenged and uncontroverted. I find no ground to disbelieve the testimony of plaintiff. Documentary evidences led by plaintiff deserve to be accepted on their face value. The undisputed pleading of the plaint and the evidence of the plaintiff would make this court believe the entire case of the plaintiff. Hence I hold that the plaintiff is entitled for recovery of the money as prayer for.

13. Accordingly, in view of the unchallenged and uncontroverted testimony of the plaintiff, this court is of considered stand that the plaintiff is entitled for the recovery of the Suit sum of **Rs.4,30,241/- (Round off)** out of which, the sum of **Rs.3,58,359/- (Round off)** for Cash Credit Loan and sum of **Rs.71,882/- (Round Off)** for FITL Loan together with future interest at the rate of **12.40%** per annum from the date of suit till the date of decree and thereafter at the rate of **6%** per annum till the date of realization and with cost from the defendants.

In the result, the Suit is decreed that the plaintiff is entitled for relief of recovery of sum of Rs.4,30,241/- (Round off) (Rupees Four Lakhs Thirty Thousand Two Hundred and Forty One Only) out of which the plaintiff is entitled for the relief of recovery of sum of Rs.3,58,359/-(Round off) for Cash Credit Loan and sum of Rs.71,882/ (Round off) for FITL Loan together with future interest at the rate of 12.40% per annum from the date of suit till the date of decree and thereafter at the rate of 6% per annum till the date of realization and with cost from the defendants.

Typed directly into the Computer by Typist, corrected, printed out and pronounced by me in the open court on this, 06th Day of March, 2026.

Judge
Commercial Court
(Senior Civil Judge Cadre)
Coimbatore

I. List of Plaintiff side Witness:

1. PW1 – BRISKILLAL G (Manager, Plaintiff Bank)

II. List of Plaintiff side Exhibits:

1	Ex.A1	09.02.2018	Loan Application	Original
2	Ex.A2	27.03.2018	Sanction Letter	Original
3	Ex.A3	19.04.2018	Letter of Arrangement	Original
4	Ex.A4	19.04.2018	Agreement of Loan cum hypothecation	Original
5	Ex.A5	19.04.2018	Guarantee Agreement	Original
6	Ex.A6	03.03.2020	Sanction Letter for Renewal of Loan	Original
7	Ex.A7	05.03.2020	Letter of Arrangement	Original
8	Ex.A8	27.08.2021	Offer Letter for Restructuring of Loans	Original
9	Ex.A9	27.08.2021	Application (Annexure-A) for Restructuring	Original
10	Ex.A10	27.08.2021	Arrangement Letter	Original
11	Ex.A11	27.08.2021	Agreement of Loan cum Hypothecation	Original
12	Ex.A12	27.08.2021	Supplemental Agreement of Loan cum Hypothecation	Original
13	Ex.A13	27.10.2023	Sanction Letter for renewal of Loan	Original
14	Ex.A14	14.11.2023	Letter of Arrangement for Renewal of Loan	Original
15	Ex.A15	14.11.2023	Agreement of Loan cum Hypothecation	Original
16	Ex.A16	10.02.2025	Statement of Loan Account No:37669042482	Certified Copy

- 17 Ex.A17 10.02.2025 *Statement of Loan Account No: Certified Copy
40393758820*
- 18 Ex.A18 25.03.2024 *Legal Notice* Original
- 19 Ex.A19 28.03.2024 *Served Acknowledgement card of the
1st defendant* Original
- 20 Ex.A20 28.03.2024 *Served Acknowledgement card of the
2nd defendant* Original
- 21 Ex.A21 06.12.2024 *Non-Starter Report* Original

III. List of Defendant side Witnesses:

-Nil-

IV. List of Defendant side Exhibits:

-Nil-

Judge
Commercial Court
(Senior Civil Judge Cadre)
Coimbatore

*Fair / Draft Judgment,
C.O.S.239/2025.
Date: 06.03.2026.
SCJ, CBE.*