

IN THE COURT OF THE 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 26th Day of March 2026, Thursday

C.O.S. No.365 of 2025

(CNR.No.TNCB23-000801-2025)

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

...Plaintiff

//Vs//

Mr. Iliyas Ahamed M
Proprietor of M/s. Zoto Garments

...Defendant

This Original Suit came up before me for final hearing in the presence of Thiru S Karuppuswamy, Advocate for the Plaintiff Bank and the Defendant having remained *exparte* on *11.02.2026* 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 defendant for the relief of recovery of Sum of **Rs.3,90,746/- (Round off)** with monthly rests along with subsequent interest at the rate of **10.08%** 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 Defendant. The defendant is a proprietor of proprietorship concern. The defendant had borrowed the loan from the plaintiff bank and defaulted in making repayment of loan. The Loan particular is as follows:

Sl. No.	Loan Name/Purpose	Loan Date	Loan Amount	Agreed Rate of Interest	Total Due Amount to the bank as on 29.07.2025
1	Cash Credit Loan facility	14.11.2022	Rs.3,50,000/-	12.15%	Rs.3,90,746/-
				Totally	Rs.3,90,746/-

For the above loan, the defendant had executed necessary documents to the plaintiff bank after availing the loan amount the defendant has not come forward to repay the balance outstanding amount. Based on the documents and account statement, the plaintiff bank has come up with the suit for the above mention relief against the defendant.

2. The notice was issued to the defendant through court and post. The court summons and postal summons to the defendant was being served. Upon receipt of summons, the defendant has failed to appear before the court proceedings. Since the defendant has not turned up on **11.02.2026**, the defendant was set **exparte** on **11.02.2026**.

3. Point for determination:

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

4. On the side of plaintiff, the Plaintiff's Bank present manager was examined as PW1 and the documents from Ex.A1 to Ex.A8 were marked through PW1. Statement of truth was filed by the plaintiff through online. Oral argument was heard and the plaintiff didn't file any written submission and the suit is taken up for Judgment in consideration of the available records.

5. Point:

The plaintiff is the bank. The plaintiff bank has filed the suit for recovery of money from the defendant. The defendant had approached the plaintiff bank for seeking the loan facility for the purpose of his business through the Loan Application on 20.09.2019. The plaintiff bank had sanctioned the Cash Credit Loan facility to the defendant for a sum of Rs.3,50,000/- with interest at the rate of 12.15% per annum with monthly rests under the loan account no. 37920375164 vide Sanction Letter in Ex.A2 dated 14.11.2022. The defendant had executed the Letter of Arrangement and Hypothecation Agreement in favour of the plaintiff bank vides Ex.A3 and Ex.A4 dated 19.12.2022 and agreed to repay the loan amount within stipulated period of time as per records. It is contended that the defendant didn't comply with the terms and conditions of the loan and the defendant didn't repay the installments as agreed upon, thereby the plaintiff has classified the mentioned loan account as NPA on 30.05.2024. Therefore the plaintiff bank had issued a legal notice to the defendant on 04.01.2025 vide Ex.A6 to claim the outstanding amount from the defendant, the said notice was returned vide returned postal cover in Ex.A7 dated 07.01.2025 and thereafter the defendant has failed to discharge the loan amount to the plaintiff bank. It is the case of the plaintiff bank that the defendant has to repay the loan amount for sum of **Rs.3,90,746/- (Round off)** along with interest as on **29.07.2025** as per the computerized statement of accounts maintained by the plaintiff bank in the regular course of business. It is from the records that the

plaintiff bank has initiated Pre-Institution Mediation in PIM No. 75/2025 on 22.01.2025 before Coimbatore District Legal Service Authority and it was treated as Non – Starter vide Report in Ex.A8 dated 11.03.2025. Since the defendant has not repaid the loan amounts as agreed, the present suit is instituted by the plaintiff bank for the recovery of outstanding loan amount based on the *Ex.A5* account statement.

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 defendant has to pay a due sum of **Rs.3,90,746/- (Round off)** with interest and the plaintiff has filed the instant suit against the defendant on **13.10.2025** 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 defendant has availed the loan facility from the plaintiff bank on **14.11.2022**. Further the plaintiff bank has classified the loan account as NPA on **30.05.2024**. The suit is instituted on **13.10.2025 and e-filed on 19.09.2025**. It is from the records that the defendant has availed the loan on **14.11.2022** and executed the necessary loan documents in favour of the plaintiff bank on **19.12.2022**. Though the plaintiff has averred in his plaint that the defendant has made payment towards the loan account on **24.09.2024** (a sum of Rs.10,000/-) vide Accounts Statement in Ex.A5. 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.A5* it could be perceived that the Suit Amount of **Rs.3,90,746/- (Round off)** is the outstanding amount to be paid by the defendant to the Plaintiff Bank along with the interest as on **29.07.2025**. As per Section 4 of the Bankers Book of Evidence Act, the account statement 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 defendant is liable to pay the suit claim with subsequent interest. Hence the plaintiff bank is entitled to succeed the claim. Since the defendant has 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.3,90,746/- (Round off)** with future interest at the rate of **10.08%** 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 with monthly rests and with cost from the defendant.

In the result, the Suit is decreed that the plaintiff is entitled for relief of recovery of sum of Rs.3,90,746/- (Round off) (Rupees Three Lakhs Ninety Thousand Seven Hundred and Forty Six Only) with future interest at the rate of 10.08% 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 with monthly rests and with cost from the defendant.

Typed directly into the Computer by Typist, corrected, printed out and pronounced by me in the open court on this, 26th Day of March, 2026

Judge
Commercial Court
(Senior Civil Judge Cadre)
Coimbatore

I. List of Plaintiff side Witness:

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

II. List of Plaintiff side Exhibits:

- | | | | | |
|---|-------|------------|---|-------------|
| 1 | Ex.A1 | - | Identity Proof of Defendant | Copy |
| 2 | Ex.A2 | 14.11.2022 | Sanction Letter | Original |
| 3 | Ex.A3 | 19.12.2022 | Letter of Arrangement for CC Loan | Original |
| 4 | Ex.A4 | 19.12.2022 | Hypothecation Agreement for CC
Loan | Original |
| 5 | Ex.A5 | 29.07.2025 | Account Statement for the mentioned
loans 04.09.2018 to 30.07.2025 | Copy |
| 6 | Ex.A6 | 04.01.2025 | Legal Notice | Office Copy |
| 7 | Ex.A7 | 07.01.2025 | Returned Postal Covers | Original |
| 8 | Ex.A8 | 11.03.2025 | 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.365/2025
Date: 26.03.2026
SCJ, CBE