IN THE COURT OF DISTRICT JUDGE
(COMMERCIAL COURT-2)
SOUTH DISTRICT, SAKET COURTS: NEW DELHI

CS (COMM) 373/2025

State Bank of India ***……..Plaintiff***
Having its Central office at
State Bank Bhavan,
Madam Cama road, Mumbai
440024
Head office at 11, Sansad Marg,
New Delhi – 110001
Amongst other branches at
Okhla, Plot 3, 2nd Floor,
Vardhman Trade Centre, Nehru Place,
New Delhi - 110019

Versus

Meenakshi
C/o Mr. Sunil Kumar Sinha
At: 88, Mini Subhash Camp,
Ambedkar Nagar,
Dakshinpuri, South Delhi – 110062

…..Defendant

Date of Institution	*:*	*04.08.2025*
Date of submissions	*:*	*06.07.2026*
Date of judgment	*:*	*11.07.2026*

J U D G M E N T

1. This is a suit for recovery of Rs.6,78,771.51 filed by the Plaintiff bank against Defendant.

2. As disclosed in the plaint, defendant Ms. Meenakshi proprietor of M/s Meenakshi Bengali Tent House had approached and requested the plaintiff for requirement of credit facility in expansion of her business under EB-MSME-TL-SBF MUDRA Scheme. Plaintiff bank sanctioned a Term Loan of Rs. 4,50,000/- under the said scheme on 14.07.2021 and Cash Credit Loan of Rs. 3,50,000/- under EB-MSME-CC-SSI-MUDRA scheme on 06.09.2022. It is stated that defendant availed loan as borrower returnable with agreed EMIs under Term Loan and Cash Credit loan accounts with interest @ 12.40% pre annum and 11.40% per annum respectively. The Term Loan account number 40290661695 and Cash Credit Loan account no. 41253226377 were opened. Defendant executed various document in favour of plaintiff bank for repayment of loan.

3. Case of plaintiff is that defendant committed defaults in repayment of loan amount as a result of which the said loan accounts became irregular and sticky. It is stated that Plaintiff bank had to recall the outstanding loan amounts and had to declare the Term Loan account and Cash Credit Loan account of defendant as NPA on 27.10.2023. Thereafter, legal notice dated 30.11.2023 was also served upon defendant but defendant did not pay any heed.

4. According to the plaintiff, on the date of the filing of suit, an amount of Rs. 6,78,771.51/- (which includes Rs.

3,14,370.90 under Term Loan account and Rs. 3,64,400.61 under Cash Credit Limit Loan) alongwith interests @ 12.40% per annum and 11.40 per annum respectively was due upon defendant.

5. The suit was filed in the name of M/s Meenakshi Bengali Tent House – proprietorship concern of Meenakshi and proprietorship concern does not have legal entity, therefore, the suit was filed in the name of proprietor Meenakshi. Plaintiff filed amended memo of parties. Thereafter, summons were sent to defendant. Summons sent to defendant received back with report 'no such person' and mobile number was also not on whatsapp. Thereafter, Plaintiff moved an application u/O V rule 20 CPC which was allowed on 11.02.2026 and Defendant was served through substituted means by way of publication in newspaper "Veer Arjun" dated 26.02.2026. No one appeared on behalf of defendant. Defendant was proceeded exparte on 23.04.2026. Matter was listed for Exparte PE.

6. Plaintiff led exparte evidence. To prove its case, Plaintiff bank examined Sh. Ashok Kumar Surya, AR/Manager, State bank of India as PW-1, who placed on record **Ex. PW1/A** is copy of Gazette notification; **Ex. PW1/B (colly)** is the original of the loan applications and proposal forms; **Mark PW1/C (colly)** is copy of the document qua intended loan facility, KYC documents of defendant; **Ex. PW1/D** is the original letter of arrangement; **Ex. PW1/E** is the

original agreement of loan-cum-hypothecation; **Ex. PW1/F** is the original letter of undertaking; **Ex. PW1/G** is the original sole proprietorship letter; **Ex.PW1/H** is the original affidavit dt. 13.07.2020; **Ex. PW1/I** is the original annexure I: Consent clause executed by borrowers, certificate to be signed dt. 13.03.2024; **Ex. PW1/J** is the original statement of personal assets and liabilities; **Ex. PW1/K (colly)** is the original documents, undertaking credit guarantee fund, balance conformation etc., dt 13.03.2024; **Ex. PW1/L (colly)** is the copy of legal notices with original postal receipts; **Ex. PW1/M (colly)** is the copy of loan statement of defendant; **Ex. PW1/N** is Original of certificate u/s 2A r/w Section 65-B; **Ex. PW1/O** is the original of the certificate of accrued interest.

7. The findings are being given on following issues:-
8. **Issues no. 1 - Whether the Court has Territorial jurisdiction?** The plaintiff bank has its branch office in **Nehru Place, New Delhi** wherefrom the loan was sanctioned to the defendant, the documents were executed and payments were made. Therefore, this court has territorial jurisdiction.

9. **Issue no. 2 - Whether the Court has pecuniary jurisdiction?** The claim being of more than 3 lacs, this Court also has pecuniary jurisdiction.

10. **Issues no. 3 - Whether the suit has been filed within limitation?**

11. Plaintiff has claimed a sum of Rs.6,78,771.51 from defendant. Defendant signed, executed and delivered documents to the plaintiff bank on 14.07.2021 and 06.09.2022. Defendant did not repay the loan installments to the plaintiff. Both accounts of defendant were declared NPA on 27.10.2023. Legal notice dated 30.11.2023 was served to defendant. Plaintiff applied for pre-litigation mediation on 02.07.2024 and non-starter report was issued on 03.09.2024. The suit was filed on 04.08.2025 hence, the same is within limitation.

12. **Whether the plaintiff is entitled for recovery of Rs. 6,78,771.51/- from defendant?**

13. After perusal of material on record, this Court finds that PW-1 has proved the averments of the plaint. The plaintiff has tendered on record the statement account generated by computer which is supported with original certificate u/s 2A r/w Section 65-B Ex. PW/N to authenticate bank record tendered in evidence. The loans of Rs. 4,50,000/- and of Rs. 3,50,000/- were sanctioned and disbursed upon request of defendant on 14.07.2021 and on 06.09.2022. Defendant utilized both loan amounts and failed to repay the dues alongwith rate of interest. Defendant had not paid any amount after receipt of Legal notice dated 30.11.2023. The defendant did not appear in

the Court to dispute this fact. He did not participate in pre-litigation mediation. The plaintiff has proved original letter of arrangement Ex. PW1/D; original agreement of loan cum hypothecation Ex. PW1/E; original letter of undertaking Ex. PW1/F; original sole proprietorship letter Ex. PW1/G; original affidavit dt. 13.07.2020 Ex. PW1/H; original consent clause executed by borrowers, certificate to be signed dt. 13.03.2024; original statement of personal assets and liabilities Ex. PW1/J; original documents, undertaking, credit guarantee fund, balance confirmation dt. 13.03.2024.

14. As per certified copy of account statement Ex. PW1/M and certificate of interest accrued Ex. PW1/O, defendant is liable to pay an amount of Rs. 6,78,771.51 (which includes Rs. 3,14,370.90 under MSME Term Loan and Rs. 3,64,400.61 under Cash Credit Limit Loan respectively) to the plaintiff bank. This Court finds no reason to disbelieve testimony of PW-1 which has remained unchallenged. On appreciation of material on record, I am satisfied that plaintiff is entitled to its claim.

15. **Whether the plaintiff is entitled for the interest. If yes at what rate?**

16. Plaintiff has claimed interest @ 12.40% per annum and @ 11.40% per annum respectively on the outstanding amounts from the date of filing the present suit till realization. Having regard to the lending rate of the bank in

the commercial transaction, I am of the view that interest **@ 9%** is reasonable and would serve the ends of restitutive justice. Plaintiff is entitled to the said interest from the date of filing of present suit till the realization of the entire amount.

17. **Relief** - In the result, in view of the afore noted findings, **a decree is hereby passed in favour of the plaintiff and against Defendant in the sum of Rs.6,78,771.51/- alongwith interest @ 9% per annum** from the date of filing of present suit till its realization. Suit accordingly stands decreed in favour of Plaintiff and against Defendant with cost. Decree sheet be prepared accordingly. File be consigned to Record Room.

(*Dictated and announced on*
11th July 2026;
uploaded on 14th July 2026)

(ANURADHA SHUKLA)
District Judge
(Commercial Court-02)
South Distt., Saket, New Delhi

anuradha shukla
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