KACB010015152025

Presented on : 17-09-2025
Registered on : 17-09-2025
Decided on : 01-08-2026
Duration : 10 months, 14 days

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

Dated this the 1st day of August - 2026

Present:

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

Com. O. S. NO. 140 OF 2025

Plaintiff : Plaintiffs	M/s Bank of Baroda, Muddenahalli Branch, Muddenahalli, Nandi Hobli, Chikkaballapura Taluk, Represented by its Branch Manager, Sri.J.Kiran **(By Pleader Sri. N.R., Advocate)**

- V e r s u s -

Defendant : Defendant/s	1. Sri.M.R.Shailesh S/o Muniraju.M Aged about 27 years, 2. Smt.Bhagyalakshmi.M.R W/o Muniraju.M, Aged about 44 years,

Both are R/at Nallappanahalli Village,
S.Devaganahalli (P), Sadali (H),,
Shidlaghatta (T),
Chikkaballapura District-562104.
(*Exparte*)

Date of Institution of the suit	:	17.09.2025
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	:	24.07.2026
Date on which the judgment was pronounced	:	01.08.2026

Total Duration	Year/s	Month/s	Day/s
	00	10	14

J U D G M E N T

This suit is filed by the plaintiff against the defendants for recovery of a sum of ₹.5,38,226.40/- with interest at the rate of 9.35 % from the date of suit to till the date of payment and other consequential relief.

2. The brief facts of the case as averred in the plaint are that, the defendants No.1 has approached the plaintiff bank for financial assistance / loan of ₹.2,84,000/- for the purpose of education loan. The defendant No.2 who is none other than the mother of the 1st defendant has stood as a co-obligant / guarantor to the loan advanced to the defendant No.1. By considering the request of the defendant No.1, the plaintiff bank has sanctioned and paid a loan of ₹.2,84,000/- to the defendant No.1 on 25.08.2016 on the co-obligant and guarantee of the defendant No.2 after verifying the eligibility and feasibility of the defendant No.1. On the same day in consideration of the said loan defendants have jointly and severally have executed necessary loan documents and applications like loan application (education loan), education loan agreement, agreement cum deed of hypothecation, agreement, undertaking letter, letter of evidencing execution of documents, sanction memorandum, revival letter and other necessary loan documents in favour of the plaintiff bank. Thereby the defendants have agreed to discharge the debt within 144 months with 54 repayment holiday with interet at the rate of 9.35% p.a subject to variation from time to time as per RBI directions. After availing the loan the defendants have 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. The defendants have acknowledged the debt due to the plaintiff bank by executing the revival letters in favour of the plaintiff bank on 04.07.2019. As on the date of the suit the defendants are jointly and severally due in a sum of ₹.5,38,226.40/- to the plaintiff bank. 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.170/2023. Therefore, the notice were served to the defendants, but the defendants were 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 defendants are due for a sum of ₹.5,38,226.40/-. Hence, this suit.

3. After institution of this suit, suit summons was sent to the defendants No.1 and 2. In pursuance of service of suit summons, the defendants No.1 and 2 remained absent, hence they have been placed as exparte.

4. In order to prove the case of the plaintiff bank, its branch Manager has been examined as PW1 and marked nine documents as per Ex.P1 to Ex.P9 and closed its side evidence.

5. Heard the arguments and perused the records.

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

1) Whether the plaintiff proves that the defendants have borrowed loan by executing loan documents and also agreed to pay the interest 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 : ***Partly 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 No.1 being the principal borrower and defendant No.2 as a co-obligant have approached the plaintiff bank for the loan of ₹.2,84,000/- for the purpose of higher education. After proper verification the eligibility and feasibility of the defendant No.1 and on the co-obligation and guarantee of the defendant No.2, on 25.08.2016 the plaintiff Bank has sanctioned financial assistance to the extent of ₹.2,84,000/- to defendant No.1 and defendants have also executed all the necessary loan documents in favour of the plaintiff bank for said loan and interalia have agreed to discharge the debt within 144 months with 54 repayment holiday with interest at the rate of 9.35% p.a subject to variation from time to time as per RBI directions. After availment of loan, the defendants have not been cleared the loan amount with up to date interest. The plaintiff had demanded many occasions to clear the loan, inspite of which the defendants have not cleared the loan amount with up to date interest. The defendants have acknowledged the debt due to the plaintiff bank by executing the revival letter on 04.07.2019 in favour of the plaintiff bank.

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.170/2023. Even though, the notice were served to the defendants, they were 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.

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, educational loan agreement at Ex.P2, agreement cum deed of hypothecation at Ex.P3, agreement between the borrower and bank, letter of undertaking furnished by the borrower (3 in numbers) at Ex.P4, letter evidencing execution of documents at Ex.P5, letter of revival (3 in numbers) at Ex.P6, sanction memorandum at Ex.P7, account statement for the period from 01.01.2001 to 14.05.2025 at Ex.P8 and certificate under Bankers Book Evidence Act at Ex.P10.

11. On perusal of the oral and documentary evidence, it is clear that the defendant No.1 being the principal borrower along with defendant No.2 as co-obligant have approached the plaintiff bank and availed the educational loan of ₹.2,84,000/- for the purpose of higher studies and the same is evident from Ex.P1 and P7. It is also clear that the defendants No.1 and 2 have executed educational loan agreement, agreement cum deed of hypothecation, agreement between the borrower and bank, letter of undertaking furnished by the borrower and letter evidencing execution of documents and the same is evident from Ex.P3 to P5. Further, the defendants have also acknowledged the debt by executing the letter of revival on 04.07.2019, 25.06.2022, 03.06.2025 in favour of the plaintiff bank and thereby confirming the balance amount due to the plaintiff bank and the same is evident from Ex.P6. The Account statement for the period from 01.01.2001 to 14.05.2025 at Ex.P8, which discloses that the closing balance of ₹.2,29,319.17/- was outstanding. Certificate under Bankers Books Evidence Act at Ex.P9 is produced in support of Account Statement is maintained and generated through the computer system to ensure the authenticity of accounts maintained by the bank.

12. Having referred the oral and documentary evidence available on record it is worthy to mention that, defendants have borrowed the education loan of ₹.2,84,000/- for higher studies. As noted supra in pursuance of service of summons defendants have remained absent and are placed exparte. Thereby the defendants have 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.

13. However it is worthy to mention that as per the plaint averments the plaintiff bank is contending that the defendants are jointly and severally due in a sum of **₹.5,38,226.40**/- as on the date of the suit. Whereas, in the chief-affidavit filed the branch manager of the plaintiff bank, it is deposed that the defendants are liable to pay outstanding dues of **₹.3,35,717**/- as on the date of the suit. Conversely in support the contention of the plaintiff bank, the PW1 has produced the account statement at Ex.P8 for the period from 01.01.2001 to 14.05.2025. On perusal of the same it discloses the closing balance of **₹.2,29,319.17**/- was due as on 26.04.2025. But, except producing the account statement at Ex.P8 absolutely no document is placed on record to prove that the defendants are liable to repay the amount of **₹.5,38,226.40**/- or **₹.3,35,717**/- as on the date of the suit. Under these factual scenario the oral evidence given by PW1 that defendants are liable to repay a sum of **₹.3,35,717**/- to the plaintiff bank is goes against to plaint averments. Nevertheless, it is also difficult to believe the plaintiff's case in the absence of account statement which is regularly maintained by it. Thus it can be held that the plaintiff has not clearly established its case with regard to the amount claimed in the suit by producing cogent documentary evidence. Conversely, account statement Ex.P8 depicts, total demand as ₹.5,38,226.40/- and total collection as ₹.3,08,907.23/- and thereby overdue left is only of ₹.2,29,319.17/-. Consequently justice would be met if the defendants are ordered to repay the outstanding loan amount on the basis of loan account statement as per Ex.P8. Therefore, defendants are jointly and severally liable to pay outstanding balance of **₹.2,29,319.17/- which is rounded off to ₹.2,29,319/-.**

14. If turned to the aspect of future interest as claimed in the plaint is concerned, since the defendants have borrowed education loan for higher studies justice would be met if the defendants are directed to pay the decretal amount with interest at the rate of 9% p.a from the date of suit till the date of its realization. Accordingly, ***I answer point No.1 and 2 partly in the affirmative.***

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

O R D E R

The suit of the plaintiff is decreed for ₹.2,29,319/- (Rupees Two Lakhs Twenty Nine Thousand Three Hundred and Nineteen only) with cost.

The defendants are jointly and severally liable to pay the decretal amount ₹.2,29,319/- along with interest at the rate of 9% p.a. from the date of 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 1st day of August, 2026)

T P RAMALINGE GOWDA

Digitally signed by T P RAMALINGE GOWDA
Date: 2026.08.07 14:43:03 +0530

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

A P P E N D I X

List of witnesses examined on behalf of plaintiff:-

PW1 : M.N.Seshan

List of witnesses examined on behalf of defendant:- - Nil -

List of documents marked on behalf of plaintiff:-

Ex.P1	:	Loan Application form
Ex.P2	:	Education loan agreement
Ex.P3	:	Agreement cum deed of hypothecation
Ex.P4	:	Agreement between the borrower and bank, Letter of undertaking furnished by the borrower (3 in numbers)
Ex.P5	:	Letter evidencing execution of documents
Ex.P6	:	Letter of revival (3 in numbers)
Ex.P7	:	Sanction memorandum
Ex.P8	:	Account statement for the period from 01.01.2001 to 14.05.2025
Ex.P9	:	Certificate under Banker Books of Evidence

List of documents marked on behalf of defendant:- - Nil -

T P RAMALINGE GOWDA

Digitally signed by T P RAMALINGE GOWDA
Date: 2026.08.07 14:43:10 +0530

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