KACB010005422026

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

Dated this the 5th 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. 37 OF 2026

Plaintiff : Plaintiffs	Canara Bank A Bank Constituted under Banking Companies (Acquisition and Transfer of undertakings) Act 1980 Having its head Office at; JC Road, Bengaluru and Branch office at Gowribidanur Town Represented by its Branch Manager **(By Pleader Sri. G.M., Advocate)**

- V e r s u s -

Defendant : Defendant/s	Sri.Vionod.B S/o Babanna, Aged about 42 years, R/at Gangasandra Village, Kasaba Hobli, Gowribidanur Taluk. **(*Exparte*)**

Date of Institution of the suit	:	25.03.2026
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	: 25.07.2026			
Date on which the judgment was pronounced	: 05.08.2026			
Total Duration		Year/s 00	Month/s 04	Day/s 13

J U D G M E N T

This suit is filed by the plaintiff against the defendants for recovery of a sum of ₹.6,52,407.74/- with current interest at the rate of 8.65 % p.a and penal interest at 2% p.a. from 13.02.2026 to till the date of payment and other consequential relief.

2. The brief facts of the case as averred in the plaint are that, on 26.04.2018 the defendant has requested the plaintiff bank for a loan to an extent of ₹.3,60,000/- for the purpose of purchase of vehicle. For having availed the loan to an extent of ₹.3,60,000/- the defendant has executed deed of hypothecation : Re vehicles in the name of the bank. Among other terms of agreement the defendant has agreed to pay interest on the amount borrowed at 8.30% p.a with monthly rests subject to variation by head office of the plaintiff bank and also agreed to pay penal interest at 2% p.a on the overdue amount. The defendant has not paid the principal amount and accrued interest from time to time in terms of the agreement. The officials of the plaintiff bank contacted the defendant several times and requested him to regularize his loan account. Though the defendant has promised to pay the loan amount in terms of agreement, the defendant has not kept up the promises so made, instead the defendant has executed letter of revival on 12.03.2021 and 01.01.2024. 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.234/2025. Therefore, the notice were served to the defendant, but the defendant has 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 defendant is due for a sum of ₹.6,52,407.74/-. Hence, this suit.

3. After institution of this suit, suit summons was sent to the defendant. In pursuance of service of suit summons, the defendant remained absent, hence he has 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 seven documents as per Ex.P1 to Ex.P7 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 defendant has 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 : ***In the Affirmative.***

Point No.2 : ***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, on 26.04.2018 the defendant being the principal borrower has approached the plaintiff bank for the loan of ₹.3,60,000/- for the purpose of purchase of vehicle. After proper verification of the documents, the plaintiff Bank has sanctioned financial assistance to the extent of ₹.3,60,000/- to the defendant. The defendant has also executed all the necessary loan document such as deed of hypothecation : Re vehicles in favour of the plaintiff bank. Further among other terms of agreement the defendant has agreed to pay the interest at the rate of 8.30% p.a monthly rests subject to variation by bank and also agreed to pay penal interest at 2% p.a on the overdue amount. After availment of loan, the defendant has not been cleared the loan amount with up to date interest. The plaintiff had demanded many occasions to clear the loan. Instead the defendant has executed letter of revival dated 12.03.2021 and 01.01.2024. Inspite of it, the defendant has not cleared the loan amount with up to date interest.

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.234/2025. Even though, the notice were served to the defendant, he has 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, sanction memorandum at Ex.P2, deed of hypothecation re vehicles at Ex.P3, letter of revival (2 in numbers) at Ex.P4, recall notice at Ex.P5, account statement for the period from 26.04.2018 to 13.02.2026 at Ex.P6 and certificate under Bankers Book Evidence Act at Ex.P7.

11. On perusal of the oral and documentary evidence, it is clear that the defendant being the principal borrower has approached the plaintiff bank and availed the loan of ₹.3,60,000/- for the purpose of purchase of vehicle and the same is evident from Ex.P1 and P2. It is also clear that the defendant has executed agreement of hypothecation re vehicles and the same is evident from Ex.P3. Further, the defendant has also acknowledged the debt by executing the letter of revivals on 12.03.2021, 01.01.2024 in favour of the plaintiff bank and thereby confirming the balance amount due to the plaintiff bank and the same is evident from Ex.P4. It is clear from the Account statement for the period from 26.04.2018 to 13.02.2026 at Ex.P6, which discloses that the closing balance of ₹.6,52,407.74/- was outstanding as on 13.02.2026. Certificate under Bankers Books Evidence Act at Ex.P7 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. No doubt as could be seen from the exhibits the plaintiff bank has issued recall notice as per Ex.P5. But, except producing the recall notice absolutely no document is placed on record about having sent the notice nor about its due service of recall notice at Ex.P5 on the defendant. Under these factual scenario the oral evidence given by

PW1 that bank has issued recall notice and mere recall notice at Ex.P5 in the absence of document about its due service, it is highly difficult to believe the case of the plaintiff that they have demanded the defendant for repayment of loan.

12. Having referred the oral and documentary evidence available on record it is worthy to mention that, the defendant has borrowed the loan of ₹.3,60,000/- for the purpose of purchase of vehicle. As noted supra in pursuance of service of summons defendant has remained absent and are placed exparte. Thereby the defendant has 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. Thus it can be held that the plaintiff has established its case and thereby the defendant is liable to pay the outstanding loan amount as sought by the plaintiff. Thereby, as per loan account statement, the defendant is liable to pay outstanding balance of **Rs.6,52,407.74/-, which is rounded off to Rs.6,52,408/-.**

13. If turned to the aspect of future interest as claimed in the plaint is concerned, since the loan was borrowed for purchase of vehicle, he has to pay the interest as agreed by him. Therefore, the defendant is liable to pay the decretal amount with interest at the rate of Rs.8.65% p.a with penal interest at the rate of 2% from the date of suit till the date of its realization. Accordingly, ***I answer point No.1 and 2 in the affirmative.***

14. **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 ₹.6,52,408/- (Rupees Six Lakhs Fifty Two Thousand Four Hundred and Eight only) with cost.

The defendant is liable to pay the decretal amount ₹.6,52,408/- along with interest at the rate of 8.65% p.a. with penal interest at the rate of 2% p.a from 13.02.2026 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 5th day of August, 2026)

T P RAMALINGE GOWDA

Digitally signed by T P RAMALINGE GOWDA
Date: 2026.08.07 14:46:12 +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 : Ayyavala Tulasi Chandra

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

List of documents marked on behalf of plaintiff:-

Ex.P1	:	Loan Application form
Ex.P2	:	Sanction memorandum
Ex.P3	:	Deed of hypothecation re vehicles
Ex.P4	:	Letter of revival (2 in numbers)
Ex.P5	:	Recall notice dated 01.01.2026
Ex.P6	:	Account statement for the period from 26.04.2018 to 13.02.2026
Ex.P7	:	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 14:46:20 +0530

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