KACD210005222025

Presented on : 03-05-2025
Registered on : 03-06-2025
Decided on : 02-04-2026
Duration : 00 Years 10 Months 29 Days

IN THE COURT OF SENIOR CIVIL JUDGE & J.M.F.C CHALLAKERE

***PRESENT* :** **SHAMEER P. NANDYAL,**
B.A.,LL.B.,(Hons.),LL.M.
Senior Civil Judge & JMFC,
Challakere

DATED THIS 02ND DAY OF APRIL 2026

O.S.No.91/2025

PLAINTIFF : State Bank of India (E-SBM)
Opp BDO Office,
Challakere Branch,
Rep. by its Manager
Harivishwanatha Achar
S/o Raghavendrachar.U.H.,
Aged about 38 years,
R/o Challakere
Chitradurga District
(Rep by Sri GRA., Adv)

Versus

DEFENDANT : Sheetal Steel Manufacturing & Sales
Nehru Circle, Ballary Road,

Challakere,
Rep. by its proprietor Sheetal.C.
D/o L.Chandrashekar,
Aged about 26 years,
R/o Near Sai Chethana School,
Shanthinagara, Challakere
Chitradurga District
(Ex-parte)

Date of Institution of suit	**03-05-2025**
Nature of suit	**Recovery of Money**
Date of commencement of recording evidence	**14-01-2026**
Date of Judgment	**02-04-2026**
Total Duration	**Years Months Days** **00 10 29**

JUDGMENT

The suit of the plaintiff is one for recovery of an amount of Rs.11,19,622/- along with interest and costs.

2. ***Brief facts of the case of the plaintiff:***

That the defendant has borrowed loan of Rs.10,50,000/- from the plaintiff bank on 24-03-2023 by executing necessary loan documents and agreeing to repay the same along with interest at the rate of 12.40% p.a. The said loan was borrowed under Stand of India Scheme. The defendant has transacted with the plaintiff bank from 24-03-2023 up to 29-12-2024. The defendant has not repaid the loan amount and has become willful defaulter. In spite of several demands, the defendant has failed to repay the loan. As on the date of filing of the suit, the defendant is in due to pay Rs.11,19,622/- to the plaintiff bank. The same has constrained the plaintiff bank to institute the present suit.

3. In spite of the service of summons, the defendant has remained absent before the court. As such the defendant is placed *ex parte*.

4. In order to prove its case plaintiff bank, its manager had got him examined as PW-1. He has also got marked 4 documents at Ex.P-1 to P-4. Thereafter the plaintiff bank has closed its side.

5. Heard arguments. Perused records.

6. The points that arise for the consideration of the court are as hereunder:

POINTS

1. Does the plaintiff bank proves that the defendant has borrowed an amount of Rs.10,50,000/- on 24-03-2023 by executing necessary loan documents and by agreeing to repay the said loan amount along with interest at the rate of 12% p.a.?

2. Whether the plaintiff is entitled for the relief sought?

3. ***What order or decree?***

7. On consideration of the materials on record, this court answers the aforesaid points as hereunder:

Point No.1 :	In the ***affirmative***
Point No.2 :	Partly In the ***affirmative***
Point No.3 :	As per final order

for the following:

REASONS

8. ***Point No.1***- As aforesaid, the manager of the plaintiff bank has got him examined as PW-1 and got marked four documents. In lieu of his examination-in-chief, he has filed his affidavit reiterating the plaint averments. Among the documents placed on record, Ex.P-1 is the letter of authority. Ex.P-2 is the agreement of loan cum hypothecation. Ex.P-3 is the letter of arrangement. Ex.P-4 is the statement of account.

9. It is pertinent to note here that the defendant is placed *ex-parte*. As such the evidence of PW-1 has remained unrebutted and unchallenged. The aforesaid documents bear the signatures of defendant. The same goes to show that the defendant has borrowed the aforesaid loan amount of Rs.10,50,000/- from the plaintiff bank by executing aforesaid documents. The account statement clearly establishes that

the defendants is in due of the amount claimed by the plaintiff bank in the present suit. As such there is no reason for this court, to discard the evidence of PW-1. By producing the relevant documents the plaintiff bank is able to establish that the defendant has borrowed the loan amount of Rs.10,50,000/- on 24-03-2023 and as on the date of filing of the suit, she is in due to pay a sum of Rs.11,19,622/- to it. The plaintiff bank has also proved that in spite of repeated demand, the defendant has failed to repay the same. Thus for these reasons this court answers the point No.1 in the ***affirmative.***

10. ***Point No.2***: It is pertinent to note here that the loan amount borrowed by the defendant under special scheme. Thus considering the same, when the loan was granted for improvement of industry, imposition of penal interest appears to be unwarranted. Thus is the agreed rate of interest is awarded, the same will suffice the cause of justice. Accordingly point No.2 is answered ***partly in the affirmative.***

11. ***Point No.3***:- In the light of foregoing discussions, this court proceeds to pass the following:

O R D E R

The suit of the plaintiff bank is hereby decreed in part with costs.

The defendant is liable to pay a sum of Rs.11,19,622/- [Eleven lakhs, Nineteen thousand, six hundred and twenty two rupees] to the plaintiff bank along with interest at the rate of 12.40% per annum from the date of suit till its realization.

Draw decree accordingly.

[Dictated to stenographer directly on computer, printout taken, corrected and then pronounced by me in open court on this 2nd day of April 2026]

[SHAMEER P. NANDYAL]
Senior Civil Judge & JMFC
CHALLAKERE

A N N E X U R E S

Witness examined for Plaintiff:

PW-1 : Channakeshava.B.V.

Documents marked for Plaintiff:

Ex.P-1 : Letter of Authority
Ex.P-2 : Loan Agreement
Ex.P-3 : Letter of arrangement
Ex.P-4 : Loan account statement

Witnesses examined for Defendants:

-NIL-

Documents marked for Defendants:

-NIL-

Senior Civil Judge & JMFC,
Challakere