KADG020092222023 Presented on : 25-10-2023

Registered on : 25-10-2023

Decided on : 10-06-2026

Duration : 2 years, 7 months, 16 days

IN THE COURT OF PRL. SENIOR CIVIL JUDGE AND C.J.M., AT DAVANAGERE.

-:: PRESENT ::-

Sri. MAHESH BABU. B.A. LLB.,
Prl. Senior Civil Judge & C.J.M.,
Davanagere.

Dated this 10th day of June – 2026.
SC.No.55/2023

Plaintiff :- Canara Bank,
Represented by its Branch Manager,
Sri. Durgesh Kumar Dwivedi,
Aged about 34 years,
Vinobha Nagara Branch,
Davanagere District.

(By Sri. G.T.S., Adv.)

-// Versus //-

Defendant :- Raziya Banu W/o Syedmirad Sab,
#392, 'A' Block, SOG Nagar,
Vidyanagar, Davanagere.

(Ex-parte)

-:: J U D G M E N T ::-

This is a suit filed by the plaintiff bank against the defendant for recovery of suit claim amount of Rs.45,774.43/- along with future interest at the rate of 11.1% from date of decree till its actual realization.

2. <u>The case of the plaintiff's in brief is as under</u>:-

a. That, the plaintiff bank is Nationalized bank in corporate under banking companies (Acquisition and Transfer of Undertaking) Act 1970. The defendant has approached the plaintiff Bank for the financial assistance of Rs.50,000/- under the Mudra Loan in A/c No.1513768000525. Hence on 05.06.2020 plaintiff bank sanctioned the said loan of Rs.50,000/- to the defendant and she has agreed to repay the amount with interest of 11.1% per annum and thereby executed all the necessary loan papers & Hypothecation of agreement etc., in favour of the bank. Further, the plaintiff alleges that, the defendant did not repay the loan amount along with agreed rate of interest. Further, plaintiff alleges that, in spite of demand made by the bank, and also issued a legal notice to the defendant, which was been returned un-served with a Shara "Address not Known" and but the defendant did not come forward to repay the loan amount. Hence the present suit.

3. In pursuance of service of suit summons the defendant has remained absent and placed Ex-parte.

4. On the basis of plaint averments and other material on record the following points arises for my consideration, which are as follows:-

-:: <u>P O I N T S</u> ::-

1. Whether plaintiff bank prove that, on 05.06.2020 the defendants have availed loan of Rs.50,000/- agreed to repay same with interest @ 11.1% per annum?

2. Whether plaintiff bank is entitled for relief as prayed for?

3. What order or decree?

5. In support of the case of the plaintiff, the Senior Manager of Canara Bank, Vinobha Nagara Branch, Davanagere Taluk has been examined before the court as PW1. The plaintiff has produced documents which are got marked as Ex.P.1 to Ex.P.4. On the other hand, the defendant remained absent and placed Ex-parte.

6. Heard the arguments of counsel for plaintiff. Perused the records placed before the court.

7. My answers to the above points are as follows:

1. **Point No.1 : In the Affirmative.**
2. **Point No.2: Partly in the Affirmative.**
3. **Point No.3 : As per final order for the following:**

REASONS

8. POINT No.1:- As per the case of plaintiff bank the defendant on 05.06.2020 have availed loan of Rs.50,000/- for the Mudra Scheme. It is further case of the plaintiff bank that the defendant has agreed to repay loan amount with interest @ 11.1% per annum. Further defendant has agreed to repay loan amount with interest thereon in equated monthly installments.

9. The bank Senior Manager of plaintiff bank has filed examination in chief by way of an affidavit and examined as PW.1 wherein plaint averments are reiterated. The PW.1 has produced Mudra loan application dated 05.06.2020 as per Ex.P.1, Sanction memorandum produced as per Ex.P2. Loan Agreement produced as per Ex.P3 and statement of account produced as per Ex.P4.

10. On perusal of evidence of PW.1 coupled with contents of Ex.P1 to Ex.P4, the defendant has availed loan of Rs.50,000/- from plaintiff bank agreed to repay the same with interest at rate of 11.1% per annum in this case.

11. As per Ex.P4 statement of account, as on date of filing suit the defendant is in due of Rs.45,774.43/- to the plaintiff bank. The plaintiff bank has issued legal notice to the defendant. The postal cover, notice issued by plaintiff bank is unclaimed by defendant. The copy of legal notice issued by plaintiff bank served on defendant. Un-served postal cover is produced.

12. It is material to note here that, admittedly the defendants even after service of suit summons not appeared before the Court. Hence, oral and documentary evidence produced by plaintiff bank remained unchallenged and uncontroverted. Further inference can be drawn that, the defendant has no valid defense against suit claim of the plaintiff bank. **Hence, I answer point No.1 in the Affirmative.**

13. Point No.2:- As per documentary evidence placed on record as on date of filing suit the defendant is in due of Rs.45,774.43/- to the plaintiff bank. As per terms of documents executed by defendant in favour of plaintiff bank at the time of availing loan the defendant has agreed to repay loan amount with interest at the rate of 11.1% per annum.

14. As per statement of accounts, as on date of filing suit, the defendant is in due of Rs.45,774.43/-. Admittedly as per case of plaintiff bank itself and contents of documents produced by it before the Court, the defendant has availed loan of Rs.50,000/- from the Plaintiff bank in Mudra Scheme.

The documents clearly discloses that the defendants have agreed to pay interest at the rate of 11.1%. If the interest claimed by the plaintiff bank is awarded, then definitely it will cause much hardship to the defendants. Since the loan transaction is Mudra loan, then it would meet the ends of justice if a simple interest at the rate of 6% p.a on the principal amount of

Rs.50,000/- is awarded from the date of suit, till its realization. **Hence, I answer point No.2 partly in the affirmative.**

15. **Point No.3:-** In view of the above said findings on **Point No.1 in the Affirmative and Point No.2 partly in the affirmative,** I proceed to pass the following:

-:: O R D E R ::-

Suit of the plaintiff bank is hereby partly decreed with cost.

The plaintiff bank has to recover suit claim amount of Rs.45,774.43/- from defendant with interest at the rate of 6% per annum from date of suit till its actual realization.

Draw decree accordingly.

(Dictated to the Stenographer online, transcribed and typed by her, the same is corrected, signed and then pronounced by me in the open court on this the ***10th day of June 2026****).*

(M.MAHESH BABU)
Prl. Senior Civil Judge & C.J.M.,
Davanagere.

ANNEXURE

1. **List of witness examined on behalf of plaintiff:-**

PW.1 : Shiju R. Madhavan Pillai.

2. **List of documents exhibited on behalf of plaintiffs**:-

Ex.P1	:	Loan application.
Ex.P1(a)	:	Signature of defendant.
Ex.P2	:	Sanction Memorandum.
Ex.P3	:	Hypothication Agreement.
Ex.P4	:	Statement of Accounts.

3. **List of witness examined on behalf of defendants:-**

........Nil.......

4. **List of documents exhibited on behalf of defendants:-**

........Nil......

(M.MAHESH BABU)
Prl. Senior Civil Judge & C.J.M.,
Davanagere.

(Order pronounced in open court vide separate Judgment)

ORDER

The suit of the plaintiff is hereby partly decreed with cost.

Further the defendant is liable to pay an amount of Rs.45,774.43/- with interest at the rate of 6% p.a. from the date of suit till realization.

Draw decree accordingly.

(M.MAHESH BABU)
Prl. Senior Civil Judge & C.J.M.,
Davanagere.