KAMD210008352023

Presented on : 01-06-2023
Registered on : 19-06-2023
Decided on : 28-04-2026
Duration : 2 years, 10 months, 27 days

IN THE COURT OF THE PRL.CIVIL JUDGE AND JMFC, KRISHNARAJAPET.

: Present :

Smt.Parvathi.V, B.A.L., L.L.B.
Prl.Civil Judge & JMFC,
Krishnarajapet.

Dated : This the 28th day of April 2026

O.S. No.397/2023

PLAINTIFF		Canara Bank, A body corporate constituted Under the Banking companies (Acquisition and Transfer of undertakings) Act 1970 having its Head office No, 112, J.C. Road, Bangalore and one of its Branch at Krishnarajapet Town and Taluk, Mandya District. Represented by its Branch Manager and principal officer.
		(By Sri. S.R.N., Advocate)
-//Vs//-		

DEFENDANTS	1.	Smt. K.D.Bhagya W/o L.J.Shankara Lingapura Village, Kikkeri Hobli, Krishnarajapet Taluk, Mandya District.
	2.	Sri. L.J.Shankara S/o Javaraiah, Lingapura Village, Kikkeri Hobli, Krishnarajapet Taluk, Mandya District.

(Defendants - Ex-parte)

Date of Institution of suit	01.06.2023		
Nature of suit	Recovery of money		
Date of commencement of recording of evidence	13.11.2025		
Date of Judgment	28.04.2026		
Total Duration	Years	Months	Days
	02	10	27

Sd/-
PRL.CIVIL JUDGE & J.M.F.C,
KRISHNARAJAPET.

JUDGMENT

The plaintiff Bank has filed this suit against the defendants for recovery of an amount of Rs.4,95,039/- together with current interest at the rate of Rs.10.95% per annum from the date of suit till the date of realization.

2. <u>The brief facts of case of the the plaintiff Bank are as under ;</u>

On 7-11-2015 the defendants have approached the plaintiff Bank for the purpose of MSME loan of Rs.6,35,000/-. After satisfying the bonafide of the defendants, the plaintiff Bank has sanctioned the loan of Rs.6,35,000/- on 7-11-2015. The defendants have executed the agreement and deed of Hypothecation for MSME loan in favor of the plaintiff's bank by agreeing to pay the interest @ 10.95% P.A. and they also agreed to pay the penal interest @ 2% on the defaulted installments in case of failure to repay the loan amount as per their undertaking and they also agreed to repay the same. On 3-11-2021 defendant No.1 has executed a revival letter to plaintiff's bank, acknowledging the outstanding loan amount with interest and requested extension of time for repayment. Accordingly, by consideration the financial difficulty of the defendants, the plaintiff's bank granted some further time for repayment of the loan amount with interest. The defendants jointly agreed to repay the loan amount with the interest as per the terms of the agreement. At the time of sanction, defendants have executed an agreement of hypothecation for agricultural loan and simple mortgage deed in favor of the plaintiff mentioned in the schedule. However, in spite of repeated request and demands made by the plaintiff Bank, the defendants have failed to repay the loan amount as agreed. Now the plaintiff Bank is entitled for the amount of Rs.4,95,039/- along with interest at the rate of 10.95% p.a. Hence the present suit is filed.

3. After institution of the suit, suit summons have been issued to the defendants. But in spite of service of the same, they did not choose to appear before this court. Hence, they placed Ex-parte and matter was posted for plaintiff's evidence.

4. In order to substantiate the case of the plaintiff Bank, the Manager of the plaintiff Bank got examined as PW-1 and got marked the documents at Ex.P-1 to P-12 and closed his side. Since the defendants placed Exparte, hence the cross-examination of PW-1 taken as nil and matter was posted for arguments.

5. Heard arguments on plaintiff's counsel and perused the materials on records.

6. The points that arise for the consideration of this court are as under:-

1. whether the plaintiff Bank proves that the defendants have borrowed a sum of Rs.6,35,000/- on 7-11-2015 by executing a mortgage deed and other loan documents ?

2. whether the plaintiff Bank further proves that the defendants haves

agreed to repay the loan amount with interest at the rate of 10.95% p.a. ?

3. whether the plaintiff Bank is entitled for the relief sought?

4. What decree or Order?

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

Point No.1	:	**In the affirmative**
Point No.2	:	**In the affirmative**
Point No.3	:	**Partly in the affirmative**
Point No.4	:	**As per the final order for the following:**

:: REASONS ::

8. **Point No.1 and 2 :-** As these points are inter-connected to each other, they are taken up together for common discussion, in order to avoid repetition of facts and evidence.

9. As aforesaid, the Manager of the plaintiff Bank got examined as PW-1. In lieu of his examination-in-chief, he filed affidavit by reiterating the plaint averments. Apart from his oral evidence, he has produced the documents at Ex.P-1 to 12. The Ex.P-1 is the loan application, Ex.P-2 is Letter of revival, Ex.P-3 is guarantee agreement, Ex.P-24 and Ex.P-5 are e-stamp papers, Ex.P-6 is simple mortgage deed, Ex.P-8 is a Statement of Account, Ex.P-9 to 12 are the postal receipts and returned RPAD covers and legal notice.

10. As could be seen from the Ex.P-1 and 2, it apparent that, the defendant No.1 has borrowed a loan of Rs.6,35,000/- for the purpose of MSME loan from the plaintiff bank on 7-11-2015 by agreeing to repay the same along with interest at the rate of 10.95% p.a. including penal interest at the rate of 2% and the defendant No.1 and 2 have executed mortgage deed in favor of the plaintiff bank as per Ex.P-6. Further as per Ex.P-7, the defendants are due an amount of Rs.4,91,092/- including the interest as on 30-11-2022.

11. In order to contrary to the evidence lead by the plaintiff bank, the defendants neither appear before the court nor lead any evidence on her behalf. Hence the evidence of PW-1 is remained unchallenged and unrebutted. Further, through the oral evidence as well documentary evidence of PW-1, the plaintiff Bank is able to establish its case that the defendants have borrowed a loan amount of Rs.6,35,000/- from the plaintiff Bank and executed Ex.P.6 for all the liabilities of the defendants. Thus, this court has no other alternative than to rely upon the reliable and convincing evidence produced by the PW-1. As such, this court answers point No.1 and 2 in the Affirmative.

12. **<u>Point No. 3</u>** : The present suit is brought by the plaintiff Bank for recovery of an outstanding loan amount of Rs. 4,95,039/- together with interests and other charges. Further the plaintiff Bank claims future interest at the rate of 10.95% per annum from the date of filing of the suit till its realization. As stated above, the defendants have borrowed a loan of Rs.6,35,000/- on 7-11-2015. The plaintiff bank is claiming Rs.4,95,039/- which includes interest at the rate of 10.95% p.a. from the date of suit till realization. Further, as stated above as per Ex.P-8, the outstanding due an amount is of Rs.4,91,092/- as on 31.12.2022 and further the loan obtained by the defendants is for the purpose of MSME loan, hence awarding future interest at the rate of 10.95% p.a. is too exorbitant. Hence if the future interest is awarded at the rate of 6% per annum on the due amount of Rs.4,95,039/, it would meet the ends of justice. Thus this court answers point No.3 is partly in the Affirmative.

13. Point No.4:- 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 partly decreed with costs.

The defendants are liable to pay an amount of Rs.4,95,039/- along with interest at the rate of 6% P.A. from the date of suit till the date of realization.

The defendants shall pay the said amount to the plaintiff bank within three months from this day. If the defendants fails to pay the same, the plaintiff bank is at liberty to sell the suit schedule properties by applying for final decree proceedings as contemplated U/o.34 Rule 4 of CPC.

Draw Preliminary Decree accordingly.

(Dictated to the Stenographer, then corrected and pronounced by me in the open court on this **28th day of April 2026)**

Sd/-
(SMT.PARVATHI.V)
PRL.CIVIL JUDGE & J.M.F.C,
KRISHNARAJAPET.

List of witnesses examined on behalf of Plaintiff Bank :

P.W.1	:	Sri. Nagesh Praveen

List of exhibits marked on behalf of Plaintiff Bank:-

Ex.P.1	:	Loan application
Ex.P.2	:	letter of revival, Hypothecation
Ex.P.3	:	Garantee agreement
Ex.P.4&5	:	E stamp papers
Ex.P.6	:	simple mortgage deed
Ex.P.7	:	Account statement
Ex.P.8	:	Notice
Ex.P.9&10	:	Postal receipts
Ex.P.11&12	:	Postal cover
Ex.P.11(a)&12(b)	:	Unserved notice.

List of witnesses examined on behalf of Defendant:-

- NIL -

List of exhibits marked on behalf of Defendant:-

- NIL -

Sd/-

PRL.CIVIL JUDGE & J.M.F.C,
KRISHNARAJAPET.