

KAMS010018052025



**TITLE SHEET FOR JUDGMENTS IN ORIGINAL  
SUITS**  
**IN THE COURT OF THE PRINCIPAL DISTRICT AND  
SESSIONS JUDGE AT MYSURU**

**Dated this the 7<sup>th</sup> day of March, 2026**

**PRESENT**

**Smt. Usharani, B.A.(Law) LL.B.,**  
Prl. District & Sessions Judge,  
Mysuru.

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**Com.O.S./63/2025**

**Plaintiff:**

**CANARA BANK,**  
(Erstwhile Syndicate Bank)  
A body constituted and functioning  
under the Banking Companies  
(Acquisition and Transfer of  
undertakings) Act, 1970, having its  
head Office at No.112, J.C. Road,  
Bengaluru 560002. Having number  
of branches and one such branch at  
Rajarajeshwari Nagar, Mysuru.  
Represented by its duly constituted  
Attorney and Manager Sri  
Priyankush V.H., S/o. Sri  
Venkatachalaiah, aged about 39  
years.

**(By Smt. Rashmi H.P., Advocate)**

**Vs.**

**Defendants:**

1. Sri D. Nagaraju, S/o. Sri Doddegowda, aged about 43 years, Door No.366, Kanakageri, Sewage Form Road, Vidyaranyapuram, Mysuru-570 008.
2. Sri Pradeep M.N. S/o. Sri D. Nagaraju, aged about 38 years, No.321, Kanakageri, Sewage Form Road, Vidyaranyapuram, Mysuru-570 008.

**(Exparte)**

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Nature of the Suit	:	Money Suit		
Date of filing of the Suit	:	28.02.2025		
Date of pronouncing of Judgment	:	07.03.2026		
Duration of Suit	:	Year/s	Month/s	Day/s
		<b>01</b>	<b>00</b>	<b>09</b>

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**( Usharani )**

Prl. District & Sessions Judge,  
Mysuru.

**JUDGMENT**

This suit has been filed by the plaintiff, Canara Bank, against the defendants, for recovery of **Rs.9,71,679/-** with interest at the rate of 10.40% per annum and penal interest at

the rate of 2% per annum compounded monthly with costs and other incidental expenses.

**2. The brief averments of the plaint are as under:-**

The plaintiff Bank, after considering the application of defendant No.1, on 19.04.2018 sanctioned loan of Rs.5,00,000/- to improve his business and got executed necessary documents. Defendant No.2 stood as guarantor for the aforesaid loan amount. Defendant No.1 has agreed to repay the same along with interest at the rate of 9.95% per annum as per prime lending rate and overdue rate of interest at 2% per annum. After availing the above loan facility, inspite of repeated requests and also issuance of legal notice, defendants have neither repaid the loan amount nor complied the legal notice. As per the loan account maintained by the plaintiff Bank, defendants are due of Rs.9,64,179/- as on 30.09.2024. By adding legal notice charges of Rs.2,500/- and typing and miscellaneous expenses of Rs.5,000/-, the total amount due from the defendants is Rs.9,71,679/-. Hence, this suit.

3. In spite of service of summons, the defendants have remained absent and hence, they were placed exparte. Then matter was posted for evidence.

4. The points that arise for my consideration are as follows:

- 1) **Whether the plaintiff bank proves that defendant No.1 along with defendant No.2 as guarantor has availed loan of Rs.5,00,000/- on 19.04.2018, for improvement of his business?**
- 2) **Whether the plaintiff bank is entitled for the relief sought for?**
- 3) **What order and decree?**

5. The plaintiff bank has examined its branch Manager as P.W.1 and got marked Ex.P.1 to P.13.

6. Heard arguments.

7. My findings on the above points are as follows:

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. **Points No.1 and 2:-** These points are taken up together in order to avoid repetition of facts and question of law.

9. The case of plaintiff bank is that, on the guarantee of defendant No.2, the defendant No.1 has borrowed loan of Rs.5,00,000/- on 19.04.2018 for the purpose of improvement of his business, by executing necessary loan documents in favour of the plaintiff bank. Defendant No.1 has agreed to repay the aforesaid loan with interest at the rate of 9.95% per annum and overdue rate of interest at 2% per annum.

10. The plaintiff Bank has examined its branch Manager as PW.1, who has reiterated plaint averments in his chief affidavit and got marked the documents at Ex.P.1 to P.13.

11. From the available materials, it is evident that, on the application Ex.P.1 dated 19.04.2018 and on execution of necessary loan documents by the defendant No.1, plaintiff bank has sanctioned loan of Rs.5,00,000/- on the same day for improvement of business of defendant No.1 and got executed Ex.P.4 composite hypothecation agreement for the said sanctioned loan amount. Under Ex.P.4 defendant No.1 has agreed to repay the loan amount with interest at 9.95% per annum and has hypothecated the assets purchased out of bank finance as security for loan amount. The document at Ex.P.7

guarantee agreement shows that, the defendant No.2 stood as guarantor for the loan transaction of the defendant No.1.

12. It is important to note here that, the document at Ex.P.8 shows that defendants had acknowledged the debts by executing revival letter on 12.01.2022. As per Ex.P.13 non starter report, the date of application submitted for Pre-institution of Mediation was on 16.12.2024 and hence, suit was filed well within time.

13. According to plaintiff, 1<sup>st</sup> defendant has utilized the said loan for the purpose it was granted, but he has not repaid the said loan amount inspite of repeated requests and also issuance of Ex.P.9 legal notice. The P.W.1 has also produced Ex.P.12 statement of accounts with respect to loan transaction, as per which outstanding balance is Rs.9,64,178.91, as on 30.09.2024.

14. Since defendants have remained exparte, the contents of the documents Ex.P.1 to 13 and oral evidence produced by the plaintiff remained unchallenged. Further, afore-discussed facts clearly show that, 1<sup>st</sup> defendant had loan transaction with plaintiff bank and the total amount due from the

defendants is Rs.9,71,679/-, which includes legal notice charges of Rs.2,500/- and typing and miscellaneous expenses of Rs.5,000/-.

15. Though plaintiff has claimed interest at the rate of 10.40% per annum and penal interest at the rate of Rs.2% per annum compounded monthly, by considering the interest prevailing and keeping in view Section 16 of Commercial Courts Act and Section 34 of CPC, I opine it is proper to award interest at the rate of 9% per annum on amount due as per account extract i.e., Rs.9,64,179/- from the date of suit, till realization.

16. In view of the above discussion, I opine that plaintiff bank is entitled for recovery of Rs.9,71,679/- with interest @ the rate of 9% per annum on Rs.9,64,179/-, from the date of suit till realization, from the defendants No.1 and 2. Hence, Points No.1 has been answered in the **affirmative** and point No.2 has been answered **partly in the affirmative**.

**17. Point No.3:-** In view of the discussion made supra, proceed to pass the following:

### **ORDER**

**Suit of the plaintiff Bank is partly decreed with costs.**

**The defendants No.1 and 2 are jointly and severally liable to pay Rs.9,71,679/- (Rupees nine lakh seventy one thousand six hundred and seventy nine only) to the plaintiff, with interest at the rate of 9% per annum on Rs.9,64,179/-, from the date of suit, till realization.**

**Draw decree accordingly.**

*(Typed to my dictation by the Stenographer Grade-III directly on computer, corrected and then pronounced by me in Open Court on this the 7<sup>th</sup> day of March, 2026)*

**( Usharani )**

Prl. District & Sessions Judge,  
Mysuru.

**: ANNEXURE :**

**1) Witnesses examined on behalf of plaintiff:**

P.W.1        ::        Priyankush V.H.

**2) Documents exhibited on behalf of plaintiff:**

Ex.P.1        ::        Loan application

Ex.P.2        ::        Assets statement of defendant No.1

Ex.P.3        ::        Assets statement of defendant No.2

Ex.P.4        ::        Composite hypothecation agreement

Ex.P.5        ::        Receipt

Ex.P.6        ::        Hypothecation letter

Ex.P.7        ::        Guarantee agreement

Ex.P.8        ::        Letter of Revival

Ex.P.9        ::     Copy of legal notice

Ex.P.10 & 11::     RPAD covers

Ex.P.10(a) & 11(a):: Notices

Ex.P.12        ::     Statement of accounts

Ex.P.13        ::     PIMs

3) **Witnesses examined on behalf of defendants:**

NIL

4) **Documents exhibited on behalf of defendants:**

NIL

**Pri. District & Sessions Judge,  
Mysuru.**