KAMS080014442024

S.C./24/2024

TITLE SHEET FOR JUDGMENTS IN SUIT

IN THE COURT OF THE ADDL. SMALL CAUSES MYSURU

PRESENT

Smt.PRATHIBHA D.S.
B.A., LL.B.

JUDGE, ADDL. COURT OF SMALL CAUSES, MYSURU

DATED THIS THE 2nd DAY OF APRIL 2026

S.C./ 24 / 2024

BETWEEN

Canara Bank, (Erstwhile Syndicate Bank) A Bank constituted and functioning under the Banking Companies (Acquisition and Transfer of under taking) Act, 1970, having its head office at No.112, J.C.Road, Bangalore-560002. Having number of branches and one such Branch at Bannimantap, Mysore. Represented by its duly constituted Attorney and Senior Manager Sri.Venugopal S/o. K.Siddaiah, Aged about 56 years,

Plaintiff

(Rptd: by. R.H.P., Adv)

AND

1. Sri. Basanth Kumar V.,
   S/o Sri. B.Venkataranga,
   Aged about 46 years,
   D.No.180, 12th line, "A" Block,
   Jyothi Nagar, Mysuru-570 019.

2. Sri. T. Panchalinga,
   S/o late Sri. K.Thammaiah,
   Aged about 57 years,
   No.180/3, Alanahalli Hobli
   and post, Nethaji Nagar main road,
   Alanahalli, Mysore- 570 028.

Defendants

(D1 and 2 placed Exparte)

Date of institution of the Suit	:	08.04.2024
Nature of the Suit	:	Recovery of Money
Date of commencement of recording of evidence	:	10.03.2026
Date on which the Judgment pronounced	:	02.04.2026
Total Duration	:	Years Months Days 01 11 25

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

This is a suit against defendants for recovery of a sum of Rs.51,490.51/- with current interest at 14.40% per annum and penal interest at 2% per annum compounded monthly with court cost and such other reliefs.

2. It is the case of the plaintiff's Bank that, on 25.05.2026 the defendant No.1 along with 2nd defendant have approached the plaintiff bank with request to sanction loan of Rs.1,90,000/- for the purpose of marriage expenses and the plaintiff bank agreed to repay the loan amount in 60 equaled monthly installments of Rs.4,463 commencing from 30.06.2016 along with interest at the rate of 14.40% per annum and over due rate of interest at 2% p.a., in case of default. The defendant No.2 stood as guarantor to the loan availed by the defendant No.1. Thereafter, the defendant No.1 has executed authorization letter in favour of plaintiff-Bank to debit the EMI amount from his SB account and to credit his loan account. 2nd defendant has executed Guarantee Agreement on 26.05.2016 and agreed to pay the said loan amount together interest on the amount as such rates as applicable to the borrower from time to time. 1st defendant has executed letter of revival dated 28.04.2021 thereby acknowledged the debt to the plaintiff-Bank.

3. After availing the loan facility the defendant No.1 failed to repay the loan amount. Inspite of repeated request and demand made by the plaintiff bank the defendants failed to repay the loan amount. Therefore, the plaintiff caused legal notices on 28.02.2024 calling upon the defendants to repay the loan amount with interest. The defendants failed to comply the legal notice. As such, the defendants are jointly and severally liable to pay the loan amount. Hence this suit.

4. In spite of service of suit summons by way of paper publication the defendant No.1 remained absent. The defendant No.2 not appeared in spite of service of suit summons. Hence, both the defendants placed exparte.

5. In order to prove its case the Senior Branch Manager of plaintiff bank i.e., Madhup Mishra, examined himself as PW.1 produced and got marked Ex.P1 to 11 documents and closed its side evidence.

6. Heard and perused the materials placed on record.

7. The following points arise for consideration of this court:

POINTS

1) Whether the plaintiff proves that the defendant No.1 has obtained loan of Rs.1,90,000/- and the defendant No.2 stood as guarantor and the defendant No.1 agreed to pay interest at the rate of 14.40% per annum and compounded monthly and overdue rate of interest at 2% p.a., in case of default and the defendant No.1 is due for a sum of Rs.47,490/- ?

2) Whether the plaintiff proves that the defendants are liable to pay the suit claim and interest as prayed?

3) What Order?

8. Answers on the above points are as under;

Point No.1 : **In the affirmative,**

Point No.2 : **Partly in the affirmative,**

Point No.3 : **As per final order for the following,**

-: **R E A S O N S** :-

9. Point No.1 & 2:- In order to avoid repetition of facts both point No.1 and 2 have taken together for common discussion. In order to substantiate its case the Senior Branch Manager of plaintiff bank filed affidavit in lieu of examination-in-chief and examined as PW.1 and reiterated the averments of plaint. The plaintiff produced and got marked Ex.P1 to Ex.P11 documents. Ex.P1 is loan application, Ex.P2 is letter of sanction, Ex.P3 is general agreement, Ex.P4 is guarantee agreement, Ex.P5 and 6 are the payslip of the defendants, Ex.P7 and 8 are the authorization letters of the defendants, Ex.P9 is the letter of revival, Ex.P10 is the office copy of legal notice, Ex.P10(a) and (b) are the postal receipts, Ex.P10(c) is the postal acknowledgment, Ex.P10(d) is the postal cover, Ex.P10(e) is the unserved notice, Ex.P.11 is Account statement.

10. It is pertinent to note that in order to show that the defendant No.1 has obtained loan Rs.1,90,000/- and the defendant No.2 stood as guarantor to the said loan, the plaintiff bank has produced loan application, sanction letter, general agreement, guarantee agreement, authorization letters and revival letters. The aforesaid documents meticulously reveals that the defendant No.1 has borrowed a loan of Rs.1,90,000/-. As per the account statement/Ex.P11 of the defendant No.1 a sum of Rs.47,490.51/- is due as on 31.01.2024. It is to be noted that the defendant No.1 has borrowed loan from the plaintiff's bank in the year 2019. Ex.P10 is the revival letters dated 28.04.2021 by acknowledging the debt. As such the suit has been filed within the period of limitation.

11. On perusal of the said documents, it supports the case of the plaintiff. These documentary evidence adduced by the plaintiff is in consonance with the plaint averments. The defendants though served with suit summons, did not appear before the Court, they have not chosen to file written statement and contested the suit. Hence the inference could be drawn that the aforesaid documents are not been disputed by defendants and thereby the oral testimony of PW1 and documentary evidence placed by the plaintiff remained unchallenged. Further, there is no contra evidence to disbelieve the case of the plaintiff. Under such circumstances, considering the plaint averments, oral as well as documentary evidence placed before the court, this court is of the view that the plaintiff established the factum of loan borrowed by the defendants as sought in the plaint.

12. Now so far as claiming of interest is concerned, plaintiff sought for interest at the rate of 14.40% PA. It is relevant to note that payment of interest on any such amount which is held to be due to a person is purely a matter of discretion of the court, except in cases where a statutory rate of interest is prescribed. Even if no interest is provided under the statute, the court having regard to the provisions of Interest Act, 1978, under Sec.34 of Civil Procedure Code, he is entitle to grant interest in its discretion. Admittedly here in a case the defendant No.1 is due of Rs.47,490.51/-. So when any amount is due to plaintiff and the same is not paid by the defendant No.1 over a certain period, when the plaintiff is deprived is of the use of the said amount for the period during which the amount remains unpaid for which he is entitled to be compensated by way of payment of interest. Therefore, this court is of the considered view that it is just to award interest at rate of 6% p.a., as it is reasonable**. Hence, point No.1 is answered in the affirmative and point No.2 is answered partly in the affirmative.**

13. **Point No.3**:- In view of the findings on point No.1 and 2, this court proceeds to pass the following:-

ORDER

The suit of the plaintiff is partly decreed with cost.

Defendant No.1 and 2 are jointly and severally liable to pay a sum of Rs.47,490/- together with interest at the rate of 6% p.a. from the date of filing of suit till realization of amount to the plaintiff in one lumpsum within one month from the date of this judgment.

Draw Decree accordingly.

(Dictated to the Stenographer directly on computer, typed by her, corrected by me and then pronounced in the Open Court on 2nd day of April 2026).

sd/-
(PRATHIBHA D.S.,)
Judge, Addl. Court of
Small Causes, Mysuru.

ANNEXURE

List of witness examined on behalf of plaintiff:

PW.1 Madhup Mishra

List of documents exhibited on behalf of plaintiff:

Ex.P1	:	Loan application
Ex.P2	:	Letter of sanction
Ex.P3	:	General agreement
Ex.P4	:	Guarantee agreement
Ex.P5&6	:	Payslip of the defendants
Ex.P7&8	:	The authorization letters of the defendants
Ex.P9	:	Letter of revival
Ex.P10	:	Office copy of legal notice
Ex.P10(a)&(b)	:	Postal receipts
Ex.P10(c)	:	Postal acknowledgment
Ex.P10(d)	:	Postal cover
Ex.P10(e)	:	Unserved notice
Ex.P.11	:	Account statement.

List of witness examined on behalf of defendants:

- Nil -

List of documents exhibited on behalf of defendants:

- Nil -

sd/-
(PRATHIBHA D.S.,)
Judge, Addl. Court of
Small Causes, Mysuru.