KAMS080034302024

S.C./84/2024

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./84/2024

BETWEEN:

Bank of Baroda
Head office situated at
Baroda Bhavana, R.C Dutt road,
Alkapuri Vadodara,
Gujarat State and one of the
Branch at situated at Gandhi Square
Main Branch, Mysuru
Represented by its joint Branch manager

: **Plaintiff**

(Rptd: by Sri.P.O.A.,Adv)

V/s

AND

Sri. Mohan Kumar S.,
S/o late Siddu,
Aged about 36 years,
R/at No.800, Honnappa Block,
Hootagalli, Mysuru- 570017.

: Defendant (Exparte)

Date of institution of the Suit	:	**12.08.2024**
Nature of the Suit	:	**Recovery of Money**
Date of commencement of recording of evidence	:	**21.02.2026**
Date on which the Judgment was pronounced	:	**02.04.2026**
Total Duration	:	**Year 01 Months 07 Days 21**

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

This is a suit for recovery of a sum of Rs.69,847.78/- together with interest at the rate of 12.45% per annum (floating) with default compound interest @ 2% monthly rest from 23.07.2024 till realization of the entire amount together with court cost and such other reliefs.

2. It is the case of the plaintiff that, plaintiff is a banking company constituted and functioning under the banking company (Acquisition and Transfer of undertaking) Act of 1970. On 15.03.2013 the defendant has approached the plaintiff for a loan of Rs.1,30,000/- to purchase auto/vehicle by filing application with documents and after considering the application and other documents on 19.03.2013, the plaintiff bank has sanctioned a loan of Rs.1,30,000/- and released/disbursed the said amount to dealers as per request of defendant by executing the loan document in favour of plaintiff bank on 19.03.2013. Further the defendant had agreed to repay the said loan amount with interest at the rate of 10.75% (floating) per annum with monthly rest in default interest @ 2% and further agreed to repay the same in 60 EMI i.e., an amount of Rs.2,280/- per month commencing from 19.07.2013 and last installment payable on 19.03.2018. The defendant was very irregular in making the payment of monthly installment. The defendant failed to repay the loan amount as agreed and hence his account has been classified as NPA as such he is liable to pay interest @ 12.45 per annum. In spite of repeated demands the defendant did not repay the loan amount. On 23.7.2024 the plaintiff issued legal notice calling upon the defendant to repay the loan amount and the same has been returned as un-served. Hence without any alternative the plaintiff filed the present suit. Hence this suit.

3. In spite of service of suit summons by way of paper publication the defendant remained absent. Hence placed exparte.

4. In order to prove its case the Chief Manager of plaintiff bank i.e., Ramesh Kuna., examined himself as PW.1 who produced and got marked Ex.P1 to 16(b) documents and closed its side evidence.

5. Heard and perused the materials placed on record.

6. The following points arise for my consideration:

POINTS

1) Whether the plaintiff proves that the defendant has obtained loan of Rs.1,30,000/- and agreed to pay interest at the rate of 12.45% per annum, and he was due a sum of Rs.69,847.78/-?

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

3) What Order?

7. My answers on the above points are as under;

Point No.1 :Partly 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 :-

8. Point No.1 & 2:- In order to avoid repetition of facts both point No.1 & 2 have taken together for common discussion. In order to substantiate its case the Senior Manger of plaintiff bank filed his 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.P16(b) documents. Wherein Ex.P1 is the authorization letter, Ex.P2 is the loan application, Ex.P3 is the Approval note, Ex.P4 is D.P.Note, Ex.P4(a) is signature of the defendant, Ex.P5 is the letter of installments, Ex.P6 is the declaration cum understanding, Ex.P7 is power of attorney, Ex.P8 is hypothecation agreement, Ex.P9 is the letter from defendant, Ex.P10 is the letter of undertaking, Ex.P11 to 13 are the letter of acknowledgment of debt, Ex.P14 is the account statement of defendant, Ex.P15 is NPA bank statement, Ex.P16 is the notice issued by the plaintiff bank to the defendant to calling upon him to repay the loan amount, Ex.P16(a) is the postal receipt, Ex.P16(b) is the postal track consignment.

9. It is pertinent to note that in order to show that the defendant has obtained loan of Rs.1,30,000/-, the plaintiff bank has produced Ex.P2/loan application, Ex.P3/approval note, Ex.P4/D.P.Note, Ex.P5/letter of installment, Ex.P6/declaration cum undertaking, Ex.P7 is power of attorney, Ex.P10/letter of undertaking. The aforesaid documents reveal that the defendant has borrowed a loan of Rs.1,30,000/-. Ex.P8/Hypothecation agreement reveals that the defendant has executed hypothecation of vehicle to the plaintiff bank. Ex.P14/statement of account of the defendant goes to show that the defendant is due of Rs.26,274/- as on 16.07.2019.

10. On perusal of the above documents, it supports the case of the plaintiff. These documentary evidence adduced by the plaintiff is in consonance with the plaint averments. The defendant though served with suit summons did not appear before the Court and not chosen to file written statement and contest the suit. Hence these documents are not disputed by defendant 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 defendant as sought in the plaint.

11. Now so far as claiming of interest is concerned, plaintiff sought for interest at the rate of 12.45% 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 is due of Rs.68,347.78/-. So when any amount is due to plaintiff and the same is not paid by the defendant 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, I am 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 and 2 answered partly in affirmative.**

12. <u>Point No.3</u> :- In view of my finding on point No.1 and 2, I proceed to pass the following:-

O R D E R

The suit of the plaintiff is partly decreed with cost.

Defendant is liable to pay Rs.68,347.78/- 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).

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

A N N E X U R E

List of witness examined on behalf of plaintiff:

PW.1 Ramesh Kuna.

List of documents exhibited on behalf of plaintiff:

Ex.P1	:	Authorization letter
Ex.P2	:	Loan application
Ex.P3	:	Approval note
Ex.P4	:	D.P.Note
Ex.P4(a)	:	Signature of the defendant
Ex.P5	:	Letter of installments
Ex.P6	:	Declaration cum understanding
Ex.P7	:	Power of attorney
Ex.P8	:	Hypothecation agreement
Ex.P9	:	Letter
Ex.P10	:	Letter of undertaking
Ex.P11to13	:	Letter of acknowledgment of debt
Ex.P14	:	Account statement of defendant
Ex.P15	:	NPA bank statement
Ex.P16	:	Notice
Ex.P16(a)	:	Postal receipt
Ex.P16(b)	:	Postal track consignment.

List of witness examined on behalf of defendant:

- Nil -

List of documents exhibited on behalf of defendant:

- Nil -

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