

KAUK010005962025



**IN THE COURT OF THE PRINCIPAL DISTRICT AND
SESSIONS AND COMMERCIAL JUDGE,
U.K-KARWAR**

:- PRESENT :-

SRI. PARAMESHWARA PRASANNA.B., *B.A. LL.B.*
Prl. District & Sessions Judge
U.K-Karwar

Dated this the 2nd day of May, 2026

Com.O.S.No.10/2025

Plaintiff : **Canara Bank,**
(erstwhile Syndicate Bank)
On the basis of Amalgamation Scheme
Dated 04/03/2020 a Bank constituted
And functioning under the Banking
Companies (Acquisition and Transfer
of Undertakings) Act, 1970 with their
Head Office 112 JC Road,
Bengaluru – 560 002, Karnataka State
and one of its branches at Asnoti,
Taluk Karwar, Represented by its
Branch Manager, Power of Attorney
Holder and Principal Officer,
Sri. Gowdesh K.T., Prasad, Age: 36 years,
Canara Bank (erstwhile Syndicate Bank)
Asnoti, Karwar Taluk, U.K. District

(By Sri. G.F. Naik Advocate)

-Vs-

Defendant : **Smt. Susama,**
W/o Gopalchandra Nayak,
Age 32 years,
R/o: # 3522/8, Padribag,
Near ITI College,
Karwar Taluk – 581 304

(By Sri. Harish M. Naik Adv.)

Date of Institution of the suit : 22-04-2025
Nature of the suit : Money Suit
Date of the commencement
of recording of evidence : 18-03-2026
Date on which the Judgment
is pronounced : 02-05-2026
Total duration : Year/s Month/s Day/s
01 00 10

(PARAMESHWARA PRASANNA.B)

**PRL. DISTRICT & SESSIONS
AND COMMERCIAL JUDGE,
U.K-KARWAR.**

JUDGMENT

The plaintiff bank has filed this Commercial Suit against the defendant for recovery of a sum of Rs.7,67,535-28 along with future interest at the rate of 11.15% per annum with monthly rests from the date of suit till realisation of the suit claim, for the costs and

such other reliefs as this Court deems fit to grant under the circumstances of the case.

2. The case of the plaintiff in brief as culled out from the plaint is that, the plaintiff bank is a banking institution. The defendant approached the plaintiff bank and applied for of Rs.7,00,000/- on 17-03-2022 for the purpose of improving existing business. After mutual discussion and also on verifying the documents, the plaintiff bank has sanctioned overdraft loan of Rs.7,00,000/- on certain terms and conditions to the defendant and the defendant has executed necessary loan documents in favour of the plaintiff bank by agreeing to repay the said loan together with interest @ 9.15% per annum with monthly rest and also penal interest per annum on the overdue amount. Thereafter, the defendant has not repaid the loan dues as agreed. Subsequently, inspite of issuance of notice by calling upon her to repay the loan amount, the defendant failed to pay the loan amount due. The plaintiff bank has preferred PIMS No.18/2025 before the District Legal Services Authority, Karwar, but it was of no avail. As on the date of the filing of the suit the defendant is liable to pay sum of Rs.7,67,535-28 with interest @ 11.15% p.a., with monthly rests. Hence the plaintiff bank has been

constrained to file this suit for recovery of said loan amount with interest.

3. In response to the suit summons, the defendant appeared through her counsel and filed written statement.

4. In the written statement, the defendant has contended that the suit is contrary to law and true facts of the case and plaintiff has filed vexatious and baseless suit without any just and reasonable cause and the contents of the plaint paras are all based on false and distorted facts. The defendant denies availing of overdraft loan and execution of loan documents. The contents of para No.4 to 9 of plaint are not true. Inter-alia with these contentions the defendant in her written statement prays for dismissing of the suit.

5. Based on the rival pleadings of the parties, this Court has framed the following issues;

ISSUES

1. Whether the Plaintiff bank proves that defendant availed Overdraft Loan Facility of Rs.7,00,000/- on 17-03-2022 from the Plaintiff Bank?
2. Whether the Plaintiff Bank proves that the defendant is liable to pay the suit

claim amount of Rs.7,67,535-28 along with interest at the rate of 11.15% from 01-02-2025 till the date of realization?

3. Whether the Plaintiff Bank is entitled for the relief sought for?
4. What order or decree?

6. In order to prove its case, the plaintiff bank got examined its Manager Sri. Dileep Kumar Sahoo as PW.1 and got marked 7 documents as Ex.P.1 to P.7. Since despite of sufficient opportunities the counsel for the defendant has not turned up to cross examine the PW.1, the cross examination of PW.1 was taken as nil. The defendant has not led any defence evidence.

7. Heard arguments of the counsel for the plaintiff bank and learned counsel for the defendant.

8. My answer to the above Issues are as follows;

Issue No.1 : **In the Affirmative**
Issue No.2 : **Partly in the Affirmative**
Issue No.3 : **Partly in the Affirmative**
Issue No.4 : As per final Order,
for the following:

REASONS

9. **ISSUES NO.1 TO 3:-** Since these issues are interlinked with each other, they are taken up together for discussion to avoid the repetition.

10. In order to prove its case Mr. Dileep Kumar Sahoo, Manager of the Plaintiff Bank got examined himself as PW.1 and he got marked 7 documents as Ex.P.1 to P.7. PW.1 in his affidavit filed towards examination-in-chief has reiterated the averment made in the plaint.

11. Ex.P.1 is the notarized true copy of General Power of Attorney issued by the General Manager of plaintiff bank in favour of PW.1, wherein PW.1 has been authorized to represent the plaintiff bank. Ex.P.2 is the loan application form for loans to micro small & medium enterprises, duly signed by the defendant dated 17/03/2022, wherein she has sought overdraft loan of Rs.7,00,000/- for the purpose of improving her existing business. Ex.P.3 is the sanction letter dated 17/03/2022, which shows that the plaintiff bank had sanctioned overdraft loan of Rs.7,00,000/- to the defendant for the purpose of improving her existing business. Ex.P.4 is the cash credit agreement dated

17/03/2022 executed by the defendant in favour of the defendant bank. Ex.P.5 is the Pronote dated 17/03/2022 executed by the defendant in favour of the plaintiff bank where under the defendant has promised to repay the loan amount of Rs.7 lakhs with interest to the Plaintiff Bank. Ex.P.6 is the office copy of legal notice dated 04/02/2025 issued by the plaintiff bank through its counsel to the defendant. Ex.P.7 is the statement of overdraft loan account pertaining to the defendant, which shows that as on 31/01/2025 Rs. 7,67,535.28 is due and out standing from the defendant to the plaintiff Bank. The Ex.P.2 to 5 bear the signatures of the defendant and they are part of regular bank records maintained in the ordinary course of business. Hence Ex.P.2 to 5 cannot be discarded on the basis of general denial in the written statement.

12. In the instant case, the defendant in her written statement has denied all the averments made in the plaint, but to substantiate her case, defendant has not cross examined PW-1. The effect of not cross-examining a witness is that her testimony, particularly regarding any points unchallenged may be accepted as truthful by the Court. The cross-examination is a crucial part of the legal process designed to test the

truthfulness and accuracy of witness's statement. When a witness's testimony is not challenged it can be deemed as an admission and Court may rely on that unchallenged evidence. Since the PW.1 has not cross-examined by the counsel for the defendant despite of sufficient opportunity, the evidence of PW.1 coupled with Ex.P.1 to P.7 remains unchallenged and unrebutted and there is no reason for disbelieve the evidence of PW.1 and Ex.P.1 to P.7. Mere pleading would not help the defendant to prove her defence, the pleading should be supported by the oral and documentary evidence. But in this case, the defendant has not entered into witness box to prove her defence.

14. Through the evidence of PW.1 and Ex.P.1 to P.7 the plaintiff bank has proved that the defendant availed loan of Rs.7,00,000/- from the plaintiff bank on 17/03/2022 by agreeing to repay the same with interest and further the plaintiff bank has proved that as on 31-01-2025 Rs.7,67,535-28 is due and outstanding from the defendant to the plaintiff bank.

15. Considering the facts and circumstances and the purpose of the borrowal, I am of the view that the interest at the rate of 11.15% p.a., claimed by the plaintiff on suit claim till realization is exorbitant and

the granting of the interest at the rate of 9% p.a., on the suit claim from 01-02-2025 till realization is reasonable and adequate. Hence, I have answered Issue No.1 in the '**Affirmative**' and Issues No.2 & 3 '**Partly in the Affirmative**'.

16. **ISSUE NO.4:-** In view of my findings giving on Issues No.1 to 3, the suit deserves to be decreed as prayed for. In the result, I proceed to pass the following:-

ORDER

The suit filed by the Plaintiff Bank is hereby ***partly decreed with cost.***

The Plaintiff is entitled to recover the suit claim of **Rs.7,67,535-28** with interest at the rate of 9% per annum from 01-02-2025 till realization from the defendant and the defendant is liable to pay the aforesaid amount with interest to the Plaintiff Bank.

Draw decree accordingly.

(Dictated to the Stenographer directly on system, corrected, signed and pronounced by me in the open Court on this the 2nd day of May, 2026).

(PARAMESHWARA PRASANNA.B)
PRL. DISTRICT & SESSIONS
AND COMMERCIAL JUDGE,
U.K-KARWAR.

ANNEXURE**1. List of witnesses examined on behalf of Plaintiff:-**

PW.1 : Sri. Dileep Kumar Sahoo

2. List of witnesses examined on behalf of defendant :-

-NIL-

3. List of documents got marked on behalf of Plaintiff :-

Ex.P.1 : Notarized copy of General Power of Attorney

Ex.P.2 : Loan Application Form dtd:17/03/2022

Ex.P.3 : Sanction Letter dtd:17/03/2022

Ex.P.4 : Cash credit Agreement dtd: 17/03/3022

Ex.P.5 : Pronote dtd: 17/03/2022

Ex.P.6 : Office copy of legal notice

Ex.P.7 : Statement of Loan Account

4. List of documents got marked on behalf of the defendant:-

-NIL-

**PRL. DISTRICT & SESSIONS
AND COMMERCIAL JUDGE,
U.K-KARWAR.**