


MHJN020012052020 	Presented on : 09-09-2020 Registered on : 11-09-2020 Decided on : 16-03-2026 Duration : 05 years, 06 months, 05 days
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**IN THE COURT OF 2<sup>nd</sup> JT. CIVIL JUDGE SENIOR DIVISION AT JALNA,  
DIST- JALNA.**

(Presided over by Priti D. Taru)

**Summary Civil Suit No.06/2020**

**Exh. No.:- 28**

Bank of Baroda, A body corporate constituted under the Banking Companies, (Acquisition and Transfer of Undertaking) Act, 1970 and having it's Head Office at MANDAVI, Baroda and Branches amongst the other places at Shivaji Chowk, Jalna Dist, Jalna through it's Power of Attorney

Mr. Ajinkya Deepak Karnik (Senior Manager)

Age :- 32 Years, Occu :- Service,

R/o. Shivaji Chowk, Jalna, Dist. Jalna.

....**Plaintiff**

... **VERSUS**...

Shaikh Gulamnabi Chand Shaikh,

Age :- 38 years, Occu :- Business,

R/o. Chrnda Bazar, Mangal Bazar, Jalna.

.... **Defendant**

.....  
For Plaintiff

:- Mr. A. N. Jha, the Learned Advocate.  
.....

**JUDGMENT**

(Delivered on :- 16/03/2026)

This is a Summary Suit Under Order XXXVII Rule 1 and 2 of the Code of Civil Procedure (in short CPC) for recovery of amount Rs.5,49,640/- alongwith rate of interest, costs and expenses.

**2] Plaintiff's case in brief ;**

Plaintiff is Banking Company, incorporated under the Banking Companies (Acquisition and Transfer of Undertaking) Act, 1970 [Hereinafter referred as Plaintiff Bank]. The registered office is situated at Shivaji Chowk, Jalna, Taluka and District Jalna. Mr. Ajinkya Deepak Karnik is the authorized person to represent Plaintiff Bank.

3] Plaintiff Bank contended that, defendant is the borrower. Defendant approached Plaintiff Bank and made a request for Term Loan amount Rs.2,25,000/-. Accordingly Plaintiff Bank had sanctioned the Term Loan, at the agreed rate of interest 12.25 % per annum. Defendant executed various documents in favour of Plaintiff Bank. Defendant agreed to repay said loan alongwith additional interest thereon.

4] Plaintiff Bank further contended that, after execution of various documents, Term Loan amount Rs.2,25,000/- was disbursed to defendant. To secure the said Term Loan, defendant executed Composite Hypothecation Agreement dated 29/04/2011 in favour of Plaintiff Bank. Defendant failed to repay the loan amount. Loan account of defendant became irregular and classified as Non-Performing Assets (in short NPA)

on 30/03/2013. Defendant acknowledged liability of debt in view of Letters of Acknowledgment dated 13/04/2014, 29/03/2017 and 03/03/2020. As such amount Rs.5,49,640/- falls due from defendant as on 07/08/2019. Due to failure on part of defendant to repay the loan amount, Plaintiff Bank issued demand notice dated 07/08/2019. In spite of the notice, defendant failed to repay the loan amount. Hence, this suit for recovery of loan amount.

5] Summary Suit Summons as per Order XXXVII Rule 2 (2) in Form No.4 of Appendix-B (Exh.05) of CPC has been duly served upon defendant, in view of Bailiff Report vide Exh.10. In spite of due service of such Summons, defendant failed to appear and failed to defend the suit as per Order XXXVII Rule 3 (3) of CPC.

6] Considering the non appearance of the defendant, the allegations in the plaint shall be deemed to be admitted and the plaintiff shall be entitled to a decree for such sum, as specified in the Summons in a Summary Suit (Exh.05), as per Order XXXVII Rule 2 (3) of CPC. Thus, plaintiff is entitled to the decree.

7] Though, the Plaintiff Bank is entitled for the decree as aforementioned but, as per Order XXXVII Rule 7 of CPC, the evidence of the Plaintiff Bank is required to be taken into consideration in terms of the procedure in suits instituted in the ordinary manner.

8] Plaintiff Bank adduced evidence through authorized person

namely Mr. Zubin K. Varghese, the Chief Manager.

9] Heard Mr. A. N. Jha, the learned Advocate for Plaintiff Bank.

10] On the basis of pleading, following points arise for determination and I have recorded my findings against each them for the reasons discussed below :-

<b>Sr. No.</b>	<b><u>POINTS</u></b>	<b><u>FINDINGS</u></b>
1]	Whether the authorization of Branch Manager to represent Plaintiff Bank is proved ?	Yes.
2]	Whether suit is within limitation ?	Yes.
3]	Whether Plaintiff Bank proves that, it has sanctioned and disbursed loan amount Rs.2,25,000/- ? If yes, at what rate of interest ?	Yes. At the rate of interest 12.25 % per annum.
4]	Whether Plaintiff Bank proves that amount Rs.5,49,640/- falls due ?	Yes.
5]	Whether Plaintiff Bank proves that, defendant failed to repay the loan amount ?	Yes.
6]	Whether Plaintiff Bank is entitled to recover the amount ? If yes, at what rate of interest ?	Yes. Rs.5,49,640/- at the rate of 6 % p.a.
7]	What order and decree ?	Suit is partly decreed.

**REASONS****AS TO POINT No.1 :-**

11] To prove the authorization of the Plaintiff Bank, learned advocate relied upon Authority Letter (Exh.13 and 31). Initially suit was filed by authorized person and later on evidence adduced through subsequent authorized person of the Plaintiff Bank. The aforementioned Authority Letters are sufficient enough to prove authorization. Thus, Plaintiff Bank is represented properly. For this reason, I have answered Point No.1 in affirmative and recorded my finding accordingly.

**AS TO POINT No.2 :-**

12] Mr. Jha, the learned advocate for plaintiff has argued that Plaintiff Bank had issued demand notice dated 07/08/2019 to the defendant. In spite of receipt of notice, defendant failed to repay the loan amount. Hence, suit is filed within limitation as on 09/09/2020.

13] Perusal of documents shows that loan was disbursed on 29/04/2011 (Exh.15 and 16). It appears that plaintiff had acknowledged the liability on 13/04/2014 (Exh.21), 29/03/2017 (Exh.22) and 03/03/2020 (Exh.23). Demand notice issued on 07/08/2019 (Exh.24). Suit is filed on 09/09/2020. This aspect shows recurring cause of action against defendant. Considering the dates as to acknowledgment of liability, the suit is well within limitation. For all the aforementioned reasons, I have answered Point No.2 in affirmative and recorded my finding accordingly.

**AS TO POINT No.3 :-**

14] To prove its case, Plaintiff Bank has examined Mr. Zubin Varghese, the Chief Manager and the authorized signatory. This witness examined himself on affidavit (Exh.10). Plaintiff Bank relied upon Loan Application Form (Exh.14), Sanction Letter (Exh.15), Demand Promissory Note (Exh.16), Letter of Installments (Exh.17), Letter of Authority (Exh.18), Declaration (Exh.19), Composite Hypothecation Agreement (Exh.20).

15] Perusal of aforementioned documents shows that loan amount Rs.2,25,000/- had been sanctioned and disbursed to the defendant, for the purpose of Audio DVD Center. It appears that 12.25 % per annum was agreed rate of interest. Nothing contrary is brought on record to this effect. The documentary proof is sufficient enough to prove that Plaintiff Bank disbursed loan amount Rs.2,25,000/- with the rate of interest 12.25 % per annum. Defendant failed to appear and defend the suit. Considering the deemed admission on the part of defendant in view of Order XXXVII Rule 2 (3) of CPC, Plaintiff Bank is entitled to decree. For all the aforementioned reasons, I have answered Point No.3 in affirmative and recorded my finding accordingly.

**AS TO POINT No.4 :-**

16] Perusal of demand notice dated 07/08/2019 (Exh.24) shows that the defendant was intimated that the Plaintiff Bank had sanctioned Term Loan Rs.2,25,000/- with interest thereon at the rate 12.65% per

annum. It is by this notice, Plaintiff Bank demanded the outstanding amount Rs.5,14,401/- alongwith interest due thereon with further interest. It is material to note that, defendant appears to have acknowledge the liability on 03/03/2020 (Exh.23). It means that, after receipt of Notice (Exh.24), defendant accepted the liability.

17] In this regard, it is necessary to look into the Statement of Account produced by the Plaintiff Bank. Perusal of Statement (Exh.26) shows that, it is inclusive of closing balance amount Rs.2,64,339.67/- inclusive of unapplied interest amount Rs.2,85,301.38/-. Total amount Rs.5,49,641.05/- appears due amount. Considering the issuance of summary suit summons and the demand of aforementioned amount, Plaintiff Bank is entitled to the relief. For all the aforementioned reasons, I have answered Point No.4 in affirmative and recorded my finding accordingly.

**AS TO POINT No.5 :-**

18] In view of oral evidence on behalf of Plaintiff Bank and the documentary proof, it appears that defendant acknowledged the liability to pay debt (Exh.21 to 23). Perusal of Account Statement (Exh.26) shows that defendant did not pay the outstanding amount Rs.5,49,641/-. This much evidence is sufficient enough to prove that defendant failed to repay the loan amount. For all the aforementioned reasons, I have answered Point No.5 in affirmative and recorded my finding accordingly.

**AS TO POINT No.6 :-**

19] In view of affirmative finding as to Point No.4 Plaintiff Bank is entitled to recover outstanding amount Rs.5,49,641/-. As their appear no agreed rate to interest, the interest has to be awarded as per Section 34 of the Code of Civil Procedure. As per Section 34 any interest adjudged on principal sum for any period prior to the institution of the suit with further interest shall not exceed 6 per cent per annum except for commercial transaction. Considering the failure of leave to defend and in view of the provision under section 34, Plaintiff Bank deserves interest at the rate of 6 per cent per annum. For this reason, I have answered Point No.6 in affirmative and recorded my finding accordingly.

**AS TO POINT No.7 :-**

20] In the result following order is passed :-

**ORDER**

- 1] Suit is partly decreed with costs.
- 2] Defendant shall pay Rs.5,49,641/- [Five Lacs Fourty Nine Thousand Six Hundred Fourty One Rupees Only] at the rate of interest 6% per annum to the Plaintiff Bank, from the date of notice i.e. 07/08/2019 ( as the date of failure is not mentioned ) till the realization of the entire amount.

3] Decree be drawn up accordingly.

(Smt. Priti D. Taru)  
2<sup>nd</sup> Jt. Civil Judge (Sr. Dn.),  
Jalna.

Date:- 16/03/2026

**CERTIFICATE**

I affirmed that the contents of this [P.D.F.](#) file judgment are same, word to word, as per the original judgment.

Name of the Stenographer : Amar R. Gadade, Stenographer (Grade-III)

Court : 2<sup>nd</sup> Jt. CJSD, Jalna, Dist. Jalna.

Date : 16/03/2026

Judgment signed by the  
presiding officer on : 16/03/2026

Judgment uploaded on : 17/03/2026