IN THE DEBTS RECOVERY TRIBUNAL II, KARNATAKA
AT BENGALURU

Dated this 05th Day of December, 2025

Present: Sri. T. RAJESH
Presiding Officer

OA.No.929/2023

BETWEEN:

Canara Bank
Having its head office at:
No.112, JC road, Bangalore – 560 002

Represented by its Senior Manager,
Mrs. Chanchala kumari **...APPLICANT**

AND:

M/s. D P Distributors
Prop: S A Girish
Having place of business at:
9/11, Shed Ram HPTL,
Ganapathipura, Bangalore – 560 078 **...DEFENDANT**

Counsel on record/appeared for:

Applicant : Sushree Priya Mohanty
Defendant : Ex parte

FINAL ORDER

1. The present Original Application in short (OA) has been filed under section 19 of Recovery of Debts and Bankruptcy Act 1993 seeking issuance of Recovery Certificate against the defendant for Rs. 21,41,618.84/- (Rupees Twenty One Lakhs Forty One Thousand Six

Hundred and Eighteen and Paisa Eighty Four Only) with further interest thereon from the date of filing the Application till realization.

2. It is the case of the applicant that, the defendant availed the following credit facilities:

- OCC loan of Rs. 4,50,000/- (Rupees Four Lakhs Fifty Thousand Only) on 02.11.2015.
- Vehicle loan Rs. 4,40,000/- (Rupees Four Lakhs Forty Thousand Only) for purchase of brand NEW MEGA BS4.

3. It is also the case of the applicant that, in view of the above availed loans, the defendant executed the necessary loan document along with deed of hypothecation.

4. It is further contended that, despite availing the credit facilities, agreeing to service the loan amount promptly and regularly, the defendant failed in complying the same, resulting in default in repayment and consequentially turning the loan accounts as NPA.

5. In the above circumstances, the applicant approached this Tribunal by filing this OA seeking issuance of Recovery Certificate for the amount due in the account.

6. Despite, service of summons on the defendant, failed to appear, resulting the defendant being set ex parte on 19.09.2024.

7. The applicant had let in evidence through AW-3, who filed Proof Affidavit reiterating the contentions taken in the OA and also produced

Exhibits A-3 to A-18 and got the same marked in evidence.

8. Heard the Ld. Counsel for the Applicant and considered the contentions as taken in the OA in the light of documentary evidence and proof affidavit.

9. The following issues arise for consideration in this matter:

i) Whether the applicant had succeeded in proving the OA claim as against the defendant?

ii) What order are to be passed?

Both these issues are gone into and decided together.

10. The case put forth by the applicant in the Application remains unrebutted as defendant remained ex parte. The evidence tendered by the applicant remains uncontroverted and undisputed. The evidences put forth by the applicant were found admissible and are sufficient to prove availment of credit facilities as stated in the OA, creation of the security interest and the defaults committed in the accounts. The liability of the defendant and the claim of the amount due are also proved by the above documents. The claim of the applicant is well within the limitation.

11. Hence in view of the findings arrived herein above, the Tribunal find both these issues in favour of applicant and hence, this Tribunal is of the view that OA is to be allowed.

12. Taking into consideration the facts that the credit facilities are availed for Business & Vehicle purpose and also that the OA claim is arrived at by calculating interest at the agreed rate, this Tribunal of the view that OA can be allowed with a reduced interest of 12.00% & 10.00%(simple).

13. In the result, OA.No.929/2023 stands allowed,

i) The applicant is allowed to recover an aggregate sum of Rs. 21,41,618.84/- (Rupees Twenty One Lakhs Forty One Thousand Six Hundred and Eighteen and Paisa Eighty Four Only) with further interest @12.00% & 10.00%p.a.(simple) from the date of filing OA till the realization, from the defendant personally, after giving credit to all the amount recovered and received during the pendency of the OA.

ii) If the sale proceeds are not found sufficient to cover the amount due and payable to the applicant bank, the defendant personally and assets are liable for balance amounts due under the loan accounts.

iii) The applicant bank is allowed cost of the proceedings which applicant to file cost memo within 7 days from the date of receipt of the order.

iv) The Recovery Certificate to be drawn in terms of this order and transferred to Recovery for execution.

v) Interim application pending, if any, stands disposed of in terms of this final order.

14. Communicate a copy of the order to the parties concerned in terms of Section 19(21)(i) of the RDB Act, read with Rule 16 of DRT (Procedure) Rules, 1993.

[Dictated to the Stenographer (HS), transcribed by her, corrected and signed and pronounced by me in the Open Court, this the 05th Day of December, 2025].

Sd/-
(T. RAJESH)
PRESIDING OFFICER

ANNEXURES

WITNESSES EXAMINED FOR THE APPLICANT BANK:

AW-1: Mr. Shaik Rajavali, S/o. Sri. Shaik Mastanvalli, Senior Manager, of Applicant Bank.

Exhibits on the part of the Applicant:

Exhibit Nos.	Date	Particulars of Documents
A3	02.11.2015	Sanction memorandum

A4	02.11.2015	Agreement re: advances against book debts as prime security for Rs. 4,50,000/-
A5	21.10.2017	Loan application
A6	21.10.2017	Sanction memorandum
A7	23.10.2017	Letter of renewal
A8	23.10.2017	Supplemental agreement
A9	21.10.2017	Letter of undertaking
A10	25.01.2020	Letter of revival
A11	01.01.2018	Loan application
A12	01.01.2018	Sanction memorandum
A13	02.01.2018	Deed of hypothecation re: vehicles
A14	02.01.2018	Letter of undertaking
A15	25.01.2021	Letter of revival
A16	06.04.2021	Legal notice
A17	-----	Account statement of cash credit loan a/c. 4798261000004
A18	-----	Account statement of Vehicle loan a/c. 479876000188

<u>Witness Examined for the Defendant</u>: -Nil -

<u>List of Documents Exhibited for the Defendant</u>: -Nil -

Sd/-
(T. RAJESH)
PRESIDING OFFICER