KARC400025562023

Presented on : 04-08-2023
Registered on : 05-08-2023
Decided on : 10-10-2023
Duration : 0 years, 2 months, 6 days

IN THE COURT OF CIVIL JUDGE & JMFC, MANVI

Present: Sri. ASHAPPA,

B.Com., LL.M.

Civil Judge & JMFC, Manvi.

Original Suit No.114/2023

Dated this 10th day of October-2023

PLAINTIFF -

Karnataka Grameen Bank, branch Bagalawada,
Tq: Sirwara, Dist: Raichur,
represented by its Manager,
Sri. Santosh Kakde S/o Baban Kakde,
Age:31 years, R/o Bagalawada, Tq: Sirwar, Dist: Raichur.

(By Sri. M.M., Adv)

-Versus-

DEFENDANT:

1. Shivanaga Meti @ Shivanagappa Meti S/o Benakappa Meti,
Age: Major, Occ: Agriculture,

2. Benakappa Aldal S/o Siddanna,
Age: Major, Occ: Agriculture,

Both R/o Bagalawada village, Tq: Sirwara,
Dist: Raichur. **(Placed exparte)**

Nature of the suit : Recovery of money

:J U D G M E N T::

The plaintiff bank has filed the present suit for recovery of money of Rs. 2,10,543.54/- from the defendants with interest at rate of 13% per annum from the date of suit till realization of the claim.

2.The brief facts of the plaintiff bank is as under:

That, the Plaintiff bank is doing banking business under Regional Rural Bank Act, 1976, having Head office at Bellary and its Branch office at Bagalawada village, Tq: Manvi. It is stated in addition to banking transactions also provides loan facilities like crop loan, business loan etc.,

3. It is stated that, the defendant No.1 approached the plaintiff bank with a request to sanction loan for the purpose of agricultural. Accordingly, the plaintiff bank sanctioned the loan of Rs.60,000/- under loan A/c No.KCC 186/2007 its new number 5351534055915. The defendant No.1 executed necessary documents in favour of plaintiff bank in security of said loan. The defendant No.2 stood as a co-obligent to the said loan. The defendants agreed to repay the said loan with interest at the rate of 11% and in default agreed to pay more interest at the rate of 2% P.A.

4. It is stated that, the defendants after availment of the said loan failed to make repayment inspite of repeated request made by the plaintiff bank. The defendants executed revivals letters acknowledging the debts. The plaintiff bank made several request to the defendants to make repayment but the defendants failed to make repayment. Therefore cause of action accrued to file present suit. Hence, prays to decree the suit with costs.

5. Inspite of service of summons, the defendants not appeared and hence they were placed exparte.

6. In order to prove the case, the Manager of the plaintiff bank namely Sri Santosh Kakde has been examined as PW 1 and in support of the case got marked documents at Ex. P.1 to 16 and closed the side. Since the defendants placed ex-parte and therefore cross of PW-1 taken as nil and closed the side. The defendants side evidence taken as nil. The details of the exhibits shown in the annexure of this judgment.

7. Heard arguments and perused the material on record.

8. The following points would arises for my consideration:

> **1. Whether the plaintiff bank proves that the defendant No.1 obtained loan, the defendant No.2 stood as a co-obligent and they have executed necessary documents in favour of plaintiff bank as stated?**

2. Whether the plaintiff bank is entitled for the relief as sought?

3. What order or decree?

9. My answers to the above points are as under:

Point No. 1	:	In the affirmative
Point No. 2	:	In the partly affirmative
Point No. 3	:	As per final order for the following reasons**:**

R E A S O N S

10. Points No.1 and 2: These points are taken for common discussion to avoid repetition of facts.

11. It is a case of the plaintiff bank that, the defendants No.1 had availed loan of Rs.60,000/- agreeing to repay the same with interest at the rate of 11 % per annum and penal interest at the rate of 2% P.M. The defendant No.2 stood as a co-obligent and they have executed the documents agreeing to repay the same but failed to make repayment. Hence, presented this suit.

12. In order to establish its case, the plaintiff bank examined its branch manager as P.w.1 reiterating the plaint averments. Ex.P1 is the loan application filed by the defendant No.1 before bank authority, Ex.P.2 is the certificate of over draft facility, Ex.P.3 is the Memorandum of agreement, Ex.P.4 interest variation certificate, Ex.P.5 is endorsement, Ex.P.6 to 12 are the revival letters, Ex.P.13 is the RTC, Ex.P.14 is the copy of notice, Ex.P.15 is postal receipt and Ex.P.16 is the statement of account of defendant No.1. On perusal of thes documents, wherein it is clear that on the request of defendant No. 1, the plaintiff bank sanctioned the loan of Rs. 60,000/- to the defendant No. 1 for agricultural purpose and the defendant No. 2 stood guarantor to the said loan. The documents further clearly goes to show that the defendants agreed the terms and conditions of the bank and executed the same. Ex.P.6 to 12 are the revival letters also reveals that the defendants executed the same acknowledging the debts with repayment along with interest as agreed. Ex.P-14 is legal notice issued by the counsel. Inspite of issuance of notice the defendants failed to make repayment of dues amount as on the date. Ex.P.16 is the statement of account shows there is dues of Rs.2,10,543.54/- as on the date of filing of suit. On careful perusal of oral evidence of Pw-1 coupled with documentary evidence at Ex.P-1 to 16 establishes that, the defendant no.1 availed the loan of Rs.60,000/- from the plaintiff bank and the defendant no.2 stood as a guarantor. The materials also further reveals that, the defendants have executed the necessary documents in favour of plaintiff bank agreeing to repay the said loan with interest but failed to repay the same.

13. The oral evidence of PW-1 and documentary evidence at Ex.P.1 to 16 are very much cogent and consistent with the case of the plaintiff's bank and remain un-challenged by the defendants. Further Ex.P-16 is the statement of account maintained by the plaintiff's bank in its ordinary course of business pertaining to the account of defendant no.1. The said document carries presumption under section 4 of bankers book evidence act 1981. The Hon'ble supreme court of India in State Bank of India V/s Yumnam Gouramani Singh-AIR-1994 SC- 1644, held that if the entries in the books of account produced by bank are corroborated by other evidence, it is sufficient proof of loan transaction. Even that apart other documents produced by the plaintiff's bank, also establish that, the defendants are liable to pay debt to the plaintiff-bank as sought in the plaint. Therefore, cumulative effect of oral testimony as well as documentary evidence placed by the plaintiff-bank are sufficient to come to the conclusion that, the defendants are liable to pay Rs. 2,10,543.54/- with interest. Hence, I do not find any reasons to disbelieve the case put forth by the plaintiff bank. The plaintiff bank has been able to prove that, the defendants no.1 borrowed a sum of Rs.60,000/-from plaintiff bank by agreeing to repay with interest at the rate of 11% and penal interest at the rate of 2% but failed to make repayment. There was a total dues of Rs. 2,10,543.54/- as on the date of filing of suit. The defendants are liable to pay the said dues to the plaintiff bank.

14. The plaintiff pleaded that, the agreed rate interest is 13% per annum. But, the plaintiff bank has not produced any guidelines of

Reserve Bank of India to show that they are entitle to claim an interest at the rate of 130% P.A. The statement of accounts at Ex.P-16 show that, the defendants are not make repayment to the plaintiff bank as agreed and thereby they committed default. The material placed on record clearly goes to show that, the defendants have violated the terms and conditions of loan agreement. Hence, looking in to the nature of loan, this court is of the opinion that if the defendants are directed to repay the loan amount with future interest at the rate of 6% P.A, it will meet the ends of justice. Therefore, this court is of the considered view that, the defendants are liable to pay the suit claim amount with an interest at the rate of 6% P.A. **Accordingly, I answer the point No. 1 in the Affirmative and 2 answered in the partly affirmative.**

15. Point No.3: In view of my findings on point No.1 and 2, the plaintiff bank are entitle sum of Rs. 2,10,543.54/- with future interest @ 6%. Hence, I proceed to pass the following order**.**

O R D E R

The suit of the plaintiff bank is hereby decreed in part, with costs.

The defendants are hereby directed to pay the suit claim amount of Rs. 2,10,543.54/- jointly to the plaintiff bank with interest at the rate of 6% per annum within three months from the date of the decree.

If the defendants are failed to clear of entire outstanding dues within 3 months from date of decree the plaintiff bank is entitled to recover the same by due process of law.

Draw decree accordingly.

(Dictated to the Stenographer directly on computer, typed by him, corrected, signed by me and then pronounced in the open court on this the **10th day of October-2023)**

(Ashappa)
Civil Judge & JMFC,
Manvi.

-ANNEXURE-

List of witnesses examined for plaintiff :

PW.1 : Santosh Kakde S/o Baban Kakde.

List of documents exhibited for plaintiff:

Ex.P.1	:	Loan Application.
Ex.P.2	:	Overdraft facilities/kisan credit card.
Ex.P.3	:	Memorandum of agreement.
Ex.P.4 and 5	:	Undertaking letters.
Ex.P.6 to 12	:	Revival letters.
Ex.P.13	:	RTC.s
Ex.P.14	:	Legal notice.
Ex.P.15	:	Postal receipt.
Ex.P.16	:	Statement of account.

List of witnesses examined for defendants

-NIL-

List of Documents exhibited for defendants:

-NIL-

(Ashappa)
Civil Judge & JMFC,
Manvi.