KASM300015982023

IN THE COURT OF THE PRL. SENIOR CIVIL JUDGE AND J.M.F.C., AT BHADRAVATHI

Dated this the 7th day of June, 2024.

PRESENT: **Sri Raghavendra.D, B.Com, LL.B., Prl. Senior Civil Judge & J.M.F.C., Bhadravathi.**

S.C.No.23/2023

PLAINTIFF: Canara Bank with its Head Office at J.C. Road, Bangalore Having a Branch at Halappa Circle, B.H. Road, Bhadravathi, Shivamogga Dist. represented by its Chief Manager.

(By Sri. B.S. Mahesh Kumar, Advocate)

-VERSUS-

DEFENDANT: Smt. Kamala Bai W/o Manjya Naik, aged about 46 years, Dairy Farming/ Agriculturist, Thimlapura Village, D.G. Halli Post, Bhadravathi Taluk.

(Placed exparte)

Date of Institution of the suit : 09.08.2023

Nature of the suit	:	Recovery of money
Date of commencement of recording the evidence	:	29.05.2024
Date of pronouncing the Judgment:		07.06.2024

Duration of the suit	: Year/s	Month/s	Day/s
	00	09	28

Prl. Senior Civil Judge & J.M.F.C.,
Bhadravathi.

J U D G M E N T

This is a suit filed by the plaintiff bank against the defendant for recovery of amount of ₹. 57,896.99/- along with interest from the date of suit till realization.

2. The case of the plaintiff in brief is that:

The defendant approached the plaintiff bank on 24.06.2020 for the purpose of loan for Dairy Maintenance and borrowed a sum of ₹. 50,000/- on 02.07.2020 and agreed to repay the borrowed amount with interest at the rate of 9.05% p.a. + 2% penal interest as per RBI guidelines and executed necessary documents and also she has hypothecated 4 live stocks and feed. When the defendant failed to repay the loan amount, the plaintiff bank issued legal notice calling upon the defendant to repay the loan amount. But the defendant did not return the loan amount. Hence, the plaintiff forced to file the suit against the defendant for recovery of loan amount with interest.

3. In spite of service of summons, defendant did not appear before the court. Hence, she has been placed as ex-parte.

4. The Chief Manager of plaintiff Bank stepped into witness box and filed affidavit in lieu of chief-examination and examined as PW1 and got produced and marked in all 10 documents as Ex.P1 to Ex.P10 and closed his side of evidence.

5. Heard arguments on the side of plaintiff and perused the materials available on record.

6. Now the points that would arise for my consideration are:

(1) Whether the plaintiff Bank proves that defendant borrowed loan of ₹. 50,000/- for

Dairy Maintenance by executing suit documents and agreed to repay the loan amount with interest ?

(2) Whether the plaintiff bank entitled for relief as prayed ?

(3) What order or decree ?

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

Point No 1: 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 : It is the case of the plaintiff that the plaintiff bank is Nationalized bank and having its Head office at Bengaluru. The defendant approached the plaintiff bank on 24.06.2020 for the purpose of loan for Dairy Maintenance under Kissan Credit Card Scheme. The plaintiff bank sanctioned ₹. 50,000/- loan amount and defendant executed all suit documents agreeing to repay the loan amount with interest.

9. In order to prove borrowing of loan from the plaintiff bank, the Chief Manager of the plaintiff bank examined as PW1. In his chief-examination, he has reiterated the plaint

averments. In addition to his oral evidence, he has produced Ex.P1 loan application form and Ex.P2 sanction memorandum. As per Ex.P1, the defendant approached the plaintiff bank for loan of ₹. 50,000/- and Ex.P2 shows sanction of the loan amount. As per Ex.P3, the defendant hypothecated live stocks and feed. In addition to all these documents, she has also executed letter of undertaking as per Ex.P4 and pronote as per Ex.P6. When the defendant fails to repay the loan amount within prescribed period, she has also executed letter of revival as per Ex.P7.

10. So, on perusal of all suit documents and oral evidence placed by plaintiff, it is clearly shows that the defendant approached plaintiff bank for loan amount and plaintiff bank sanctioned ₹. 50,000/- loan under Kissan Credit Card Scheme and defendant executed all suit documents placed by the plaintiff. In spite of service summons, defendant did not appear before the court, there is no rebuttal evidence to disprove the case of the plaintiff. All the documents placed by the plaintiff clearly reveal that defendant borrowed loan from the plaintiff bank agreeing to repay the loan amount with agreed interest.

11. The plaintiff bank produced Ex.P8 loan statement account to show total due amount. As per the loan statement account produced by the plaintiff bank, there is a total due of ₹. 55,836.99. The defendant not rebutted account statement placed by the plaintiff bank. So the plaintiff bank proved that the defendant borrowed loan of ₹. 50,000/- and agreed to repay the loan amount with agreed interest. Hence, I answered point No.1 in the affirmative.

12. **Point No. 2:** This court already came to the conclusion that the plaintiff bank proved that the defendant borrowed loan of ₹. 50,000/- by executing all suit documents and also proved that the defendant is due of ₹. 57,896.99/-. The plaintiff bank claimed interest at the rate of 9.05% + 2% penal interest. As per the the plaint averments and documents placed by the plaintiff bank, the defendant borrowed loan for dairy maintenance under Kissan Credit Card Scheme. So which shows that the defendant borrowed loan for agricultural purpose. Hence, the plaintiff bank only entitled for simple interest at the

rate of 6% p.a. Hence, I answered point No.2 partly in the affirmative.

13. **Point No.3:** In view of finding given on point No.1, this court proceeds to pass the following:

O R D E R

Suit of the plaintiff is decreed with cost in part.

The defendant is hereby directed to pay total due amount of ₹. 57,896.99/- with simple interest at the rate of 6% per annum.

Further the plaintiff bank is at liberty to sell the hypthecated property in due process of law.

The defendant is hereby directed to pay the decree amount within 2 months from the date of this order. If the defendant fails to pay the decree amount within time, the plaintiff bank is at liberty to recover the same in due process of law.

Draw decree accordingly.

(Dictated to the stenographer, typed by her, then corrected and pronounced by me in the open Court, on this the 7th day of June, 2024).

(Raghavendra.D)
Prl. Senior Civil Judge & J.M.F.C.,
Bhadravathi.

A N N E X U R E

WITNESSES EXAMINED FOR THE PLAINTIFF:

PW1 Veera Raghavan.R

WITNESSES EXAMINED FOR THE DEFENDANT:

-Nil-

DOCUMENTS EXHIBITED FOR THE PLAINTIFF:

Ex.P1	Loan application form
Ex.P2	Sanction memorandum dated 02.07.2020
Ex.P3	Agreement cum hypothecation dated 02.07.2020
Ex.P4	Letter of undertaking
Ex.P5	Format A(i): Addendum to application
Ex.P6	Pronote dated 02.07.2020
Ex.P7	Letter of revival
Ex.P8	Bank account statement along with certificate
Ex.P9	RPAD return cover
Ex.P10	Copy of legal notice dated 12.07.2023

DOCUMENTS EXHIBITED FOR THE DEFENDANT:

-Nil-

Prl. Senior Civil Judge & J.M.F.C.,
Bhadravathi.

Judgment pronounced in Open Court as under (vide separate judgment)

ORDER

Suit of the plaintiff is decreed with cost in part.

The defendant is hereby directed to pay total due amount of ₹. 57,896.99/- with simple interest at the rate of 6% per annum.

Further the plaintiff bank is at liberty to sell the hypthecated property in due process of law.

The defendant is hereby directed to pay the decree amount within 2 months from the date of this order. If the defendant fails to pay the decree amount within time, the plaintiff bank is at liberty to recover the same in due process of law.

Draw decree accordingly.

Prl. Senior Civil Judge & JMFC.,
Bhadravathi.