KAHV010028822023

IN THE COURT OF PRINCIPAL DISTRICT AND SESSIONS JUDGE AT HAVERI.

PRESENT

SRI. K. C. SADANANDSWAMY
B.Com., LL.M,
Prl. District & Sessions Judge, Haveri.

DATED THIS 20th DAY OF MARCH, 2024.

Com. Original Suit No.35/2023

Plaintiff/s

Karnataka Vikas Grameen Bank
Having its Head Office,
At: Dharwad,
Main Branch at H.S. Road, Haveri
P.B. Road, Dharwad and its
Represented by its Branch Manager,
Sri. B.N. Udayshankar,
S/o B.V. Nanjappa, Age: 36 years.
(By Shri. V.K. Kelkar, *Advocate)*

Vs.

Defendant/s

1. Sri. Veerappa,
S/o Chinnappa Horakeri,
Age: 45 years Occ: Business,
R/o Manjunath Nagar,
Opposite JP Rotary School,
Haveri.

2. Sri. Gollalappa,
S/o Ningappa Boragi,
Age: 68 years, Occ: Business,
R/o Revenu Quarters, Hanagal Road,
Haveri.

Date of Institution of the Suit	03.08.2023		
Nature of the suit (suit on pronote, suit for declaration and possession, suit for injunction etc.,)	Suit for recovery of money		
Date of the commencement of recording of the evidence.	04.03.2024		
Date on which the judgment was pronounced	20.03.2024		
Total Duration:	Year/s	Month/s	Day/s
	00	07	17

JUDGMENT

The plaintiff has filed this commercial suit against defendants for recovery of loan amount.

2. It is averred in plaint that plaintiff bank is constituted under Banking Companies Act. It is carrying business at Haveri and

other places. 1st defendant has applied loan for purpose of working capital for grocessory business, which is commercial purpose to plaintiff bank for Rs.2,00,000/- on 05.12.2017. The plaintiff bank has considered his application and sanctioned and released an amount of Rs.2,00,000/- in favour of 1st defendant on 07.12.2017. 2nd defendant has stood as a guarantor to above loan transaction, which is co-extensive along with 1st defendant. The defendant has executed hypothecation agreement in favour of plaintiff. Defendant No.1 has agreed to repay loan amount with easy monthly installments of Rs.4,399/- p.m. from 07.01.2018 till claim. The defendant No.1 has failed to repay loan amount as agreed. The defendant has also agreed to pay interest at rate of 11.50% per annum and over due interest at rate of 2% per annum. Defendant No.1 and 2 are jointly and severally liable to pay loan amount with interest and others thereon. The defendants have also executed acknowledgment of debt on 05.11.2020. The defendants are totally due a sum of Rs.4,02,892/- towards loan amount and interest thereon. The cause of action arose for suit. It is prayed that suit is to be decree.

3. Defendant No.1 and 2 appeared before this Court in person. They have failed to file written statement. Hence, written statement of No.1 and 2 is taken as not filed.

4. The Manager of the plaintiff bank is examined as PW-1 and got marked Ex-P-1 to Ex-P-7.

5. The defendants have not produced oral and documentary evidence produced in support of their contention.

6. This Court has heard arguments on both sides and perused records carefully.

7. The following points are arise for my consideration for decision of this case as under:

1. Whether plaintiff bank proves loan transaction between it and defendant No.1 and 2?

2. Whether plaintiff bank is entitled for suit claim amount and interest thereon?

3. What order?

8. My answer to the above points are as under:

Points No.1 & 2: In affirmative

Point No.3 : As per final order for following:

:R E A S O N S:

9. **Point No.1 & 2:-** Since these points are interconnected each other, I have taken up these points together for common discussion to avoid repetition of facts. The Manager of plaintiff bank is examined as PW-1, who has deposed and reiterated plaint averments in detail by way of examination-in-chief through affidavit as provided under law. The plaintiff has produced Ex-P-1

to P-7 documents. There is no cross-examination on defendants to this witness.

10. The defendants have agreed for payment of loan amount with interest and overdue interest as per Ex-P-2 to Ex-P-5. 1st defendant has executed acknowledgment of debt on 05.11.2020 admitting loan amount due by him to plaintiff bank. Ex-P-7 is a account statement. It is admissible in evidence under Bankers Book of Evidence Act. All documents exhibited on side of plaintiff and in support of evidence of PW-1, it is established and proved that plaintiff bank has proved alleged transaction between it and defendants. It is further proved that defendants are liable to pay suit claim amount with interest thereon. The defendants have not challenged oral and documentary evidence produced by plaintiff. It became unchallenged evidence. I have got sufficient reasons to believe oral and documentary evidence produced by plaintiff. The plaintiff bank has proved points No.1 and 2. I have constrained to answer points No.1 and 2 in affirmative.

11. Point No.3: In result, I proceed to pass following:

O R D E R

The suit filed by plaintiff bank is decreed with full Court costs against defendants.

It is further ordered and decreed that both defendants No.1 and 2 are jointly and severally liable to pay a sum of Rs.4,02,892/- and interest at rate of 13.50% per annum including over due interest from date of suit till date of repayment.

Draw decree accordingly.

(Dictated to Stenographer Grade-I, transcribed and typed by him, judgment/order corrected, signed and then pronounced by me in open court, on this 20th day of March, 2024)

K C SADANANDSWAMY

Digitally signed by K C SADANANDSWAMY
Date: 2024.03.20 15:09:27 +0530

(SRI. K. C. SADANANDASWAMY)
PRL. DISTRICT AND SESSIONS JUDGE,
HAVERI.

APPENDIX

List of witnesses examined for the plaintiff :

PW.1 : B.N. Udayshankar

Exhibits marked for the plaintiff :

Ex.P-1 : General Loan application
Ex.P-2 : Sanction letter dated 07.12.2017
Ex.P-3 : Original receipt executed by defendants Nos.1 & 2
Ex.P-4 : Composite Hypotehcation Agreement
Ex.P-5 : Guarantee agreement
Ex.P-6 : Acknowledgment of debt dated 05.11.2020
Ex.P-7 : Accounts statement for the period 07.12.2017 to 01.04.20223 along with upto date interest

List of witnesses examined for the defendants: -NIL-

Exhibits marked for the defendants:-NIL-

(SRI. K. C. SADANANDASWAMY)
PRL. DISTRICT AND SESSIONS JUDGE,
HAVERI.

stp.*