KACM700002312025

Presented on : 17.03.2025
Registered on : 17.03.2025
Decided on : 08-06-2026
Duration : 01 year, 2 months, 21 days

IN THE COURT OF THE SENIOR CIVIL JUDGE & JMFC, TARIKERE

P R E S E N T

MUZAFFAR A. MANJARI,
B.A., LL.B.

SENIOR CIVIL JUDGE & JMFC, TARIKERE.

DATED THIS THE 8TH DAY OF JUNE - 2026

ORIGINAL SUIT NO.68/2025

PLAINTIFF/S :

UNION BANK OF INDIA, HUNASAGHATTA BRANCH, a body corporate constituted under the Banking Companies (Acquisition and Transfer of Undertakings) Act V of 1970 and Section 9 of the Bank Companies (Acquisition and Transfer of Undertaking) Act 1980 (40 of 1980) having its Head Office at No.239, Ground Floor, Vidhan Bhavan Marg, Nariman Point, Mumbai-4400021, Maharastra and a Branch at Hunasaghatta Village, Tarikere Taluk, represented by its

Manager M.Krian Kumar S/o Pedda Reddiah, aged about 35 years, Branch Manager, Union Bank of India, Hunasaghatta, R/o Tarikere Town, Tarikere Taluk, Chikkamagaluru District.

(By Sri. Suresh Jakanachar, Adv.)

//Versus//

<u>DEFENDANT/S</u> :

Sureshnaika S/o Dharmyanaika, aged about 54 years, Agriculturist, R/o Hosahalli Tandya Village, Amruthapura Hobli, Tarikere Taluk, Chikkamagaluru District.

(By Sri. C.B. Vishwanath, Adv.)

Date of institution of suit	17.03.2025
Nature of the suit	Recovery of Money
Date of commencement of recording evidence	10.03.2026
Judgment pronounced	08.06.2026
Total duration	Year/s Month/s Day/s 01 02 21

SENIOR CIVIL JUDGE & JMFC,
TARIKERE

J U D G M E N T

The plaintiff-bank has filed this suit against the defendant for recovery of a sum of Rs.5,31,280/- with interest at 11.75% per annum from 22.11.2024 and for such other reliefs.

2. **Brief version of the case of plaintiff-bank is as under:**

It is averred by the plaintiff-bank in plaint that it was previously known as Corporation Banker but after amalgamation by the Central Government in consultation with the Reserve Bank of Indian and Ministry of Finance, it is known as Union Bank of India having a branch office at Hunasaghatta Village, Tarikere Taluk among other places.

3. It is further averred that the defendant is a customer of the plaintiff-bank and therefore, at his request, the bank has sanctioned a loan of Rs.1.75,000/- on 17.06.2014 under loan Account No.560961000100428 and accordingly, the defendant has executed common deed of hypothecation of crops/stocks, on demand promissory note, take delivery letter and other documents in favour of the plaintiff-bank on 17.06.2014 agreeing to repay the loan amount within 5 years with interest at

11.75% per annum. The defendant has also executed a registered mortgage deed in respect of the suit properties i.e. Arecanut garden properties located in Sy.No.15/5 measuring 31 acres 8 guntas situated at Muddenahalli Village, Amruthapura Hobli, Tarikere Taluk in favour of the bank towards security of the loan amount. However, contrary to this, the defendant has failed to repay the loan amount together with interest in accordance with terms of the agreement in spite of repeated demands and issuance of legal notice on 12.06.2014 by the bank. As on the date of filing of the suit, the defendant is liable to pay due amount of Rs.5,31,280/- including interest. Therefore, the plaintiff-bank was constrained to file the present suit and accordingly, it has prayed to decree the suit.

4. In pursuance of service of suit summons,, the defendant has appeared before this court through his counsel but he has failed to file his written statement and to contest the suit.

5. In order to prove the case of plaintiff-bank, its Manager has got examined himself as P.W.1 and got marked documents as per Ex.P1 to Ex.P6 and closed the evidence of plaintiff. The defendant has failed to cross-examine P.W.1.

6. This court has heard arguments of the counsel for plaintiff-bank and perused record of the case. The counsel for the defendant has not advanced his arguments.

7. In view of the above claim of plaintiff, the following points arise for my consideration;

POINTS

1. Whether plaintiff-bank proves that defendant has availed loan of Rs.1,75,000/- by executing necessary documents in its favour agreeing to repay the same with interest at 11.75% per annum on the loan amount?
2. Whether plaintiff-bank further proves that defendant has failed to repay the loan amount with agreed rate of interest?
3. Whether plaintiff-bank is entitled to recover a sum of Rs.5,31,280/- with interest at 11.75% per annum as claimed by it?
4. What order or decree?

8. On hearing the arguments and perusal of the record, my findings to the above issues are as under :

POINT NO.1 : In the **AFFIRMATIVE**

POINT NO.2 : In the **AFFIRMATIVE**
POINT NO.3 : PARTLY in the **AFFIRMATIVE**
POINT NO.4 : As per final order,
for the following:

R E A S O N S

9. **POINT NO.1**: The Manager of plaintiff-bank has got examined himself as P.W.1 by filing his affidavit in lieu of examination-in-chief reiterating the averments of plaint and in support of his testimony, he has got marked documents as per Ex.P1 to Ex.P6.

10. P.W.1 has testified on oath that the defendant has borrowed Rs.1,75,000/- on 17.06.2014 on interest at 11.75% per annum by executing common deed of hypothecation of crops/stocks, on demand promissory note, take delivery letter and other documents in favour of the plaintiff-bank on 17.06.2014 agreeing to repay the loan amount within 5 years with interest at 11.75% per annum and also executed a registered mortgage deed in respect of the suit properties in favour of the bank towards security of the loan amount.

11. P.W.1 has produced original loan application submitted by the defendant to the bank while applying for the loan and the same is marked as Ex.P1. He has also produced common deed of hypothecation of crops/stocks,

on demand promissory note and take delivery letter executed by the defendant in favour of the bank and the same are marked as Ex.P2. Perusal of these documents reveals that the same are executed by the defendant in favour of the plaintiff-bank and by the said documents, the defendant has borrowed a sum of Rs.1,75,000/- on 17.06.2014 from the bank with undertaking to repay the same with interest.

12. P.W.1 has also produced a registered deed of mortgage and the same is marked as Ex.P6 which reveals that the same is executed by the defendant in favour of the plaintiff bank thereby mortgaging the suit properties in favour of the bank as security towards repayment of the loan amount.

13. The above documents i.e. common deed of hypothecation of crops/stocks, on demand promissory note and take delivery letter are maintained by the plaintiff-bank in its regular course of transaction. Hence, the said documents carry statutory presumption under Section 4 of Banker's Book Evidence Act. Section 4 of Banker's Book Evidence Act reads thus:

> *"Mode of proof of entries in Banker's Book – Subject to the provision of this Act, a certified coy of any entry in a Banker's*

> *Book shall in all legal proceedings be received as prima facie evidence of the existence of such entry and shall be admitted as evidence of the matters, transactions and accounts therein recorded in every case where, and to the same extent as, the original entry itself is now by law admissible, but not further or otherwise."*

14. It is useful to refer to the following decision of the case of **STATE BANK OF INDIA VS. GOURAMANI SINGH** reported in **AIR 1994 SC 1644**, wherein, the Hon'ble Supreme Court has held that :

> *"Evidence Act (1/1872) Sections 34, 115 – Bank Loan – Proof – Bank producing books of account – Entries therein corroborated by Branch Manager and other Bank Officials, sufficient proof of loan transaction – More so, when loanee has admitted loan".*

15. The principle enunciated in the above decision makes it obvious that the contents of above documents shall be presumed to be true and correct unless and until the contrary is proved. The defendant has failed to rebut the said presumption, which the law requires to be drawn in favour of the plaintiff-bank by leading his rebuttal evidence. The defendant has not contested the case of the plaintiff by filing his written statement and cross-

examining P.W.1 in order to disprove his testimony and above documents. Thus, the above documents coupled with the oral testimony of P.W.1 clearly proves the case of plaintiff that the defendant has availed loan of Rs.1,75,000/- on interest at 11.75% p.a. from the plaintiff-bank. Therefore, without further discussion, I answer point No.1 in the **AFFIRMATIVE**.

16. **POINT NO.2**: P.W.1 has further testified that the defendant has not repaid the loan amount to plaintiff-bank and that there is due amount of Rs.5,31,280/- as on the date of filing of this suit from the defendant to the bank. P.W.1 has produced statement of account in respect of loan Account No.560961000100428 as per Ex.P5 perusal of which, reveals that the said account is standing in the name of defendant and that there is due amount to the bank from the defendant. This document clearly discloses that the defendant has not repaid the entire loan amount and has failed to discharge his liability as the loan amount is still due. The defendant has not denied this aspect by contesting the suit. Hence, there is nothing on record not to believe the contention of P.W.1. Hence, it is also proved by the plaintiff-bank that the defendant has not repaid the entire loan amount to it and as such, he is

liable to pay the same. Therefore, I answer point No.2 In the **AFFIRMATIVE**.

17. **POINT NO.3**: P.W.1 has testified that the loan was advanced to defendant for repayment within 5 years with interest at 11.75% per annum and as such, the bank is entitled to the said rate of interest on the loan amount from the defendant. Ex.P2 i.e. demand promissory note reveals that the defendant has agreed to repay the loan amount with interest at 11.75% per annum and therefore, the plaintiff-bank is entitled to interest at 11.75% per annum on the above said due amount from the date of filing of the suit till the date of decree. However, since the said rate of interest is exorbitant, if the same is ordered subsequent to the decree, it would be very cumbersome to the defendant and therefore, the plaintiff bank is entitled to interest at 6% per annum from the date of decree till realization of the entire amount as per Section 34 of C.P.C. Hence, I answer point No.3 **PARTLY** in the **AFFIRMATIVE**.

18. **POINT NO.4**: For foregoing reasons, I proceed to pass the following :

<u>O R D E R</u>

Suit filed by plaintiff-bank for recovery of money is hereby **DECREED IN PART** with cost.

The defendant is hereby directed to pay Rs.5,31,280/- to plaintiff-bank with interest at 11.75% per annum on Rs.1,75,000/- from 22.11.2024 till the date of decree and thereafter, with interest at 6% per annum on Rs.1,75,000/- till realization of entire amount within two months from the date of decree.

If the defendant fails to repay the above said amount within two months from the date of decree, the plaintiff-bank is at liberty to get the decree satisfied by the sale of mortgaged properties described in schedule of the plaint and that proceeds of the sale shall be applied so far as may be necessary.

Draw preliminary decree accordingly.

(Dictated to the Stenographer on computer directly, typed by her, Judgment corrected and signed by me, then pronounced by me in the open Court on this the 8th day of June 2026)

Sd/-
(MUZAFFAR A. MANJARI)
SENIOR CIVIL JUDGE & JMFC,
TARIKERE

MUZAFFAR ABDULKHADAR MANJARI

Digitally signed by MUZAFFAR ABDULKHADAR MANJARI
Date: 2026.06.12 16:04:12 +0530

ANNEXURE

LIST OF THE WITNESSES EXAMINED ON BEHALF OF PLAINTIFF/S:

P.W.1 : M.Kiran Kumar

LIST OF THE DOCUMENTS MARKED ON BEHALF OF PLAINTIFF/S:

Ex.P1 : Loan application
Ex.P2 : Common Deed of Hypothecation of Crops/Stocks
Ex.P3 : Postal Acknowledgment
Ex.P4 : Office copy of Legal notice
Ex.P5 : Statement of account
Ex.P6 : Deed of Simple Mortgage

LIST OF THE WITNESSES EXAMINED ON BEHALF OF DEFENDANT/S:

--Nil--

LIST OF THE DOCUMENTS MARKED ON BEHALF OF DEFENDANT/S:

--Nil--

MUZAFFAR ABDULKHADAR MANJARI

Digitally signed by MUZAFFAR ABDULKHADAR MANJARI
Date: 2026.06.12 16:04:05 +0530

Sd/-

SENIOR CIVIL JUDGE & JMFC, TARIKERE