KADG320088142025

IN THE COURT OF THE HON'BLE II ADDL .CIVIL JUDGE & JMFC, AT HARIHAR

PRESENT

SRI. BIRAPPA KAMBLE,
B.A., LL.B.(Hon's)
PRL. CIVIL JUDGE & JMFC,
HARIHAR.

C/c II Addl. Civil Judge & JMFC., Harihar

DATED THIS THE 07th DAY OF AUGUST, 2026

O.S. NO.315/2025

PLAINTIFF :

The Canara Bank a body corporate under the banking companies (acquisition and transfer of under taking Act), Act 1970. having its head office at Door No.112, at Canara Bank buildings, Jayachamarajendra Raod, Bangalore – 2 and one of its Branches, at Malebennur Branch, Malebennur town, Harihar Taluk, represented by its branch Manager Smt. Geetha W/o Suresh, aged about 40 years, R/o: Malebennur Town, Harihar Taluk.

(By Sri A.B.H., Advocate)

//Versus//

DEFENDANTS :

Sri. K. Krishnappa S/o Kensala Naika @ Kengala Naika,
Aged about 39 years,
R/o: Hale Devara Honnalli Village,
Devara Honnalli Post, Honnalli Taluk.

(Ex-parte)

1.	Date of institution	16.12.2025		
2.	Nature of the Suit	Suit for recovery of money		
3.	Date of commencement of recording evidence	09.06.2026		
4.	Judgment pronounced	06.08.2026		
5.	Total duration	Year/s 00	Month/s 07	Day/s 22

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C/c II ADDL. CIVIL JUDGE & JMFC., HARIHAR.

J U D G M E N T

The plaintiff bank has filed the present suit for recovery of a sum of Rs. 1,36,638-00 with interest at 11.70% p.a. against the defendant and seeking following relief ;

a. For the suit claim of Rs. 1,36,638-00 with future interest thereon at the rate of 11.70% per annum compounded half yearly from the date of filing of the suit to till the date of realization.

b. For cost of the suit ;

c. For grant of such other reliefs as this Hon'ble Court may deems fit and proper in the circumstances of the above case ;

2. <u>Brief version of the case of the plaintiff is as under :</u>

It is averred by the plaintiff-bank in the plaint that, the plaintiff bank is body corporate constituted under the banking companies Act 1970, having its Head Office at Door No.112, J.C. Road, Bangalore-2, and one of its Malebennur Branch, Malebennur Town, Harihar Taluk. The branch manager and Principal Officer of the plaintiff bank at Malebennur branch by name Smt. Geetha W/o Suresh, Aged about 40 years, R/o: Malebennur Town, Harihar Taluk has filed this suit for and on behalf of the plaintiff bank and she is also authorized to sign and to verify the plaint, etc.

The defendant has availed the agricultural crop loan with loan limits of Rs.1,00.000/- from the plaintiff bank at Malebennur Branch Harihar Taluk on 13.07.2022, in loan account No.181008845767 for agricultural purpose with interest at Rs.9.70% p.a. compounded half yearly. The defendant has executed the necessary loan documents in favour of the plaintiff bank on 13.07.2022. The defendant has submitted the common application cum appraisal report to the plaintiff bank at Malebennur Branch, Harihar Taluk on 13.07.2022 by furnishing the necessary informations. The defendant has signed the format-A(i) on 13.07.2022. The defendant has signed the undertaking letter on 13.07.2022. The defenda6 has signed the sanction of loan letter on 13.07.2022. The defendant has signed the specimen signature card on 13.07.2022. The defendant has singed the letter of undertaking letter on 13.07.2022. The defendant has executed the agreement of hypothecation for agricultural loan on 13.07.2022 and he further executed the agreement and deed of hypothecation for kissan credit card on 13.07.2022, and agreed for all the terms, conditions of the said suit loan documents. The defendant has agreed to repay the advanced loan amount within five years with a condition that no loan amount became due for payment for more than one year, agreed to pay the over due interest at Rs.2% p.a. in case of default in repaying the loan amount on due date, to pay the incidental legal and other charges on the suit loan transactions, to pay the varied rate of interest on the advanced loan amount as per the directions of the RBI. The present rate of interest on the suit loan amount is Rs.11.70% p.a. compounded half yearly from the date of suit till payment. This is not a commercial loan.

The defendant has withdrawn the loan amount as shown in the loan ledger extract from his loan account No.181008845767 from the plaintiff bank at Malebennur Branch, Harihar Taluk as shown in the loan ledger extract for the above said loan transactions and fully utilized the said loan amount. The above said loan account of the defendant is maintained by the plaintiff bank in the ordinary and regular course of banking business, in the name of the defenda6. The plaintiff bank has debited the notice charges, other expenss, incurred by it for the above said loan account transactions of the defendant, in the above said loan account in the ordinary course of banking business and produced the true copy of the said loan account extract. The defendant has executed the letter of revival of loan for the suit loan transactions in favour of the plaintiff bank on 01.07.2025. The defendant is in due of Rs.1,33,198-23 as on 30.09.2025 to the plaintiff bank for loan account. The defenda6 is liable to pay the interest at Rs.11.70% p.a. compounded half yearly on Rs.1,33,198-23 from 01.10.2025 to 05.12.2025 and it comes Rs.2,689-77. The defendants are also liable to pay the sum of Rs.750-00 towards the miscellaneous charges for typing of plaint, xeroxing the documents, etc. Hence the defendant is totally liable to pay the sum of Rs.1,36,638-00 for the suit loan account to the plaintiff bank as on the date of the suit with interest as stated above compounded half yearly from the date of suit till payment with court costs. The plaintiff bank has issued the legal notice to the defendant on 04.08.2025 and called upon him to pay for the suit loan account amount with agreed rate of interest and the said legal notice is duly served and the defendant has not complied the said legal notice nor replied. Hence the plaintiff bank has filed this suit against the defendant for the reliefs claim in the plaint.

3. Summons served to defendant but he is not appeared before the Court, hence placed exparte.

4. Thereafter, in order to prove the case of the plaintiff bank, the Branch Manager of the bank is examined as P.W.1 and got marked documents as Ex.P-1 to Ex.P-10 and the evidence of the plaintiff is closed.

5. Heard arguments of the counsel for the plaintiff and perused record of the case.

6. On perusal of the material and on hearing arguments, the following points arise for my consideration :

POINTS

1. Whether the plaintiff bank proves that the defendant has availed loan of Rs.1,00,000/- by executing necessary documents and in his favour agreeing to repay the same with interest at 9.70% p.a.?
2. Whether the plaintiff bank further proves that the defendant has failed to repay the loan amount with agreed rate of interest?
3. Whether the plaintiff bank is entitled to recover a sum of Rs.1,36,638-00 with interest at 11.70% as claimed by it ?
4. What Order or Decree?

7. My findings to the above points are as follows :

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:-

REASONS

8. **POINT NO.1 & 2 :-** These points are inter connected with each other hence, taken for common discussion.

To prove the case of the plaintiff, the Branch manager of the plaintiff bank has got examined himself as P.W.1 by filing her affidavit reiterating the contents of the plaint and in support of the same, he got marked documents as per Ex.P-1 to Ex.P-10.

9. Ex.P-1 is the Original Loan Application Form, Ex.P-2 is Loan account details, Ex.P-3 is Loan sanction, Ex.P-4 is Agreement of Hypothecation for agricultural loans, Ex.P-5 is Memorandum letter, Ex.P-6 is Legal notice, Ex.P-7 is Postal receipt, Ex.P-8 is Postal Acknowledgment, Ex.P-9 is Letter of revival and Ex.P-10 is Account statement.

10. The P.W.1 has deposed on oath that, the defendant has approached for the financial assistance to crop loan and that effect he has submitted loan application on 13.07.2022 to the plaintiff bank. Further the plaintiff bank sanction a term loan of Rs.1,00,000/- on 13.07.2022. Further the defendant has agreed to repay the above said borrowed amount with interest @ 9.70% p.a., and penal interest at the rate of 2% p.a. in case of default in repaying the loan amount on due dates. But the defendants fails to repay the amount. On careful perusal of documents produced by the plaintiff at Ex.P.1 to Ex.P.10 it clearly shows that the plaintiff bank has sanctioned the loan to the defendant as per Ex.P.1 to Ex.P.3 and other relevant documents, Ex.P.4 is Agreement of Hypothecation, Ex.P.6 is the plaintiff bank has issued legal notice on 04.08.2025 but the defendant has not repay the said loan amount nor appeared before the Court. The claim of the plaintiff is unchallenged. Hence, the plaintiff bank proves that the defendant has availed loan of Rs.1,00,000/- with the interest at the rate of 9.70% p.a., The above documents i.e. loan application, loan sanction letter, memorandum of agreement and statement of account with certificate are maintained by the plaintiff-bank in its crop loan. 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."

11. It is useful to refer the following decision in this case. In the case of ***State Bank of India vs. Gouramani Singh*** reported in ***AIR 1994 SC 1644***, 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".

12. 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 defendants have failed to rebut the said presumption, which the law requires to be drawn in favour of the plaintiff bank and contesting the suit of the plaintiff. Thus the above documents coupled with the oral testimony of P.W.1 clearly proves the case of the plaintiff that the defendant has availed a loan of Rs.1,00,000/- with interest at 9.70 % p.a. from the plaintiff bank and the defendant has stood as surety for the same. Therefore, without further discussion, Hence, I answer Point No.1 & 2 in the **Affirmative**.

13. POINT NO.3 : - P.W.1 has further deposed on oath that the defendant has not repaid the loan amount to the plaintiff bank, there is due amount of Rs.1,36,638-00, including interest from the defendant to the bank. Ex.P-10 corroborates this contention of PW.1 and clearly discloses that the defendant has not repaid the said amount and have failed to discharge her 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 PW.1.

14. No doubt the loan was taken by the defendant in the year 2022 and the suit has been filed in the year 2025, the same is not barred by limitation as the present transaction is governed by Article 19 of Schedule to the Limitation Act, 1963. The said provision lays down that to enforce payment of money secured by a money payable for money lend, the period of limitation is 3-years from the date when the loan is made due and as such since in the present case. The loan is made by the defendant on 13.07.2022 and the present suit is filed on 16.12.2025 but Ex.P.9 is the revival letter dated: 01.07.2025 duly signed by the defendants and thereby acknowledged the availment of loan by the plaintiff bank. Hence, suit is well within the time.

15. Such being the case, in view of the findings on points No.1 and 2, the Court is of the considered opinion that the plaintiff is entitled to recover a sum of Rs.1,36,638/- from the defendant with interest and in case of failure by the defendant to repay the amount, the bank is also entitled to recover the said amount through due process of law. However it is to be seen as to what is the rate of interest, the plaintiff bank is entitled to on the above said amount. As per Sec. 34 of CPC the court has to grant 6% interest on the amount claimed by the plaintiff. If the transaction is commercial transaction then only the plaintiff bank will get 18% if interest on the loan. But in the present case the defendant has availed crop loan. Therefore the plaintiff bank has entitled 6% interest on principle amount. Hence, I answer Point No.3 in the '**Partly Affirmative'**.

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

O R D E R

The suit of plaintiff is hereby decreed with costs.

The defendant is jointly and severally liable to pay to the plaintiff-bank Rs.1,36,638-00 with future interest at the rate of 11.70% per annum with half yearly from the date of suit till the date of decree and at 6% per annum from the date of decree to till its realization.

If defendant fail to repay the same, the plaintiff-bank is entitled to recover the above amount in accordance with law.

Draw 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 **07th day August, 2026).**

KAMBLI BIRAPPA CHANNAPPA Digitally signed by KAMBLI BIRAPPA CHANNAPPA Date: 2026.08.07 18:15:44 +0530

(BIRAPPA KAMBLE)
C/c II ADDL. CIVIL JUDGE & JMFC.,
HARIHAR.

ANNEXURE

List of the Witnesses examined on behalf of Plaintiff:

P.W.1 : Smt. Geetha

List of the Documents marked on behalf of Plaintiff:

Ex.P-1	:	Original Loan Application Form
Ex.P-2	:	Loan account details
Ex.P-3	:	Loan sanction
Ex.P.4	:	Agreement of Hypothecation for agricultural loan
Ex.P.5	:	Memorandum letter,
Ex.P-6	:	Legal notice
Ex.P-7	:	Postal receipt
Ex.P-8	:	Postal acknowledgment
Ex.P-9	:	Letter of revival
Ex.P-10	:	Account Statement

List of the Witnesses examined on behalf of Defendants:

--Nil--

List of the Documents marked on behalf of Defendants:

--Nil--

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C/c II ADDL. CIVIL JUDGE & JMFC.,
HARIHAR.