

KAMS010064742025



**TITLE SHEET FOR JUDGMENTS IN ORIGINAL
SUITS**
**IN THE COURT OF THE PRINCIPAL DISTRICT AND
SESSIONS JUDGE AT MYSURU**

Dated this the 3rd day of June, 2026

PRESENT

Smt. Usharani, B.A.(Law) LL.B.,
Prl. District & Sessions Judge,
Mysuru.

Com.O.S./186/2025

Plaintiff:

CANARA BANK,

A Bank constituted and functioning under the Banking Companies (Acquisition and Transfer of undertakings) Act, 1970, having its head Office at No.112, J.C. Road, Bengaluru - 560002, having number of branches and one such branch at Nanjugalige Branch, Mysuru. Represented by its duly Constituted Attorney and Senior Manager Sri Sandeep Kumar H.R. S/o. Late Rameshkumar H.S., aged about 37 years.

(By Sri B.T. Sreekantegowda, Advocate)

Vs.

Defendants:

1. Smt. Radha Bai, aged about 36 years, W/o. Late Shivananda Singh, #60, 7th Cross, Sunnadakeri, K.R. Mohalla, Mysuru.
2. Sri Kuber Singh, aged about 72 years, S/o. Ram Singh, R/at. Beriya Village, Hosa Agrahara Hobli, K.R. Nagar Taluk, Mysuru District.

(D-1 – Exparte & D-2-Dismissed)

Nature of the Suit	:	Money Suit		
Date of filing of the Suit	:	18.08.2025		
Date of pronouncing of Judgment	:	03.06.2026		
Duration of Suit	:	Year/s	Month/s	Day/s
		00	09	15

(Usharani)Prl. District & Sessions Judge,
Mysuru.**JUDGMENT**

This suit has been filed by the plaintiff, Canara Bank, against the defendant, for recovery of Rs.16,46,210-35 along with current and future interest at the rate of 11.5% p.a. on Rs.15,48,820-80 and at 9.25% p.a., on Rs.95,889-55 from

01.2.2025 and 13.02.2025 respectively compounded monthly, till realization, with costs.

2. The brief averments of the plaint are as under:-

One Shivananda Singh husband of 1st defendant Prop. of M/s. Sri Balaji Engineering Spray Painting Works has borrowed cash credit loan facility of Rs.8,00,000/- from plaintiff bank on 16.11.2017 under MSMEs Scheme for the purpose of Spray Painting Works business by executing necessary loan documents and agreed to repay the same on demand along with interest at the rate of 10.45% p.a. and overdue rate of interest at 2% p.a. 2nd defendant stood as guarantor for the aforesaid loan facility. Again on 09.06.2020 Shivananda Singh has borrowed GECL loan of Rs.1,60,000/- on 12.06.2020 and agreed to repay the same in 36 monthly installments of Rs.5,365/- commencing from 12.07.2021 along with interest at 7.50% p.a. after moratorium period of 12 months. After the death of Shivananda Singh, his legal heir/wife Smt. Radha Bai i.e., arrayed as 1st defendant and both the defendants have executed separate letter of revivals on 31.05.2023 acknowledging the above debts. Subsequent to the death of Shivananda Singh, plaintiff bank has demanded the

defendants to repay the loan amount and since they have not repaid, plaintiff bank has got issued legal notice to them on 20.1.2025, calling them to repay the entire outstanding balance and its interest. Despite legal notice, the defendants have neither paid the loan amount nor replied to the legal notice. As per the loan account maintained by the plaintiff bank, amount due as on 10.2.2025 was Rs.15,48,820-80 with respect to cash credit loan and amount due as on 12.02.2025 was Rs.95,889-55 towards GEC loan. By adding typing and miscellaneous charges of Rs.1,500/-, the total amount due from the defendants is Rs.16,46,210-35. Hence, this suit.

3. In spite of issuance of notice through paper publication, the defendant No.1 has remained absent and hence, she was placed *exparte*. During the pendency of suit, defendant No.2 since died, plaintiff bank has not pressed the suit against defendant No.2 and hence, suit against him was dismissed. Then matter was posted for evidence.

4. The points that arise for my consideration are as follows:

- 1) **Whether the plaintiff bank proves that Late Shivananda Singh husband of 1st defendant under the guarantee of 2nd defendant has borrowed cash credit loan facility of Rs.8,00,000/- on 17.11.2017 and GECL loan of Rs.1,60,000/- on 12.06.2020 under MSMEs Scheme for the purpose of Spray Painting Works business?**
- 2) **Whether the plaintiff bank is entitled for the relief sought for?**
- 3) **What order and decree?**

5. The plaintiff bank has examined its Chief Manager as P.W.1 and got marked Ex.P.1 to P.28.

6. Heard arguments.

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

Point No.1 :: In the **Affirmative**

Point No.2 :: **Partly in the affirmative**

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

REASONS

8. **Points No.1 and 2:-** These points are taken up together in order to avoid repetition of facts and question of law.

9. The case of plaintiff bank is that, Late Shivananda Singh husband of 1st defendant under the guarantee of 2nd

defendant has borrowed cash credit loan facility of Rs.8,00,000/- on 17.11.2017 and GECL loan of Rs.1,60,000/- on 12.06.2020 under MSMEs Scheme for the purpose of Spray Painting Works business by executing necessary loan documents in its favour. 1st defendant has agreed to repay the cash credit loan on demand along with interest at the rate of 10.45% p.a. and overdue rate of interest at 2% p.a. and agreed to repay GECL loan in 36 monthly installments of Rs.5,365/- commencing from 12.07.2021 along with interest at 7.50% p.a.

10. In order to corroborate the case of plaintiff Bank, its Chief Manager has reiterated plaint averments in his chief affidavit and got marked the documents at Ex.P.1 to P.28.

11. From the oral and documentary evidence, it is evident that, on 14.11.2017, Late Shivananda Singh has given application Ex.P.1 for sanction of cash credit loan of Rs.8,00,000/- under MSMEs Scheme for improvement of business. After considering the Ex.P.1, plaintiff bank has sanctioned the same on 17.11.2017 as per Ex.P.2 sanction memorandum. Ex.P.3 is the request for opening overdraft account signed by Late Shivananda Singh. Under Ex.P.4 cash credit agreement, Late Shivananda Singh has hypothecated the

stock of auto paints, metal sheet, lubricant, welding rods, automobile spares glass etc., as security for loan amount and agreed to repay the cash credit loan along with interest at the rate of 10.45% per annum and overdraft at 2% p.a. On 12.06.2020 the Late Shivananda Singh has executed Ex.P.7 letter of proprietorship and declared that he is trading under the name and style of M/s. Sri Balaji Engineering Spray Painting Works and he is the sole proprietor of the same. The document at Ex.P.8 letter of undertaking shows that the Late Shivananda Singh has undertaken to comply with the terms of agreement. On considering the Ex.P.10 loan application dated 09.06.2020 of the deceased, plaintiff bank has sanctioned GECL loan of Rs.1,60,000/-. On 12.06.2020 the deceased has executed Ex.P.11 agreement cum deed of hypothecation, under which he has hypothecated the stocks as security for GEC loan facility.

12. Available materials shows that 2nd defendant stood as guarantor for the aforesaid loan transaction. In this regard PW.1 has produced Ex.P.5 and 12 guarantee agreements executed by 2nd defendant. On 17.11.2017 and 12.06.2020 Late Shivananda Singh has executed Ex.P.6 and 13 pronotes for Rs.8,00,000/- and Rs.1,60,000/- promising to repay the cash

credit loan amount on demand along with interest at 10.45% per annum and the GEC loan amount along with interest at 7.50% p.a. The documents at Ex.P.18 to 21 show that the Late Shivananda Singh and 2nd defendant have acknowledged both the loans by executing revival letters on 17.06.2019, 10.09.2020 and 31.05.2023 respectively. It is important to note here that, suit has been filed on 18.08.2025. Hence, suit was filed well within time. Plaintiff has produced Ex.P.27/non starter report issued by District Legal Service Authority, Mysuru, which shows that inspite of efforts to settle the matter, defendants have not shown any interest.

13. According to plaintiff bank, defendants have utilized the said loan for the purpose it was granted, but they have not repaid the same inspite of repeated requests and also an issuance of Ex.P.22 legal notice. The P.W.1 has also produced Ex.P.25 and 26 statements of account with respect to two loan transactions. Ex.P.25 shows outstanding amount due as on 10.2.2025 was Rs.15,48,820-80 with respect to cash credit loan and Ex.P.26 shows outstanding amount due as on 12.02.2025 was Rs.95,889-55 towards GEC loan.

14. Since defendant No.1 has remained exparte, the contents of the documents Ex.P.1 to 28 and oral evidence produced by the plaintiff remained unchallenged. Further, afore-discussed facts clearly show that, Late Shivananda Singh/husband of 1st defendant had loan transaction with plaintiff bank and the total amount due is Rs.16,46,210-35, which includes typing and miscellaneous charges of Rs.1,500/-.

15. Though plaintiff has claimed interest at the rate of 11.5% p.a. on Rs.15,48,820-80 and at 9.25% p.a., on Rs.95,889-55 from 01.2.2025 and 13.02.2025 respectively compounded monthly, by considering the interest prevailing and keeping in view Section 16 of Commercial Courts Act and Section 34 of CPC, I opine it is proper to award interest at the rate of 9% per annum, from the date of suit, till realization.

16. It is pertinent to note here that, death of defendant No.2 was reported on 16.10.2025 and hence plaintiff Bank has not pressed the case against defendant No.2. As already noted supra, Late Shivananda Singh is the principal borrower and after his death, his wife was made as defendant No.1, who remained exparte.

17. In view of the above discussion, I opine that plaintiff bank is entitled for recovery of Rs.16,46,210-35 with interest @ 9% per annum from the date of suit till realization, from the 1st defendant. Hence, Point No.1 has been answered in the **affirmative** and Point No.2 **in partly affirmative**.

18. Point No.3:- In view of the discussion made supra, proceed to pass the following:

ORDER

Suit of the plaintiff Bank is partly decreed with costs.

The 1st defendant is liable to pay Rs.16,46,210-35 (Rupees sixteen lakh forty six thousand two hundred and ten, paise thirty five only) to the plaintiff, with interest at the rate of 9% per annum from the date of suit, till realization.

Draw decree accordingly.

(Dictated to the stenographer Gr-III; transcript thereof corrected and then pronounced by me in the Open Court, on this the **3rd day of June, 2026**)

(Usharani)
Prl. District & Sessions Judge,
Mysuru.

: ANNEXURE :

1) **Witnesses examined on behalf of plaintiff:**

P.W.1 :: Sathish Kumar R

2) Documents exhibited on behalf of plaintiff:

Ex.P.1	::	Loan application
Ex.P.2	::	Sanction Memorandum
Ex.P.3	::	Request for OD
Ex.P.4	::	Cash credit agreement
Ex.P.5 & 12	::	Guarantee agreements
Ex.P.6 and 13	::	Pronotes
Ex.P.7 & 16	::	Letter of Proprietorship
Ex.P.8	::	Letter of undertaking
Ex.P.9	::	Guarantee covering letter
Ex.P.10	::	Loan application
Ex.P.11	::	Agreement cum deed of hypothecation
Ex.P.14	::	Appendix - I
Ex.P.15	::	Annexure-III
Ex.P.17	::	Specimen signature card
Ex.P.18 to 21	::	Letter of revivals
Ex.P.22	::	Copy of legal notice
Ex.P.23 & 24	::	2 unserved postal covers
Ex.P.23(a) & 24(a)	::	Letters
Ex.P.25	::	Cash credit loan account statement
Ex.P.26	::	GECL account statement

Ex.P.27 :: PIMs

Ex.P.28 :: Paper publication

3) **Witnesses examined on behalf of defendants:**

NIL

4) **Documents exhibited on behalf of defendants:**

NIL

**Pri. District & Sessions Judge,
Mysuru.**