KATK500038082025

Presented on : 09-12-2025
Registered on : 10-12-2025
Decided on : 15-06-2026
Duration : 00 year, 06 months, 05 days

IN THE COURT OF THE PRL. SENIOR CIVIL JUDGE AND JMFC, KUNIGAL

PRESENT

SRI. NAGESH MURTHY B.K.,
B.A., L.L.M.
PRL. SENIOR CIVIL JUDGE & JMFC, KUNIGAL

O.S.NO.515 / 2025

DATED THIS THE 15th DAY OF JUNE – 2026

PLAINTIFF :

Canara Bank,
A Body Corporate Constituted under the banking companies (Acquisition and Transfer of undertakings) Act 1980 having its head office at Bengaluru and amongst of this a Branch at Kunigal, Kunigal Taluk, represented by its Branch Manager, hereafter called Canara Bank, Kunigal Branch by its Manager.

(Rep. By Sri.V.N., Advocate)

//Versus//

DEFENDANTS :

1. Smt. Geetha. K.S. W/o. Krishnamurthy, a/a 50 years,

2. Smt. Gangalakshmamma,
W/o. Kempegowda,
a/a 42 years,

The defendants No.1 and 2 are representatives of Rupa Swasahaya Sangha Gidadapalya, Kothagere Hobli, Kunigal Taluk, Kunigal – 572130.

(Ex-parte)

Date of institution of suit	10.12.2025		
Nature of the suit	Recovery of Money		
Date of commencement of recording evidence	12.11.2025		
Judgment pronounced	**15.06.2026**		
Total duration	Year/s	Month/s	Day/s
	00	11	10

PRL. SENIOR CIVIL JUDGE & JMFC,
KUNIGAL

J U D G M E N T

The plaintiff-bank has filed this suit for recovery of a sum of **Rs.24,10,728.54/-** along with interest at **12.70%** p.a. against the defendants and for such other reliefs.

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

It is averred that the plaintiff bank is the creditor and the defendants No.1 and 2 are representative of Self Help Group under the name of Rupa Swasahaya Sangha, Gidadapalya, Kasaba Hobli, Kunigal Taluk, with 20 other female members and they have executed among themselves inter-se agreement to be executed by the members of self-help group (SHG) on 03/06/2008 and thereby every of SHG authorizes the representative to apply for loan on behalf of SHG and execute necessary agreements / documents on behalf of SHG for the purpose. The authorized representatives may collect loan amount from the bank on behalf of SHG for on lending to members in accordance with the decision of SHG and also deposit recovery of loan installment from members and loan accounts of SHG. The defendants have approached the plaintiff bank with application dated 03/06/2008 to be submitted by SHG while applying loan assistance and further entered into articles of agreement for financing self help group on 03/06/2008 and thereby defendants duly authorized to borrow in terms of it resolution dated 03/06/2008, requested the plaintiff bank to grant loan / extend credit facility of Rs.5,00,000/- at the rate of 11.0 % p.a., loan account No.0527801009253, with customer ID No.55075946 and repayment at 36 EMIs of Rs.20,000/- and savings from the members is 82,700/- with bank balance of Rs.11,850/-, thereby agreed to repaid within 36 months, interest and other charges to be paid as and when debited.

3. It is further submitted that the defendants have executed letter of revival dated 10/05/2012 with name of credit facility No.0527801009253, LOR dated 02/04/2011, 26/11/2013, 20/10/2016, 15/10/2019,

10/10/2022 and 15/11/2023 as such the State of Account for SHG advances for the period from 03/06/2008 to 20/11/2025 as per the part sheet of the plaintiff bank, the outstanding balance is at present rate of interest of 11.0% from 03/06/2008 to 20/11/2025, total demand is Rs.27,36,369.00, total collection Rs.3,25,640.46/- and over due as on the dated 20/11/20925 is Rs.24,10,728.54/- and net accrued interest if Rs.8,548.50/-.

4. It is further submitted that the plaintiff bank exhausted by cold response from the defendants, subsequently above said letter of rival also executed in favour of plaintiff bank on several dates and remand kept quite, in spite of notice issued unclaimed and not cleared the same. Thus, the present suit is filed.

5. In spite of service of suit summons, the defendants failed to appear before the court and hence they were placed ex-parte.

6. Thereafter, in order to prove the case of plaintiff-bank, its Branch Manager got examined himself as PW-1 and got marked documents as per Ex.P-1 to Ex.P-12 and closed the evidence of plaintiff-bank.

7. Subsequently, this court heard arguments of the counsel for plaintiff-bank and perused record of the case.

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

POINTS

1. Whether plaintiff-bank proves that the defendants have availed loan of Rs.5,00,000/- on 03.06.2008 with interest at 11.0% from it?

2. Whether plaintiff-bank further proves that the defendants have failed to repay the loan amount with agreed rate of interest?
3. Whether plaintiff-bank is entitled to recover a sum of Rs.24,10,728.54/- with interest at 12.70% per annum as claimed by it?
4. What order or decree?

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

Point No.1 : In the Affirmative

Point No.2 : In the Affirmative

Point No.3 : In the Affirmative

Point No.4 : As per final order, for the following:

R E A S O N S

10. **POINT NO.1**: The Branch Manager of plaintiff-bank has got examined himself as PW-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.P-1 to Ex.P-12.

11. P.W.1 has testified on oath that the defendant has borrowed Rs.5,00,000/- on 03.06.2008 through Self Help Group with interest at 11.0% per annum under Account No.0527801009253. He has further testified that the defendants have executed Loan Application, Inter-se Agreement executed by Members of SHG, Articles of Agreement for financing SHG, Letter of Revivals dated 02/04/2011, 26/11/2013, 20/10/2016, 15/10/2019, 10/10/2022 and 15/11/2023 and other necessary documents in favour of the plaintiff-bank at the time of availing the loan amount and have agreed to abide by conditions of the loan agreement and also to repay the loan amount with the above rates of interest in favour of the bank.

12. PW-1 has produced Inter-se Agreement to be executed by members of SHG dated 03/06/2008, Articles of Agreement for financing SHG dated 03/06/2008, Application to be submitted by SHG while applying for loan assistance dated 19/05/2008, Sanction Memorandum issued by Canara Bank, Letter of Revivals dated 02/04/2011, 26/11/2013, 20/10/2016, 15/10/2019, 10/10/2022 and 15/11/2023 and Part Sheet of Canara Bank pertaining to the Loan Account No. 0527801009253 and the same are marked as per Ex.P-1 to P-12.

13. The above documents i.e. Inter-se Agreement, Articles of Agreement, Loan Application, Sanction Memorandum issued by plaintiff bank, Letter of Revivals and Canara Bank Part Sheet. 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 defendants have 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 defendants have not contested the suit nor cross-examined PW-1 in order to disprove his testimony and above documents. Thus, above documents coupled with the oral testimony of PW-1 clearly prove the case of plaintiff that the defendants have availed loan of Rs.5,00,000/- with interest from the plaintiff-bank. Therefore, without further discussion, I answer **point No.1 in the AFFIRMATIVE.**

16. **POINT NO.2**: PW-1 has further testified that the defendants have not repaid the loan amount to plaintiff-bank and that as on the date of filing of the suit, there is due amount of Rs.24,10,728.54/- with interest from the defendants to the bank. PW-1 has produced Statement of account in respect of loan Account No.

0527801009253 as per Ex.P-12, on perusal of which, reveals that the said account is standing in the name of defendants and that there is an amount of Rs.24,10,728.54/- as on 21.10.2025 with interest due to the bank from the defendants. These documents clearly disclose that the defendants have not repaid the entire loan amount and has failed to discharge their liability as the loan amount is still due. The defendants have not disproved this aspect by effectively contesting the suit. Hence, there is nothing on record not to believe the contention of PW-1. Hence, it is also proved by the plaintiff-bank that the defendants have not repaid the entire loan amount to it and as such, they are liable to pay the same. Therefore, I answer **point No.2 In the AFFIRMATIVE**.

17. **POINT NO.3**: PW-1 has testified that the loan was advanced to defendants for repayment with

interest at 11.0% per annum and as such, the bank is entitled to the said rate of interest on the loan amount from the defendants. This document supports the contention of PW-1 and therefore, the plaintiff-bank is entitled to rate of interest at 11.0% 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 defendants 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 in the AFFIRMATIVE**.

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

O R D E R

Suit filed by plaintiff-bank for recovery of money is hereby **DECREED WITH COST.**

The defendants are hereby directed to pay **Rs.24,10,728.54/-** to the plaintiff-bank with interest at 12,70% from the date of suit i.e. 10.12.2025 till the date of decree and thereafter, with interest at 6% per annum on Rs.5,00,000/- till realization of entire amount within three months from the date of decree.

Draw decree accordingly.

(Dictated to the Stenographer Grade - III on Computer directly, typed by him, Judgment corrected and signed by me, then pronounced by me in the open Court on this the ***15th day of June - 2026)***

(NAGESH MURTHY B.K.)
PRL. SENIOR CIVIL JUDGE & JMFC,
KUNIGAL

ANNEXURE

LIST OF THE WITNESSES EXAMINED ON BEHALF OF PLAINTIFF:

PW-1 : Gurumoorthy. G.

LIST OF THE DOCUMENTS MARKED ON BEHALF OF PLAINTIFF:

Ex-P-1	: Sanction Memorandum
Ex-P-2	: Loan Application
Ex-P-3	: Inter-se Agreement to be executed by the Members of the Self Help Groups.
Ex-P-4	: Articles of Agreement for Financing for Self Help Groups
Ex-P-5 to Ex.P-10	: Letter of Revivals
Ex-P-11	: Postal cover containing Notice
Ex-P-11(a)	: Notice
Ex-P-12	: A/c Statement from 01/01/2000 to 20/11/2025

LIST OF THE WITNESSES EXAMINED ON BEHALF OF DEFENDANTS:

--Nil--

LIST OF THE DOCUMENTS MARKED ON BEHALF OF DEFENDANTS:

--Nil--

Sd/-

PRL. SENIOR CIVIL JUDGE & JMFC,
KUNIGAL