

\* **IN THE HIGH COURT OF DELHI AT NEW DELHI**

+ **CS(OS) No. 354/2001**

% **26<sup>th</sup> February, 2018**

INDIAN OVERSEAS BANK ..... Plaintiff  
Through: Mr. Gautam Singhal, Mr.  
Naveen Kumar and Mr. Rajat  
Chaudhary, Advocate.

versus

HDFC BANK LTD. & ANR. .... Defendants  
Through: Ms. Suruchi Suri, Advocate for  
D-1/HDFC Bank.  
D-2 has been proceeded *ex-*  
*parte*.

**CORAM:**  
**HON'BLE MR. JUSTICE VALMIKI J. MEHTA**

To be referred to the Reporter or not?

**VALMIKI J. MEHTA, J (ORAL)**

1. This suit is filed by the Indian Overseas Bank/plaintiff for recovery of Rs.1,35,11,409/- along with interest. There are two defendants in the suit. The first defendant is HDFC Bank Limited (originally Bank of Punjab Limited) and which is the only contesting defendant. Defendant no. 2 Sh. Bhupinder Singh @ Sh. Manjit Singh Sethi though appeared initially and filed written statement thereafter he failed to appear and was proceeded *ex-parte*. The cause of action in the suit is that the plaintiff/bank paid under a forged bank draft to

the defendant no. 1/bank and therefore defendant no. 1/bank is liable for conversion and receiving the amount under the forged bank draft and thereafter paying most of the amount to defendant no. 2. The receipts of moneys by the defendant no. 1/bank is in lack of good faith and with negligence, and hence defendant no. 1/bank cannot take the benefit of provisions of Sections 131 and 131-A of the Negotiable Instruments Act, 1881.

2. The facts of the case are that plaintiff/bank pleads that the defendant no. 2 impersonating as one Sh. Manjit Singh Sethi a Non-Resident Indian (NRI) of Canada, approached the defendant no.1/bank for opening of a Saving Bank Non-Resident External (SBNRE) account on 22.1.1998. It is pleaded in the plaint that defendant no. 1/bank opened an SBNRE bank account in the name of Sh. Manjit Singh Sethi on 22.1.1998. The defendant no. 2 deposited in his account a bank draft no. 04253301 dated 30.12.1997 allegedly of Bank of Montreal. Bank of Montreal is the foreign bank with which plaintiff/bank has a commercial understanding for clearing of bank drafts of the said Bank of Montreal. This bank draft was for an amount of Rs.92,45,234/-. This bank draft which was presented by

defendant no. 2 to defendant no. 1/bank for encashment in the bank account of defendant no. 2, was purchased by the defendant no. 1/bank on the same date and therefore defendant no. 1/bank became an assignee/co-owner of the said bank draft. This bank draft was presented for payment to the plaintiff/bank on 23.1.1998 and being a high value draft, the draft was cleared on the same date in favour of defendant no. 1/bank. Defendant no. 2 on the very next date i.e on 24.1.1998 made two large cash withdrawals of Rs.60,00,000/- and Rs.15,00,000/- from his account with the defendant no. 1/bank. Defendant no.2 also got issued on 27.1.1998 a Telegraphic Transfer of a sum of Rs.17,00,000/- from his bank account with the defendant no. 1/bank in favour of his own account in State Bank of Patiala at Ludhiana. Therefore, within just four days of bank draft being credited to the account of the defendant no. 2 by the defendant no. 1/bank the entire amount of Rs.92,45,234/- less only a sum of Rs.45,234/- was withdrawn or transferred by the defendant no. 2 thereby leaving only a balance of Rs.45,234/- in the account of defendant no. 2 with the defendant no. 1/bank. Plaintiff/bank pleads that defendant no. 1/bank did not exercise due care and caution while opening a bank account of

defendant no. 2 with it, the defendant no. 1/bank also is pleaded not to have acted in good faith; committing negligence in purchasing the bank draft on the same date on which it was presented by defendant no. 2 to the defendant no. 1/bank although the bank account of defendant no. 2 was opened by defendant no. 1/bank on the same date, allowing large cash withdrawals totaling to Rs.75,00,000/- out of Rs.92,45,234/- within two days of opening of the bank account and on the very next date of crediting of the amount of the bank draft in the account of defendant no. 2 with the defendant no. 1/bank. Plaintiff/bank therefore pleads that plaintiff/bank is entitled to recover the amount of the bank draft, inasmuch as, the bank draft was subsequently found to be forged as not having being issued by the Bank of Montreal. In essence plaintiff/bank pleads its entitlement to receive the moneys paid by it to the defendant no. 1/bank on the ground that defendant no. 1/bank is not the owner of the moneys as the bank draft drawn was a forged instrument and therefore there is conversion of the moneys of the plaintiff/bank by defendant no. 1/bank and defendant no. 1/bank is not entitled to protection of provisions of Sections 131 and 131-A of the Negotiable Instruments

Act as the defendant no. 1/bank has acted without good faith and did not act with due care and caution for opening of the bank account of defendant no. 2, operation of the bank account of defendant no. 2 with the defendant no. 1/bank and defendant no.1/bank negligently purchasing the bank draft deposited by the defendant no. 2.

3. All the aforesaid facts are essentially not disputed in the written statement filed by the defendant no.1/bank. Defendant no.1/bank does not dispute as per its written statement that the bank draft of Bank of Montreal presented by defendant no. 2 in its account opened with defendant no. 1/bank was a forged bank draft. Defendant no. 1/bank in its defence pleads that it has always acted in good faith and there is no negligence on its behalf either with respect to opening of the bank account in the name of Sh. Manjit Singh Sethi/defendant no. 2 or for operation of the bank account in the name of Sh. Manjit Singh Sethi.

4. The following issues were framed in this suit on 18.11.2005:-

- “1. Whether the plaintiff bank is entitled to the relief claimed?
2. Whether there is any cause of action against defendants?
3. Whether the suit is bad for non joinder of necessary parties? OPD

4. Whether the defendant no. 1 was negligent in opening the account in the name of Majit Singh Sethi as alleged in the plaint and if so, to what effect?
5. Whether the plaintiff-bank is entitled to claim interest, if so, at what rate and for what period?
6. Relief.”

5. All the issue nos. 1 to 5 can be dealt with together except issue no. 3 which will be dealt with separately.

**ISSUE Nos. 1, 2, 4 and 5**

6. Before discussing the facts of the present case, it is necessary at this stage to record as to what is the law under Sections 131 and 131-A of the Negotiable Instruments Act. Whereas Section 131 of the Negotiable Instruments Act pertains to a cheque being collected by the banker, the provision of Section 131-A makes applicable the provision of Section 131 of the Negotiable Instruments Act of cheques *mutatis mutandis* with respect to bank drafts. What is the meaning of want of good faith or whether there is no negligence of the collecting banker has been dealt with by the Supreme Court in many judgments. The law is however very exhaustively stated by the Supreme Court in its judgment in the case of ***Kerala State Cooperative Marketing Federation Vs. State Bank of India and Others, (2004) 2 SCC 425***. The relevant para of this judgment of the

Supreme Court in the case of *Kerala State Cooperative Marketing Federation (supra)* which summarises the legal position is para 11 and the same is reproduced herein below:-

“11. The principles governing the liability of a collecting banker have also been extracted in the impugned judgment. They read as follows:

"(1) As a general rule the collecting banker shall be exposed to his usual liability under common law for conversion or for money had and received, as against the 'true owner' of a cheque or a draft in the event the customer from whom he collects the cheque or draft has not title or a defective title.

(2) The banker, however, may claim protection from such normal liability provided he fulfils strictly the conditions laid down in Section 131 or Section 131A of the Act and one of those conditions is that he must have received the payment in good faith and without negligence.

(3) It is the banker seeking protection who has on his shoulders the onus of proving that he acted in good faith and without negligence.

(4) The standard of care to be exercised by the collecting banker to escape the charge of negligence depends upon the general practice of bankers which may go on changing from time to time with the enormous spread of banking activities and cases decided a few decades ago may not probably offer an unfailing guidance in determining the question about negligence today.

(5) Negligence is a question of fact and what is relevant in determining the liability of a collecting banker is not his negligence in opening the account of the customer but negligence in the collection of the relevant cheque unless, of course, the opening of the account and depositing of the cheque in question therein from part and parcel of one scheme as where the account is opened with the cheque in question or deposited therein so soon after the opening of the account as to lead to an inference that the depositing the cheque and opening the account are interconnected moves in an integrated plan.

(6) Negligence in opening the account such as failure to fulfill the procedure for opening an account which is prescribed by the bank itself or opening an account of an unknown person or non-existing person or with dubious introduction may lead to a cogent, though not conclusive, proof of negligence particularly if the cheque in question has been deposited in the account soon after the opening thereof.

(7) The standard of care expected from a banker in collecting the cheque does not require him to subject the cheque to a minute and microscopic examination but disregarding the circumstances about the

cheque which on the face of it give rise to a suspicion may amount to negligence on the part of the collecting banker.

(8) The question of good faith and negligence is to be judged from the stand point of the true owner towards whom the banker owes no contractual duty but the statutory duty which is created by this section and it is a price which the banker pays for seeking protection, under the statute, from the otherwise larger liability he would be exposed to under common law.

(9) Allegation of contributory negligence against the paying banker could provide no defence for a collecting banker who has not collected the amount in good faith and without negligence."

7. Before summarizing the aforesaid principles as stated in para 11 of the judgment in ***Kerala State Cooperative Marketing Federation's*** case (*supra*) Supreme Court has dealt with various fact situations as to when and whether there would be or there would not be any want of good faith or existence of negligence by the collecting banker and this is observed in paras 6 to 10 of the judgment in ***Kerala State Cooperative Marketing Federation's*** case (*supra*) which read as under:-

"6. In the case of Indian Overseas Bank v. Bank of Madura Ltd the receiving banker was held guilty of negligence and lack of good faith inasmuch as it had allowed the opening of an account with a small amount and shortly thereafter, i.e. within 9 days allowed withdrawal of a sum of Rs. 9,500/-. It was held that the opening of the account, the presentation of the draft and withdrawal of the amount were part of one integral scheme. The fact that the person who introduced the account holder had not been examined in the suit was held against the Bank.

7. In the case of Syndicate Bank v. United Commercial Bank it was held that the Appellant bank had to prove that it had acted in good faith and without negligence. It was held that the fact that the customer had just opened the account and had only one transaction with the bank, namely the

encashment of the cheque, showed that the bank had not acted in good faith and without negligence.

8. In the case of *Brahma v. Chartered Bank* it has been held that the onus of proving "good faith" and "absence of negligence" is on the banker claiming protection under Section 131 of the Negotiable Instruments Act. It is held that in deciding whether a collecting banker has or has not been negligent it becomes necessary to take into consideration many factors such as the customer, the account and the surrounding circumstances. It is held that if the cheque is of a large amount, then the bank has to be more careful unless the customer was a customer of long standing, good repute and with great personal credit and was one who regularly deposited and withdrew cheques of large amounts.

9. The same principles are reiterated in the cases of *Central Bank of India Ltd. v. Gopinathan Nair* and *Indian Bank vs. Catholic Syrian Bank Ltd.*

10. This Court has also considered this question in the case of *Indian Overseas Bank v. Industrial Chain Concern*. In this case, on the basis of evidence lead by the bank (evidence of the Manager and the accountant of the bank) the bank was exonerated. However, principles which governed such cases were noted from various decisions. The relevant portion reads as follows:

"9. What is the standard of care to be taken by a bank in opening an account ? In the Practice and Law of Banking by H.P. Sheldon, 11th edn., in chapter 5 at page 64 it is said:

"Before opening an account for a customer who is not already known to him, a banker should make proper preliminary inquiries. In particular, he should obtain references from responsible persons with regard to the identity, integrity and reliability of the proposed customer.

If a banker does not act prudently and in accordance with current banking practice when obtaining references concerning a proposed customer, he may later have cause for regret."

10. M.L. Tannan in *Banking Law and Practice in India*, 18th edn. at page 198 says:

"Before opening a new account, a banker should take certain precautions and must ascertain by inquiring from the person wishing to open the account, if such person is unknown to the banker, as to his profession or trade as well as the nature of the account he proposes to open. By making necessary inquiries from the references furnished by the new customer, the banker can easily verify such information and judge whether or not the person wishing to open an account is a desirable customer. It is necessary for a bank to inquire, from responsible parties, given as references by the customer, as to the latter's integrity and respectability, an omission of which may result in serious consequences not only for

the banker concerned, but also for other bankers and the general public."

11. One of the tests of deciding whether the bank was negligent, though not always conclusive, is to see whether the Rules or instructions of the banks were followed or not. We may accordingly consult those instructions. Ex. B-6 contains the general instructions regarding constituent accounts for bank. Mark II deals with opening with opening of accounts. It says :

"Except at large branches where the sub-agent or accountant may be authorised to open Current Accounts, no new Current Account shall be opened without the authority of the agent manager who is solely responsible for all Current Accounts being opened in the proper manner. A written application on the appropriate form must be submitted and will be initialled by the agent at the top left corner after he has satisfied himself of the respectability of the applicant(s). It is important that every party must be introduced to the Bank by a respectable person known to the Bank, who must normally call at the Bank and sign in the column specially provided for the purpose in the account opening form. In all cases his signature must be verified with the specimen lodged and attested. The agent or accountant may introduce constituents to the Bank provided they are known to him personally and in such cases he should sign the application form at the appropriate place in his personal capacity. When the introduction of any other member of the staff is accepted, the agent must invariably make independent inquiry and record his findings on the account opening form for future reference if the need arises ..."

12. Mark IV deals with accounts of proprietary concerns. It says :

"An individual trading in the name of concern should fill in Form F.S. 5 and sign it in his personal Name and also affix his signature on behalf of the concern as proprietor in the space provided."

If the banker was negligent in following up the references given at opening of account and subsequently cheques etc. are collected for the customer paid into that account and those happened to be of someone else the Bank may be liable for conversion, unless protected by law. In the instant case, Sethuraman having been known to the Manager who gave the introduction, there was no violation of any instruction or rules.

13. It was held in *Commissioners of Taxation v. English, Scottish and Australian Bank*, that a negligence in collection is not a question of negligence in opening an account, though the circumstances connected with the opening of an account may shed light on the question whether there was negligence in collecting a cheque.

14. In *Lad broke and Co. v. Todd* the plaintiff drew a cheque and sent it to the payee by post. The letter was stolen and the thief took it to the

defendant, a banker, and used it for the purpose of opening an account for the purpose of which he forged the payee's endorsement. The defendant accepted believing him to be the payee. He was not introduced to the bank and no references were obtained. The defendant opened the account and the cheque was specially cleared at the request of the thief, and he drew out the proceeds on the next day. On the discovery of the fraud the plaintiff brought an action against the defendant for conversion. One of the main questions raised was whether the account having been opened by payment in all the cheques to be collected the defendant could be properly regarded as having received payment for a customer. It was held that as account was already opened when the cheque was collected, payment had been received for a customer. The drawer thereupon sent another cheque to the real payee and took an assignment of his rights in the stolen cheque and, as holders of the cheque or alternatively as assignees, brought an action against the bank to recover the proceeds collected by the bank as money had and received to their use. Evidence was given that it was the general practice of bankers to obtain a satisfactory introduction or reference. It was held that the banker had acted in good faith, but was guilty of negligence in not taking reasonable precautions to safeguard the interests of the true owner of the cheque and that therefore he had put himself outside the protection of Section 82 of the Bills of Exchange Act, 1882. Bailhache, J. also said that the banker would have been entitled to the protection of the section as having received payment for a customer, but had lost it owing to his want of due care. It was also held that the relation of banker and customer began as soon as the first cheque was handed in to the banker for collection, and not when it was paid.

15. In *Turner v. London and Provincial Bank* evidence was admitted as proof of negligence, that the customer had given a reference on opening the account and that this was not followed up."

8. A reading of the aforesaid paras of the judgment of the Supreme Court in the case of ***Kerala State Cooperative Marketing Federation (supra)*** shows that ordinarily once there is undue haste and lack of proper verification in opening of a bank account, a collecting banker will not be able to seek exemption of its liability by

relying upon the provisions of Sections 131 and 131-A of the Negotiable Instruments Act. Want of good faith and negligence of a banker is not only with respect to opening of an account but also with respect to operation of the account and there cannot be large cash transactions in the account immediately after opening of the account and if it is so found then the collecting banker would have to be held guilty of negligence and want of good faith and thereby disentitled to avoid its liability by taking the defence under Sections 131 and 131-A of the Negotiable Instruments Act. Supreme Court has also held that the opening of account, presentation of the bank draft and withdrawal of the amount can also, depending on facts of each case, be treated as a part and parcel of one integral scheme if within a short period the bank account is opened, amount is credited in the bank account in terms of a banking instrument and operation of the bank account thereafter permitted including by allowing large cash withdrawals. While referring to the judgment of the Supreme Court in the case of *Indian Overseas Bank Vs. Industrial Chain Concern (1990) 1 SCC 484* as per para 10 of *Kerala State Cooperative Marketing Federation's* case (*supra*) Supreme Court has approved the ratio that a

banker before opening of an account must make proper preliminary inquiries by taking appropriate references of responsible persons so as to confirm the identity, integrity and reliability of the proposed customers.

9. In the present case the factual position shows the following admitted facts:-

(i) The subject bank draft deposited by defendant no. 2 in his account with the defendant no. 1/bank was a forged bank draft as the said bank draft was never issued by the Bank of Montreal.

(ii) The bank account opened by defendant no. 1/bank of the defendant no. 2 was without any reference from any existing or past customers of the defendant no. 1/bank and the defendant no. 1/bank opened the bank account of the defendant no. 2 only on the basis of a notarized photocopy of the passport of defendant no. 2. In fact, even this notarized photocopy of the passport of defendant no. 2 has not been proved in this case as what has only been filed is a photocopy. Admittedly, however the defendant no. 1/bank only put a notarized photocopy of the passport defendant no. 2 for opening of the bank account and in fact in the cross-examination of the defendant's witness

DW-1 Ms. Shipra Sharma on 8.10.2015 it was conceded by this witness that the defendant no. 1/bank did not even verify the photocopy of the passport from the original passport of Sh. Manjit Singh Sethi.

(iii) Defendant no. 1/bank has purchased the subject bank draft on the very date on which the account was opened of the defendant no. 2, and which defendant no. 2 was not earlier known to the defendant no.1/bank.

(iv) There were large cash withdrawals totaling to Rs.75,00,000/- on the very next date of encashment of the bank draft by defendant no. 2.

(v) The two cheques cash withdrawals of Rs.60,00,000/- and Rs.15,00,000/-, Ex.DW1/13 and Ex.DW1/3, are signed twice with one signature showing 'Manjit Singh Sethi' and another signature showing 'Manjeet Singh Sethi' whereas admittedly in the bank account opening form of the defendant no. 2 with the defendant no. 1/bank the signatures of defendant no. 2 appear as 'Manjit Singh Sethi' and not 'Manjeet Singh Sethi'. This aspect itself should have put the defendant no. 1/bank to question the identity of the defendant no. 2 or at least the *bonafides* of the defendant no. 2 as these facts show that within two

days of opening of the bank account though the account opening form showed the name and signing as 'Manjit Singh Sethi', but in the two cheques the signatures were as 'Manjit Singh Sethi' in the first instance and thereafter the second signature appeared of 'Manjeet Singh Sethi'.

10. In the aforesaid factual position which has emerged on record when applied as per the ratio of the judgment of the Supreme Court in the case of *Kerala State Cooperative Marketing Federation (supra)*, it is clear that defendant no. 1/bank has acted with negligence and there is want of good faith found of the defendant no. 1/bank. This is because defendant no. 1/bank opened the bank account of the defendant no. 2 without any reference of any existing customer and only on the basis of photocopy of passport of defendant no. 2 and that too without verifying or comparing the photocopy of the passport with the original passport. Further, there is no reason why the defendant no. 1/bank allowed large cash withdrawals by two cheques on 24.1.1998 i.e just within one day of the encashment of the bank draft and within four days of the opening of the account. In fact, this aspect of negligence is buttressed by the fact that the bank account of

defendant no. 2 with the defendant no. 1/bank did not show any other transactions except the transaction of crediting of the amount of the bank draft and of withdrawal of the total amount of Rs.75,00,000/- in cash in terms of two cheques for Rs.60,00,000/- and Rs.15,00,000/- Ex.DW1/13 and Ex.DW1/3. Therefore, the opening of the account, crediting of the amount of bank draft in the account of defendant no. 2 by defendant no. 1/bank and withdrawal by the defendant no. 2 of the total amount of Rs.75,00,000/- is to be taken as part and parcel of the same transaction and an integral scheme as held by the Supreme Court in para 10 of the judgment in the case of *Kerala State Cooperative Marketing Federation (supra)*. In view of the aforesaid discussion, I hold that the defendant no. 1/bank cannot take the benefit of the statutory provisions of Sections 131 and 131-A of the Negotiable Instruments Act.

11. Learned counsel for defendant no. 1/bank argued that the defendant no. 1/bank cannot be said to be guilty of negligence because defendant no. 1/bank had taken the photocopy of the immigration form of the defendant no. 2 for opening of the bank account, however I fail to understand as to how even if the photocopy of the immigration

form was taken of defendant no. 2 for opening of the account of defendant no. 2 with defendant no. 1/bank would that in any manner make the defendant no. 1/bank any less negligent or that it can't be said that defendant no.1/bank acted in good faith, facts are that inasmuch as, neither existing customer of the defendant no.1/bank had referred for opening of the account of defendant no.2, and nor there was any verification done by the defendant no. 1/bank either of the identity of defendant no. 2 or with respect to the address of the defendant no. 2 as stated in the photocopy of the passport taken by defendant no. 1/bank for opening of the account. I, therefore, reject the argument urged on behalf of the defendant no. 1/bank that by taking photocopy of the immigration form the defendant no. 1/bank should not be held liable for want of good faith and it should be held guilty of negligence.

12. Learned counsel for the defendant no.1/bank then argued that even the plaintiff/bank is guilty of negligence, inasmuch as, the plaintiff/bank credited the amount of subject bank draft to the defendant no. 1/bank without first verifying the genuineness of the bank draft from its contracting bank being the Bank of Montreal,

however this argument of the defendant no. 1/bank is without any substance because para 11 (9) of the judgment of the Supreme Court in the case of ***Kerala State Cooperative Marketing Federation (supra)*** holds that an allegation of contributory negligence against the paying banker does not provide any defence to the collecting banker who has not collected the amount in good faith and without negligence.

13. In view of the aforesaid discussion, issue nos. 1, 2, 4 and 5 are held in favour of the plaintiff/bank and against the defendant no. 1/bank.

### **ISSUE No. 3**

14. It is argued on behalf of the defendant no. 1/bank that Bank of Montreal had to be added as party to the suit and therefore in the absence of Bank of Montreal the suit is liable to fail. This argument urged on behalf of the defendant no. 1/bank is again without any merit because it is the moneys of the plaintiff/bank which were converted by the defendant no. 1/bank and therefore it was the defendant no. 1/bank who became independently liable to the plaintiff/bank and not to Bank of Montreal. This is to be taken with

the fact that a contributory negligence of a paying banker does not absolve a collecting banker such as defendant no. 1/bank once there is found want of good faith and negligence in opening of an account by the collecting banker. This issue is, therefore, decided in favour of the plaintiff/bank and against the defendant no. 1/bank.

### **CONCLUSION**

15. In view of the aforesaid discussion, defendant no.1/bank is liable as the plaintiff/bank has proved that the subject bank draft allegedly was a forged bank draft of Bank of Montreal, the defendant no. 1/bank is guilty of want of good faith and in fact has acted negligently in opening the account of defendant no. 2, the transactions of withdrawal of large amounts of Rs.75,00,000/- took place within four days of opening of the account of defendant no. 2 by the defendant no. 1/bank etc. All these aspects are all part and parcel of the same integral scheme/transaction showing lack of good faith and existence of negligence of the defendant no. 1/bank in opening the bank account of defendant no. 2. Defendant no. 2 will be also liable with the defendant no. 1/bank because defendant no. 2 has withdrawn the amount of Rs.75,00,000/- in cash, and defendant no.2 is therefore

liable jointly and severally with defendant no. 1/bank for conversion of the moneys of the plaintiff/bank.

16. I may note that the amount of Rs.17,00,000/- was transferred by the defendant no. 2 to the State Bank of Patiala at Ludhiana, however this amount could not be withdrawn by the defendant no. 2 from the State Bank of Patiala and this amount was in fact received by the plaintiff/bank on superdari. The plaintiff/bank received a total amount of Rs.17,45,234/- from the defendant no.1/bank as the defendant no. 1/bank was remitted back this amount by State Bank of Patiala at Ludhiana. This amount which has been received by the plaintiff/bank on superdari is allowed by the plaintiff/bank to be retained with it for the plaintiff/bank being taken as the owner of this amount.

### **RELIEF**

17. Suit of the plaintiff/bank is decreed against the defendants for a total sum of Rs.75 lacs as the principal amount. On this principal amount the plaintiff/bank will be entitled to *pendente lite* and future interest from the defendants at 12% per annum simple. Plaintiff/bank is also held entitled to costs of the suit in its favour and

against the defendants. The defendants are held jointly and severely liable to pay the decreed amount to the plaintiff/bank. Decree sheet be prepared.

**FEBRUARY 26, 2018**

**VALMIKI J. MEHTA, J**

AK

