



**IN THE COURT OF THE SENIOR CIVIL JUDGE AND
JMFC., AT MUDIGERE**

Dated this the 07th day of March 2026

**PRESENT :- SRI. PRAKASH. P.M, M.B.A, L.L.B.,
Senior Civil Judge and JMFC.,
Mudigere.**

SC No.1/2024

Plaintiff : **M/S Canara Bank, Balehole Branch,
A Bank Nationalized, Constituted,
Functioning under the banking
companies (Acquisition and
transfer of under taking) Act,
1970, having its head office at J.C
Road, Bangalore, here in
represented by its Manager**

Sri. Ashish Kumar

S/o Mahendra Prasad,

Aged about 31 years

R/o Balehole Post, Kalasa Taluk

Chickmangalore District

(Rep. by Sri. G.B.V., Adv.)

-VS-

Defendant: **Sri. Nagabhushan.T.S**
S/o T. Srinivasa Sharma,
Aged about 75 year,



R/o K. Kelaguru Village,
Balehole Post,
Kalasa Taluk.

(Rep. by Sri. M.V.J., Adv.)

Date of institution of the suit	02.03.2024
Nature of the suit	Recovery of money
Date of the commencement of Recording of the evidence	07.03.2026
Date of which the judgment was Pronounced	07.03.2026
Total Duration	Year/s Month/s Day/s 02 00 05

(Prakash P.M)
Senior Civil Judge & JMFC.,
Mudigere.

J U D G E M E N T

This is a suit filed by the plaintiff Bank against the defendant for the recovery of sum of Rs.97,358.00ps together with current interest at the rate of 10.60% p.a from 01.10.2023 till realization.



2) In brief the plaintiff case is as under:

The defendant availed a loan of Rs.50,000/- on 12.09.2017 under Loan Account No. 1245883003626 from the plaintiff bank for the purpose of farm development, agreeing to repay the same in five yearly installments of Rs.10,000/- each along with interest and other applicable charges. The rate of interest at the time of sanction was 11% per annum, with an additional penal interest of 2% in case of default. After executing the necessary loan documents in favour of the plaintiff bank and availing the loan, the defendant failed to repay the installments and interest as agreed and became irregular in repayment. Despite repeated requests and demands made by the plaintiff bank, the defendant neglected to clear the outstanding dues. As a result, a sum of Rs.96,858/- remained outstanding in the defendant's loan account as on 30.09.2023. The rate of interest is subject to change from time to time as per the directions of the Reserve Bank of India, and the present applicable rate of interest for the said loan



account is 10.60% per annum compounded monthly. The defendant has also acknowledged the debt on 07.09.2020 and 11.01.2023. Hence, the plaintiff bank has been constrained to file the present suit for recovery of the said amount.

3) After service of summons, defendant has appeared through his counsel, but he has not filed any objection.

4) The plaintiff bank in order to substantiate its case has got examined its Branch Manager Sri. Divakara Motiram Basande, as P.W.1 and got marked the documents as Ex.P.1 to P9 and got closed its side. The defendant has not cross examined Pw.1

5) The arguments have been heard from the counsel for plaintiff and perused the case file.

6) Now points arise for considerations are as follows.

- 1) Whether the plaintiff bank proves that the defendant is liable to pay Rs.



Rs.97,358/- with interest at the rate of
10.60% P.A.?

2) What order?

7) My findings on above said points are as follows;

Point No.1 : partly in the Affirmative
Point No.2 : As per the final order,
for the following.

:: R E A S O N S ::

8) **Point No.1:-** In order to substantiate its case, the plaintiff bank examined its Branch Manager, Sri. Divakara Motiram Basande, as P.W.1 and produced documents marked as Ex.P1 to Ex.P9. Ex.P1 is the loan application; Ex.P2 is the loan sanction memorandum dated 12.09.2017; Ex.P3 is the letter evidencing execution of documents dated 12.09.2017; Ex.P4 is the link letter dated 12.09.2017; Ex.P5 is the memorandum of agreement for agricultural loans; Ex.P6 is the certificate of loan papers obtained; Ex.P7 and Ex.P8 are the revival letters dated 07.09.2020 and 11.01.2023; and Ex.P9 is the statement of account extract, which shows



that as on 30.10.2023 a sum of Rs.96,858/- was due in the loan account of the defendant.

9) The evidence of P.W.1 and the documents marked as Ex.P1 to Ex.P9 remain unchallenged and unrebutted. Therefore, there is no reason to disbelieve the testimony of P.W.1. Despite service of suit summons, the defendant has neither filed a written statement nor contested the claim of the plaintiff. The silence on the part of the defendant clearly indicates that he has not disputed the claim of the plaintiff bank.

10) With regard to limitation, the defendant availed the loan on 12.09.2017 and subsequently executed revival letters dated 07.09.2020 and 11.01.2023 as per Ex.P7 and Ex.P8. The present suit has been filed on 02.03.2024 and is therefore well within the period of limitation as prescribed under law.

11) P.W.1, the Branch Manager of the plaintiff bank, has deposed that the defendant availed a loan of Rs.50,000/- on 12.09.2017 for the purpose of farm



development and executed the necessary documents undertaking to repay the loan with interest at the rate of 11% per annum, with penal interest at the rate of 2% in case of default. After availing the loan, the defendant failed to repay the loan amount and became irregular in payment of installments, thereby committing default in discharging his loan liability.

12) The plaintiff bank has claimed interest at the rate of 10.60% per annum. The loan documents, particularly Ex.P1 to Ex.P6, clearly establish that the defendant agreed to repay the loan with interest at the rate of 11% per annum and penal interest of 2% in case of default. Therefore, the plaintiff bank is entitled to interest at the rate of 10.60% per annum from the date of suit until realization of the decretal amount. Accordingly, **Point No.1 is answered partly in the Affirmative.**

13) **Point No.2:-** In view of my findings on the above Point No.1, I proceed to pass the following:-



ORDER

The suit of the plaintiff bank is
hereby decreed with costs.

The plaintiff bank is entitled to
recover a sum of Rs.96,858/- from
the defendant.

The plaintiff bank is further
entitled to interest at the rate of
10.60% per annum on the principal
amount from the date of the suit
until realization.

The defendant is directed to pay
the decretal amount within two
months from the date of this order.

Draw decree accordingly.

(Dictated to stenographer directly on computer typed by her, revised, corrected, signed and
then pronounced by me in the open court on this the 07th day of March 2026)

(PRAKASH P.M.)
Senior Civil Judge & JMFC
Mudigere



A N N E X U R E

1. **List of witnesses examined for the plaintiff/s:-**
PW 1 : Sri. Divakara Motiram Basande

2. **List of documents exhibited for the plaintiff/s:-**
Ex.P1 : Loan application
Ex.P2 : Loan sanction letter
Ex.P3 : Letter evidencing execution of document
Ex.P4 : Letter dated 12.09.2017
Ex.P5 : Memorandum of agreement
Ex.P6 : Certificate of loan papers
Ex.P7 & 8: Revival letters
Ex.P9 : Account extract

3. **List of witnesses examined for the defendant/s:-**
- None -

4. **List of documents exhibited for the defendant/s:-**
- Nil -

(PRAKASH P.M.)
Senior Civil Judge & JMFC
Mudigere.