KACN210016222023

IN THE COURT OF THE SENIOR CIVIL JUDGE AND JMFC, AT GUNDLUPET

6th August 2026

Present

Smt.NOORUNNISA. B.A., LL.B.

Senior Civil Judge & JMFC.,

OS No.165/2023

Plaintiff		Canara Bank (Canara Bank, a body corporate constituted under Banking Companies (Acquisition and Transfer of Undertakings) Act 1970, Having its head office at No.112, J.C. Road, Bangalore – 2 and having among others a branch office Gundlupet -571111, Represented by its Senior Branch Manager, (Sri.G.N.S, Advocate)
Versus		
Defendants	1	Gowaramma D/o late Bellappa Aged about 45 years
	2	Madesh S/o Nanjappa Aged about 46 years Both are residing at Madahalli village, Kasaba Hobli, Gundlupet taluk, Chamarajanagara District. (Exparte)

Date of institution of the suit	21.12.2023
Nature of suit	Money Suit
Date of evidence	27.07.2026

Date of Judgment	06.08.2026
Total Duration	2 years, 7 months, 17 days

(Noorunnisa)
Senior Civil Judge & JMFC,
Gundlupet

JUDGMENT

The plaintiff bank has filed for suit for recovery of money of ₹7,14,340/- along with the future interest at the rate of 11.25% p.a along with the cost of the suit.

2.**The brief facts of the plaint averments are as under:** The 1st defendant is the principal borrower and the 2nd defendant is the guarantor for the loan borrowed by the 1st defendant from the Syndicate Bank, Gundlupet Branch. Subsequently, Syndicate Bank merged with Canara Bank. On 12.07.2013, the 1st defendant borrowed an agricultural loan of Rs.2,50,000/- from the plaintiff bank under Loan Account No.17078230001784 for carrying out agricultural activities. As security for the loan, the 1st defendant executed a Registered Simple

Mortgage Deed dated 24.06.2013 by mortgaging his land bearing Sy. No.79/2, measuring 3 Acres 28 Guntas, situated at Madahalli Village, Kasaba Hobli, Gundlupet Taluk. The mortgage deed was registered on 24.06.2013. The defendants agreed to repay the loan with interest at the rate of 11.25% per annum. The 1st defendant executed an Agreement for Agricultural Advances dated 12.07.2013, and the 2nd defendant executed a Deed of Guarantee for Agricultural Advance dated 12.07.2013 guaranteeing repayment of the loan. The plaintiff has produced the loan application dated 25.06.2013, the Agreement for Agricultural Advances, the Registered Simple Mortgage Deed, and the Deed of Guarantee in support of its claim. After availing the loan, the defendants failed to repay the loan amount as agreed, despite repeated requests and demands made by the plaintiff bank. As per the statement of account maintained by the plaintiff bank, the defendants are jointly and severally liable to pay a sum of Rs.7,14,340/- as on 25.04.2023. The defendants are also liable to pay future interest on the said amount from the date of the suit until the date of full realization. The plaintiff is entitled to recover the said amount from the defendants personally and also by enforcing the mortgage and bringing the suit schedule property to sale in accordance with law.

3.After issuance of summon, summon duly served to the defendants. Defendants remained absent hence placed exparte.

4.In order prove the case, the plaintiff bank Manager examined as PW1, 5 documents marked as Ex.P1 to Ex.P5. Heard the arguments of plaintiff's counsel and perused the entire material on records. The following points arise for my consideration.

1. Whether the Plaintiff Bank proves that Defendants No.1 and 2 borrowed an agricultural loan of Rs.2,50,000/- by

executing the loan documents agreeing to repay the loan with interest?

2. Whether the plaintiff's bank is entitled for the relief as prayed for?
3. What order or decree?

5.My answer to the above points as under:

Point no. 1	In the Affirmative
Point no. 2	In the Partly Affirmative
Point no. 3	As per final order for the following:

REASONS

6. **Point no.1 and 2:** For the sake of brevity and in order to avoid repetition of facts, both the above points are taken up together for discussion. The plaintiff's authorized representative and Branch Manager has examined himself as PW.1. In his examination-in-chief, PW.1 has reiterated all the averments made in the plaint and produced Ex.P1 to Ex.P5. On perusal of Ex.P1, it discloses that the 1st defendant approached the plaintiff bank for financial assistance for his agricultural activities and submitted the loan application dated 10.07.2013.

Thereafter, the plaintiff bank sanctioned an agricultural loan and the 1st defendant executed the Agreement for Agricultural Advance dated 12.07.2013, which is marked as Ex.P2, agreeing to repay the loan amount with interest as per the terms and conditions of the loan. The 2nd defendant, being the guarantor, executed the Deed of Guarantee for Agricultural Advance dated 12.07.2013, marked as Ex.P3, thereby undertaking joint and several liability for repayment of the loan amount. Further, the 1st defendant executed the Registered Simple Mortgage Deed, marked as Ex.P4, by mortgaging his agricultural property in favour of the plaintiff bank as collateral security for the loan transaction. The Statement of Account, marked as Ex.P5, clearly reflects the loan transaction and the outstanding balance payable by the defendants. The amount claimed in the plaint is duly supported by the Statement of Account.

7. The defendants have neither filed any written statement nor contested the suit. They have also not chosen to cross-examine PW.1 or adduce any evidence to rebut the oral and documentary evidence produced by the plaintiff. Consequently, the evidence of PW.1 has remained unchallenged and unrebutted. In the absence of any rebuttal evidence, this Court is justified in drawing an adverse inference against the defendants under Section 114(g) of the Indian Evidence Act.

8. The documentary evidence produced by the plaintiff, particularly Ex.P1 to Ex.P5, establishes that the 1st defendant obtained the agricultural loan from the plaintiff bank, executed the loan documents, and created a registered simple mortgage in favour of the plaintiff bank as security. Ex.P3 establishes that the 2nd defendant stood as guarantor for the loan transaction. Ex.P5, the Statement of Account, clearly reflects the outstanding amount due from the defendants. There is absolutely no

material on record to disbelieve the evidence of PW.1. Thus, the plaintiff has successfully proved that the 1st defendant borrowed the agricultural loan, the 2nd defendant guaranteed the repayment, and both the defendants are jointly and severally liable to repay the outstanding loan amount.

9. Since the loan in question is an agricultural loan and not a commercial transaction, this Court, in exercise of its discretion under Section 34 of the CPC., deems it appropriate to award future interest at the rate of 6% per annum from the date of the suit till realization instead of the contractual rate. The plaintiff is entitled to recover the outstanding loan amount together with future interest at 6% per annum and costs of the suit. **Accordingly, Point No.1 is answered in the Affirmative and Point No.2 is answered in the Partly Affirmative.**

10.**Point no.3:** In view of my above discussion, I proceed to pass the following:

ORDER

The suit of the Plaintiff Bank is partly decreed with costs.

The Defendants No.1 and 2 are jointly and severally liable to pay the outstanding loan amount of Rs.7,14,340/- along with future interest at the rate of 6% per annum from the date of filing of the suit till the date of realization.

The Defendants No.1 and 2 are directed to pay the decretal amount within 60 days from the date of this order, failing which the Plaintiff Bank is at liberty to recover the same in accordance with law.

Draw Decree accordingly.

(Directly dictated to Stenographer on computer, and typed by him and corrected by me and then pronounced in the open Court on this 6th August 2026)

(Noorunnisa)
Senior Civil Judge & JMFC.,
Gundlupet

ANNEXURE

Witnesses examined for the Plaintiff:

PW1 : K Harish

Documents marked for the Plaintiff:

Ex.P1 : Loan application
Ex.P2 : Agreement for agricultural advance
Ex.P3 : Deed of Guarantee
Ex.P4 : Simple Mortgage Deed
Ex.P5 : Statement of account

Witnesses examined for Defendant: Nil

Documents marked for the Defendant: Nil

(Noorunnisa)
Senior Civil Judge & JMFC.,
Gundlupet