IN THE COURT OF THE SENIOR CIVIL JUDGE & JMFC.
AT: LAXMESHWAR,

DATED THIS 08TH DAY OF JULY 2026

-:PRESENT:-

SRI. BHARATH YOGEESH KARAGUDARI,
B.A.L, LL.M.,
Senior Civil Judge And JMFC, Laxmeshwar,

ORIGINAL SUIT NO.15/2025

PLAINTIFF **:** The Manager Canara Bank
Having its head office at Bangalore
And one of its Branch office at Shigli,
Tq: Lakeshmeshwar, Dist: Gadag,
Represented by It's Manager.

(By U.V.B. Adv.)

// V E R S U S //

***DEFENDANTS*:** 1. Veerupakshappa Shivabasappa Mulimani
Age: 74 Years, Occ: Agriculture,
R/o. Suranagi, Tq. Laxmeshwar

1a. Smt. Channavva W/o Veerupakshappa Mulimani,
Age: 55 Years, Occ: Agriculture,
R/o. Suranagi, Tq. Laxmeshwar

(Exparte)

Date of Institution of the suit	:	13-02-2025		
Nature of the suit	:	Suit for recovery of money		
Date of commencement of Recording evidence	:	23-06-2026		
Date of Pronouncing Judgment	:	08-07-2026		
Total Duration	:	Years	Months	Days
		01	04	25

(BHARATH YOGEESH KARAGUDARI)
Senior Civil Judge & JMFC, Laxmehswar.

J U D G M E N T

This is a suit instituted by the plaintiff bank for foreclosure of the Mortgage deed and recovery of money of Rs.9,92,143/- with interest at the rate of 13.40% p.a. along with 2% of interest upon the over due from the date of suit till its realization.

2. **The gist of the Plaint averments is as follows:**

That, the Plaintiff is a Nationalised Bank constituted under the relevant provisions of law, having its Head Office at Bangalore and, inter alia, a Branch Office at Shigli, Laxmeshwar Taluk, Gadag District, represented herein by its duly authorised Branch Manager, who is competent and authorised to institute and prosecute the present suit. The Defendant approached the Plaintiff Bank seeking financial assistance by way of an Agricultural Cash Credit Loan for the purpose of raising agricultural crops. Upon due consideration of the request and after fully explaining the terms and conditions governing the proposed credit facility, the Plaintiff Bank, the Defendant having accepted and agreed to abide by the said terms and conditions, sanctioned a loan of Rs.4,70,000/- on 23.08.2016 under Loan Account No. 0570840011847, carrying interest at the rate of 13.40% per annum, compounded yearly, together with penal interest at the rate of 2% per annum on overdue amounts. In consideration of the said financial accommodation, the Defendant executed the Agreement of Deed of Hypothecation for Agricultural Loans and other requisite loan documents in favour of the Plaintiff Bank on 23.08.2016, thereby agreeing to be bound by all the terms and conditions contained therein. Further, the Defendant had earlier executed a Registered Simple Mortgage Deed dated 05.08.2016 in favour of the Plaintiff Bank by creating a mortgage over the immovable properties bearing R.Sy. No. 228/A3, measuring 1 Acre 24 Guntas, and R.Sy. No. 379/3, measuring 3 Acres, both situated at Suranagi Village, Laxmeshwar Taluk, as collateral security for the due repayment of the loan and all monies payable thereunder. The Defendant expressly undertook to repay the entire loan amount together with contractual interest within a period of five years, subject to annual review in accordance with the terms of sanction and the banking norms. However, after availing the loan, the Defendant committed persistent default in adhering to the repayment schedule and failed to discharge the outstanding liability despite repeated oral demands, requests, and reminders made by the officials of the Plaintiff Bank. The Statement of Account maintained by the Plaintiff Bank in the ordinary course of its banking business reveals that a sum of Rs.9,92,143/- was due and outstanding from the Defendant as on the date of institution of the suit, exclusive of future interest and costs. In view of the continued default, the Plaintiff Bank caused a legal notice dated 15.12.2024 to be issued calling upon the Defendant to liquidate the outstanding dues. Despite receipt of the said notice, the Defendant failed to comply with the demand or make payment of the outstanding amount. The efforts made by the Plaintiff Bank to secure repayment have thus proved futile. The cause of action for the present suit is continuous and subsisting. The suit has been instituted within the period of limitation, and the Defendant is legally liable to pay the outstanding loan amount together with contractual interest, penal interest, future interest, and costs. Hence, the Plaintiff has been constrained to institute the present suit seeking recovery of the aforesaid amount together with such further reliefs as this Hon'ble Court deems fit and proper in the facts and circumstances of the case.

3. In pursuance of suit summons, despite of service of summons the defendants have failed to appear before the Court. Hence, they were placed Ex-parte.

4. Perused records and Arguments heard.

5. The following points arise for my consideration:

POINTS

1. Whether the plaintiff proves that, the defendants have borrowed loan for a sum of Rs.4,70,000/- for agriculture development agreeing to repay the loan with an interest at the rate of 13.40% P.A. and he has also agreed to pay the penal interest at the rate of 2% P.A.?
2. Whether the plaintiff further proves that in spite of repeated demands, the defendants have failed to repay the balance loan amount of Rs.9,92,143/-?
3. Whether the plaintiff is entitled for the relief sought for?
4. What order or decree?

6. To Substantiate its case the Branch Manager of the plaintiff's bank has stepped into witness box and examined as PW1, in his support got marked 9 documents as Ex.P1 to 9. On the other hand Defendants have not stepped into the witness box neither produced any documents in support of his case.

7. My findings on 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;

<u>R E A S O N S</u>

8. **<u>Point No.1 & 2</u>**: Since these Issues are interrelated to each other, I proceed to discuss these Issue together, to avoid repetition.

In order to substantiate the case of the Plaintiff, the Branch Manager of the Plaintiff Bank has entered the witness box as PW-1 and has filed his affidavit in lieu of examination-in-chief, reiterating the averments made in the plaint. The Plaintiff has produced and relied upon nine documents, which have been marked as Ex.P-1 to Ex.P-9. Ex.P-1 is the Loan Application dated 23.08.2016; Ex.P-2 is the Sanction Memorandum dated 23.08.2016; Ex.P-3 is the Agreement and Deed of Hypothecation for Kisan Credit Card dated 23.08.2016; Ex.P-4 is the Registered Simple Mortgage Deed dated 05.08.2016; Ex.P-5 and Ex.P-6 are the Record of Rights pertaining to R.Sy. No.379/3, measuring 3 Acres, and R.Sy. No.228/A3, measuring 1 Acre 24 Guntas, respectively, situated at Suranagi Village; Ex.P-7 is the Legal Notice dated 15.12.2024; Ex.P-8 is the returned postal cover; Ex.P-8(a) is the copy of the legal notice contained therein; and Ex.P-9 is the certified Statement of Account pertaining to the loan account of the Defendant.

9. The documentary evidence produced by the Plaintiff unmistakably establishes that the Defendant approached the Plaintiff Bank for financial assistance and, pursuant thereto,

availed an Agricultural Cash Credit Loan of Rs.4,70,000/-. The execution of the loan documents, including the Agreement of Hypothecation and the Registered Simple Mortgage Deed, stands duly proved through Ex.P-1 to Ex.P-4. The Record of Rights produced at Ex.P-5 and Ex.P-6 further corroborate the mortgage created in favour of the Plaintiff Bank over the immovable properties offered as security for the due repayment of the loan. It is pertinent to note that, despite due service of summons and sufficient opportunity being afforded, the Defendant has neither entered appearance nor chosen to contest the proceedings. Consequently, the oral testimony of PW-1 has remained wholly unchallenged and unrebutted. There is absolutely no material placed on record to impeach either the credibility of the witness or the genuineness of the documentary evidence relied upon by the Plaintiff. The oral evidence of PW-1 finds complete corroboration from Ex.P-1 to Ex.P-9, which conclusively establish that the Defendant borrowed a sum of Rs.4,70,000/- from the Plaintiff Bank for agricultural purposes and agreed to repay the same together with interest at the contractual rate of 13.40% per annum, besides applicable penal interest, in accordance with the terms of the loan agreement.

10. Ex.P-9, being the certified Statement of Account maintained by the Plaintiff Bank in the ordinary course of its banking business, clearly discloses that the Defendant has committed default in repayment of the loan and that a sum of Rs.9,92,143/- remained due and outstanding as on the date of institution of the suit. The said Statement of Account has been duly certified in accordance with law and has remained unchallenged.

11. Despite having been afforded sufficient opportunity, the Defendant has failed to contest the proceedings or adduce any evidence in rebuttal. Consequently, the evidence adduced by the Plaintiff has gone unrebutted. There is nothing on record to indicate that the testimony of PW-1 suffers from any material contradiction, inconsistency, or infirmity so as to render it unreliable. On the contrary, the oral testimony is fully supported by the contemporaneous documentary evidence produced by the Plaintiff. It is a settled principle governing civil proceedings that where a party adduces cogent and reliable oral and documentary evidence in support of its claim and the same remains uncontroverted, the Court is entitled to accept such evidence unless it is inherently improbable or contrary to law. In the present case, the Plaintiff has satisfactorily discharged the burden of proving the loan transaction, the execution of the loan and security documents, the subsisting liability of the Defendant, and the amount due under the loan account. The Defendant, having failed to rebut the Plaintiff's evidence or dispute the claim, cannot escape liability.

Accordingly, this Court finds that the Plaintiff has successfully established its claim by credible and unimpeachable evidence. The Defendant is liable to repay the outstanding loan amount together with contractual interest, future interest, and costs, as claimed in the plaint. Consequently, the Plaintiff is entitled to a decree as prayed for. Hence, I have no hesitation to hold **Point No.1 & 2 in the Affirmative.**

12. **<u>Point No. 3:</u>** in view of the findings given to the above issues the plaintiff is entitled to recover the loan amount. Hence, I answer **Point No. 3 in Affirmative**.

12. **<u>Point No. 4:</u>** For the reasons stated and findings given to points No.1 to 3, the following is made.

<u>O R D E R</u>

The suit of the plaintiff is hereby decreed with costs.

The defendants are jointly and severally liable to pay the loan amount. The plaintiff's bank is entitled to recovery a sum of Rs.9,92,143/- with interest at the rate of 13.40% per annum over the principal amount from the defendants from the date of suit till its realization.

The defendants are liable to be pay above said amount within 3 months from the date of this order.

In case, the defendants are failed to repay the said amount in the circumstances, the plaintiff Bank is at liberty to initiate final decree proceedings pertaining to mortgaged property.

Draw preliminary decree accordingly.

(Dictated to the stenographer directly before computer, transcribed and typed by her, corrected, then pronounced by me in open court on 08th day of July 2026).

(BHARATH YOGEESH KARAGUDARI)
Senior Civil Judge & JMFC, Laxmehswar.

A N N E X U R E

LIST OF WITNESSES EXAMINED FOR PLAINTIFF: -

P.W.1	:	Rakesh Shankar

LIST OF DOCUMENTS MARKED ON BEHALF OF PLAINTIFF :-

Ex.P.1	:	Loan application
Ex.P.2	:	Sanction Memorandum
Ex.P.3	:	Agreement & deed of Hypothecation for Kisan Credit Card.
Ex.P.4	:	Simple Mortgaged deed
Ex.P.5 & 6	:	Records of Rights
Ex.P.7	:	Legal notice
Ex.P.8	:	Postal cover
Ex.P8a	:	Legal notice in postal cover
Ex.P.9	:	Account statement

LIST OF WITNESSES EXAMINED ON BEHALF OF DEFENDANT:-

-NIL-

LIST OF DOCUMENTS MARKED ON BEHALF OF DEFENDANT:-

-NIL-

BHARATH YOGESH KARAGUDARI

Digitally signed by BHARATH YOGESH KARAGUDARI
Date: 2026.07.14 16:28:08 +0530

(BHARATH YOGEESH KARAGUDARI)
Senior Civil Judge & JMFC, Laxmehswar.