MHSO130003372018	Received on	:-	27/04/2018
	Registered on	:-	17/07/2018
	Decided on	:-	31/03/2026
	Duration		Y. M. D. 07 11 04

IN THE COURT OF Jt. CIVIL JUDGE (Jr.Dn.)
BARSHI, TAL. BARSHI DIST. SOLAPUR
(Presided over by Smt. P.V. Raut)

Exh. No.41

Reg. Civil Suit No.451/2018
CNR No.MHSO130003372018

Central Bank of India,
Having its Cental Office at,
Chandermukhi, Nariman Point,
Bombay 400 021 and a branch
office at Barshi Tal-Barshi
Dist- Solapur

...**Plaintiff.**

...Versus...

1. **Nagnath Vitthal @ Vithoba Pawar,**
Age:- 55 Yrs Occ. Agriculturists,

2. **Satyawan Govind Gadsingh,**
Age:- 42 Yrs Occ. Agriculturists,

3. **Chandrakant Dagdu Salgar,**
Age:- 57 Yrs Occ. Agriculturists,
All R/o. Malegaon, Tal- Barshi,
Dist- Solapur.

...**Defendants.**

SUIT FOR RECOVERY OF LOAN, INTEREST BY SALE OF MORTGAGED LAND AND CROP

Advocates

Mr. V.D. Thokade, the Ld. Advocate for the plaintiff.
Mr. S.N. Shete, the Ld. Advocate for defendant No.1.
Suit is proceeded *exparte* against defendant No.2 and 3.

:: JUDGMENT ::

(Delivered on 31st March, 2026)

01. The plaintiff has instituted suit for recovery of loan amount of ₹ 1,93,906/- against the defendants.

The brief facts of the plaintiff's suit are as under :-

02. The plaintiff is a body corporate constituted under the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970 having its Central office at Chandermukhi, Nariman Point, Bombay & its branch at Barshi. The plaintiff bank has executed a general power of attorney in favour of Mr. Prashantkumar Gupta who is branch manager.

03. The plaintiff is doing the banking business, advances loans, sanctions facilities to agriculturists, traders and other needy persons. Defendant No.1 was in need of crop loan. Defendant No.1 requested and applied to the plaintiff for cash credit loan of ₹ 1,20,000/- as a crop loan. Defendant No.2 & 3 proposed to be a guarantor for the repayment of the loan with interest to the plaintiff for defendant No.1. The plaintiff considered the loan application and sanctioned the loan of ₹ 1,20,000/- to defendant No.1 on the terms and conditions. After the defendants agreed to the terms and the conditions of the plaintiff, it has sanctioned Cash Credit Loan of ₹ 1,20,000/- to defendant No.1. The defendants have executed the documents in its favour.

04. On 10/11-06-2010, defendant No.1 executed registered mortgage-deed in favour of the plaintiff of his land out of consolidation block No.432/3 area 01 H 44 R for cash credit loan of ₹ 1,20,000/-. On 14/06/2010, defendant No.1 executed loan cum hypothecation agreement (ऋण सह दृष्टिबंधक करार) for ₹ 1,20,000/- with the interest thereon at the rate of 7% P.A. in favour of the plaintiff. On 14/06/2010, defendant No.2 & 3 have executed form of guarantee for ₹ 1,20,000/- with interest chargeable thereon by the plaintiff to defendant No.1 and accepted their joint and several liability to pay to the plaintiff the loan amount with interest of defendant No.1. On 14/06/2010, defendant No.1 has also executed Demand Promissory Note in favour of plaintiff and also executed Letter of Continuity for a loan of ₹ 1,20,000/-.

05. The plaintiff thereafter sanctioned the loan of ₹ 1,20,000/- in favour of defendant No.1 and defendant No.1 to 3 are jointly and severally liable to pay the loan amount to the plaintiff. All the documents were explained and read over to the defendants and accordingly they admitted and consented for the same. Thereafter, the loan to defendant No.1 disbursed. Defendant No.1 availed the said loan and agreed to repay the loan on demand.

06. On 21/04/2018, the amount of outstanding/debit balance was ₹ 1,92,456/-. Defendant No.1 agreed to pay the loan amount as on demand. Since defendant No.1 failed to pay the amount of interest regularly, the plaintiff has charged and debited simple interest in the loan account as agreed by defendant No.1. The plaintiff by registered post acknowledgment issued notice to the defendants on 22/11/2017 through its advocate and thereby called upon the defendants to pay the amount of outstanding/debit balance. The said notice served upon them on 27/11/2017. In spite of service of notice, the defendants failed and neglected to pay the due amount. Therefore, the plaintiff has filed present suit against the defendants to recover loan amount of ₹ 1,93,906/- with interest at the rate of 7% per *annum* from 01/04/2022 till its realization and alternatively prayed for permission to sale mortgaged property. Hence, it prayed accordingly.

07. The suit summons served upon the defendants vide Exh.05 on 21/08/2018. Defendant No.1 appeared in the suit on 29/08/2018 vide Exh.06, however, he didn't file his written statement, hence, suit is proceeded without his written statement. Despite of service of summons, defendant No.2 and 3 never turned up. So my learned predecessor passed order below Exh.1 and proceeded the suit *exparte* against the defendant No.2 and 3.

08. Following points are arisen for my consideration. I have recorded my findings with reasons thereon:

Sr. No.	Points	Findings
1.	Whether the plaintiff proves that, defendant No.1 taken the Cash Credit loan of ₹ 1,20,000/- from the plaintiff on 14/06/2010?	In the affirmative.
2.	Whether the plaintiff proves that, Defendant No.2 & 3 have executed a form of guarantee of ₹ 1,20,000/- for defendant No.1?	In the affirmative.
3.	Whether the plaintiff proves that, defendants have failed to repay the loan amount with interest?	In the affirmative.
4.	Whether the plaintiff is entitled for recovery of ₹ 1,93,906/- with interest at the rate of 7% per *annum* as prayed for?	In the partly affirmative.
5.	What order and decree ?	As per final order.

:: <u>REASONS</u> ::

09. The plaintiff has examined PW-1 Bhimrao Kore at Exh.15, however, in spite of sufficient opportunity, the plaintiff failed to lead its further evidence, therefore, my Ld. Predecessor closed its evidence by passing order below Exh.01 on 23/10/2023. Thereafter, the plaintiff set aside evidence close order and filed evidence affidavit of Branch Manager Vikram Nanasaheb Nichal at Exh.38 and closed its evidence by passing order below Exh.01. Along with oral evidence, the plaintiff has relied upon the documents which are as following;

Sr.No.	Document	Exhibit No.
1)	loan cum hypothecation agreement (ऋण सह दृष्टिबंधक करार)	17
2)	Demand Promissory Note	18
3)	Letter of Continuity	19
4)	Form of Guarantee for Advances and Credits Generally	20
5)	Mortgage-deed bearing registration No.1084/2010 dated 11/06/2010 executed between plaintiff and defendant No.1	21
6)	Statement of Loan account No.2021539318 along with certificate u/s.2(a) of Banker's Book Evidence Act	22

7)	Notice dt.13/11/2017 issued to defendant No.1 to 3 by the plaintiff through its legal counsel	23
8)	RPAD receipt of defendant No.1 to 3	24 to 26
9)	RPAD acknowledgment of defendant No.1 to 3	27 to 29
10)	Sanction advise dated 04/05/2010	30
11)	7/12 extract of land Gat No.432/3 of mouje Malegaon, Tal.Barshi Dist.Solapur	31
12)	Power of attorney given by plaintiff bank to Prashant Kumar Gupta	Annexed with list Exh.36
13)	Statement of Loan account No.2021539318 along with certificate u/s.2(a) of Banker's Book Evidence Act for the period from 13/06/2007 to 25/03/2026	Annexed with list Exh.40

10. The defendants have not led the evidence. The evidence of defendants closed by passing order below Exh.1 on 13/02/2024. I have heard to the plaintiff. None appeared on behalf of the defendants for tendering the argument. Hence, I proceeded the suit without the argument of the defendants.

<u>As to point No. 1 to 3:-</u>

11. All these issues are interlinked to each other, therefore, it has taken together for my discussion.

12. The plaintiff has filed examination-in-chief of its authorized person at Exh.15 and Exh.38. He has proved documents filed in support of his pleadings. He has reiterated substantial contents in the plaint in his evidence. He has duly proved documents filed in support of his pleadings. The plaintiff relies upon documents loan cum hypothecation agreement (ऋण सह दृष्टिबंधक करार) (Exh.17), Demand Promissory Note (Exh.18), Letter of Continuity (Exh.19), Form of Guarantee for Advances and Credits Generally (Exh.20), Mortgage-deed bearing registration No.1084/2010 dated 11/06/2010 executed between plaintiff and defendant No.1 (Exh.21), Statement of Loan account No.2021539318 along with certificate u/s.2(a) of Banker's Book Evidence Act (Exh.22), Notice dt.13/11/2017 issued to defendant No.1 to 3 by the plaintiff through its legal counsel (Exh.23), RPAD receipt of defendant No.1 to 3(Exh.24 to 26), RPAD acknowledgment of defendant No.1 to 3 (Exh.27 to 29), Sanction advise dated 04/05/2010 (Exh.30), 7/12 extract of land Gat No.432/3 of mouje Malegaon, Tal.Barshi Dist.Solapur (Exh.31) in support of its case.

13. On perusing of above mentioned documents, it

appears that defendant No.1 made an application to the plaintiff and thereby made a loan cum hypothecation agreement (ऋण सह दृष्टिबंधक करार) (Exh.17) for granting him the Cash Credit loan for agricultural purpose. The said loan is sanctioned by sanction advise (Exh.30). Form of Guarantee (Exh.20) shows that defendant No.2 & 3 undertook the guarantee to pay the loan amount with interest to the plaintiff in case of default committed by the debtor i.e. defendant No.1. The demand promissory note (Exh.18) in which it is mentioned that on demand, the debtor is promised to pay to the plaintiff or order the sum of ₹ 1,20,000/- together with interest on such sum from this date at the rate of 7 % per *annum* with compounded for the value received. Mortgage-deed bearing registration No.1084/2010 dated 11/06/2010 (Exh.21) shows that defendant No.1 has mortgaged his landed property i.e. Gat No.432/3 situated at mouje Malegaon, Tal.Barshi Dist.Solapur to the plaintiff and thereby agreed that if defendant No.1 fails to repay the loan, the plaintiff can take decision of selling or other in respect of repayment of loan amount. Notice dt.13/11/2017 issued to defendant No.1 to 3 by the plaintiff through its legal counsel (Exh.23) shows that defendant No.1 made default in repayment of loan amount and therefore, the plaintiff issued the notice to the defendants for demanding the loan amount, in spite of that the defendants made default in repayment of loan therefore, the plaintiff instituted suit for recovery of the same.

14. As the defendant did not appear and defended the case, allegations in the plaint have gone uncontroverted and unchallenged. I have gone through the documents produced in support of the claim, I do not find any reason to disbelieve case of the plaintiff. I do not find any reason to prima-facie discard documents produced in support of the claim.

15. Thus, from evidence on record and aforesaid supporting documents, it can be held that defendant No.1 obtained Cash Credit loan of ₹ 1,20,000/- from the plaintiff to which, defendant No.2 and 3 took guarantee of defendant No.1 that in default of payment of loan amount, they will repay the same to the plaintiff. The statement of loan account (Exh.22) shows that, defendant No.1 has not repaid the loan amount to the plaintiff.

16. Even otherwise also I do not find that evidence adduced by the plaintiff affects conscience of the court to discard the same in absence of cross examination. Evidence adduced and documents in support as sufficient to prove the case of the plaintiff. Hence, I hold that the plaintiff has proved that defendant No.1 has obtained Cash Credit loan from the plaintiff to which defendant No.2 and 3 are guarantors and defendant No.1 made default and not repaid the loan amount to the plaintiff and defendants are jointly and severally liable to pay the loan amount to the plaintiff. In the result, I answer point Nos. 1 to 3 in the affirmative.

As to point No.4:-

17. The plaintiff asked for the repayment of the loan amount at the rate of 7% per *annum*. However, defendant No.1 has obtained loan for agricultural purpose and not for commercial or any other purpose. Therefore, it would be proper to grant rate of interest at the rate of 6 % per *annum* from the date of institution of the suit till its realization. Thus, I recorded my finding to point No.4 in the partly affirmative.

18. In view of finding to point No.1 to 4, I hold that plaintiff has successfully established its claim by adducing sufficient evidence and thus, the present suit deserves to be partly decreed. Hence, in answer to point No.5, I proceed to pass following order;

ORDER

1. The suit is partly decreed with costs.
2. Defendant No.1 to 3 are directed to pay the amount of ₹ 1,93,906/- jointly or severally to the plaintiff within 02 months from the date of this order.

3. The defendants to pay aforesaid amount along with interest at the rate of 6% per *annum* from the date of institution of the suit till its recovery to the plaintiff.

4. If the defendants fail to comply this order, the plaintiff is at liberty to recover the same from the defendants through the Court.

5. Decree be drawn up accordingly.

(Dictated and pronounced in open Court.)

PADMASHRI VASANT RAUT

Digitally signed by PADMASHRI VASANT RAUT
Date: 2026.04.01 17:11:18 +0530

Barshi. **(Smt. P.V. Raut)**
Date: 31st March, 2026. **Jt. Civil Judge, Jr. Dn., Barshi.**

CERTIFICATE

I affirm that the contents of this PDF file Judgment/Order is same word to word as per the original Judgment / Order

(a)	Name of the Stenographer	:	Shri.S.R. Barangule
(b)	Court	:	Smt. P.V. Raut, Jt.C.J.J.D.&J.M.F.C. Barshi.
(c)	Judgment /Order declared on	:	31/03/2026
(d)	Judgment /Order checked on	:	01/04/2026
(e)	Judgment /Order signed by P.O. on	:	01/04/2026
(f)	Judgment /Order uploaded on	:	01/04/2026