


<u>MHSO180003912025</u> 	Received On	04/03/2025
	Registered On	04/03/2025
	Decided On	20/03/2026
	Duration	1 year, 16 days.
<u>IN THE COURT OF CIVIL JUDGE JR. DIV., MANGALWEDHA, DIST. SOLAPUR</u> <u>(Presided Over By : V.K. Patil)</u>		
<u>REGULAR CIVIL SUIT No. 68/2025</u>		<u>Exhibit No. 28</u>

Bank of Maharashtra A Body corporate constituted under a Banking Company (Acquisition and Transfer of Undertakings) Act 1970 having Its Head Office at Lokmangal, Shivaji nagar, Pune and Branch office amongst place at Bramhapuri Branch, Tq.Mangalwedha, Dist.Solapur, Through its Branch Manager, Mr. Suryakanth Rajanna Kota Age : 38 years, Occ. Service, R/o. Bramhapuri, Tq. Mangalwedha, Dist. Solapur.	<u>Plaintiff</u>
<u>Vs.</u>	
1. Mr. Mahantesh Baswant Patil Age – 32 years, Occ. Agri., 2. Mr. Vijaykumar Baswant Patil Age – 62 years, Occ. Agri., 3. Mr. Baswant Shivappa Patil Age – 71 years, Occ. Agri., All R/o. Borale, Tq. Mangalwedha, Dist. Solapur.	<u>Defendants</u>

<u>Suit for Recovery of Money</u>	
Advocate for the plaintiff	Shri. VB. Jadhav
For defendant no. 1 to 3	Exparte

JUDGMENT
(Delivered on 20th March, 2026)

This suit is filed by the plaintiff bank against its borrower for recovery of loan amount of Rs.3,71,697/- @ 16% per annum.

The suit of the plaintiff is in the nutshell as under -

2. The Plaintiff Bank is a Corporation constituted under the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970. The plaintiff bank is having head office at Lokmangal, Shivajinagar, Pune and also having branches all over the India and one of the branch located at Bramhapuri, Tq. Mangalwedha. Mr.Suryakanth Rajanna Kota, Branch Manager of Plaintiff Bank, who is duly authorized to file the present suit and proceed the suit by the plaintiff bank.

3. Further, the plaintiff has stated in his plaint that, defendant no. 1 approached the bank and requested for sanctioning of crop loan. The plaintiff bank after furnishing requisite documents, sanctioned the loan amount of Rs. 2,74,000/- to defendant no.1 on 30.11.2018. Defendant no. 2 and 3 stand guarantors for the loan to

defendant no.1. Defendant no.1 to 3 have executed demand promissory note, hypothecation cum loan and agreement, common guarantee deed (executed by defendant no.2 and 3), MKCC agreement and balance and security confirmation letter (revival letters) etc. in favour of the plaintiff bank. It is agreed that, the defendants shall pay interest @ 7% per annum alongwith penal interest @ 2%.

4. It is further contentions of the plaintiff that, the defendants made default in payment of loan amount. The plaintiff bank issued notices on several times through advocate calling upon the defendants to repay the loan amount. The defendants neither replied to the notice nor repaid the loan amount. Hence, the plaintiff bank is constrained to file the present suit.

5. The suit summons came to be served upon defendant no.1 to 3 vide Exh. 6 bailiff report. However, they remained absent without sufficient cause and the matter proceeded exparte against them.

6. On the basis of contentions made in the plaint, the following points arose for my determination and my findings thereto as follows-

Sr.No.	POINTS	FINDINGS
1.	Does the plaintiff bank prove that, it advanced crop loan of Rs. 2,74,000/- to defendant no.1 ?	Yes.

2.	Does the plaintiff bank prove that, the defendants made default in repayment of loan amount ?	Yes.
3.	Does the plaintiff bank prove that, defendant no.2 and 3 stood guarantor for the loan amount advanced to defendant no.1 ?	Yes.
4.	Whether the plaintiff bank is entitled to recover the principal amount of Rs. 3,71,697/- @ 16% per annum ?	Yes, as per final order/-.
5.	What order and relief ?	The suit is partly decreed with costs.

REASONS

AS TO POINTS NO. 1 TO 5 :-

7. These points are interlinked to one another, in order to avoid repetition and for the purpose of achieving brevity same are discussed together. Ld. advocate V.B. Jadhav for the plaintiff argued that, the matter be decided on its merit.

8. The suit is proceeded ex parte against the defendants, however, it does not relieve the plaintiff from discharging the burden lies on it. Mr. Suryakanth Rajanna Kota, Branch Manager of Plaintiff Bank, who is authorized person of the bank in the instant suit. He in the affidavit of examination in chief at Exh. 9 reproduced the contents of the plaint. The sum and substance of the evidence of this witness is that, defendant no. 1 approached the bank and requested for sanctioning of crop loan. The plaintiff bank after furnishing requisite documents, sanctioned the loan amount of

Rs.2,74,000/- to defendant no.1 on 30.11.2018. Defendant no. 2 and 3 stand guarantors for the loan to defendant no.1. Defendant no.1 to 3 have executed demand promissory note, hypothecation cum loan and agreement, common guarantee deed (executed by defendant no.2 and 3), MKCC agreement and balance and security confirmation letter (revival letters) etc. in favour of the plaintiff bank. It is agreed that, the defendants shall pay interest @ 7% per annum alongwith penal interest @ 2%. This witness has proved in his evidence following documents -

Sr.No.	Documents	Exh.No.
i	7/12 extract	12
ii	Loan application	13
iii	Sanction letter	14
iv	Demand promissory note	15
v	Hypothecation deed	16
vi	Guarantee deed	17
vii	Agreement of MKCC	18
viii	Balance of security confirmation letter	19
ix	Account statement	20
x	Interest statement	21
xi	Certificate of Bankers Books Evidence Act with sec.65B of Indian Evidence Act.	22
xii	Certificate under I.T. Act	23
xiii	Legal Notice	24
xiv	Acknowledgement receipt	25
xv	Authority letter	26

9. It appears from the loan application at Exh. 13 that, defendant no.1 approached the bank for crop loan. The account

extract of defendant no. 1 at Exh.20 and 21 show that, defendant no. 1 is in arrears of Rs.3,71,697/-. The plaintiff bank issued notice at Exh. 24 to the defendants for the repayment of loan amount. These documents corroborate the suit of the plaintiff that loan amount of Rs.2,74,000/- sanctioned (Exh.14) to defendant no.1 and he is in arrears of Rs.3,71,697/-. Thus, the plaintiff has been able to prove the fact that, it sanctioned loan amount of Rs.2,74,000/- to defendant no.1 and he is in arrears of Rs.3,71,697/-.

10. Now, the question arises as to the rate at which the defendants are liable to pay interest. The agreed rate of interest between the parties is 7% per annum along with penal interest @ 2%. Though the plaintiff has claimed interest @ 16% per annum, the said claim appears to be excessive and not in consonance with the contractual terms. Considering that the loan in question is a crop/agricultural loan, it would be just and proper to hold that the defendants are liable to pay interest at the agreed rate of 7% per annum, rather than the enhanced rate claimed by the plaintiff.

11. Section 34 of the Code of Civil Procedure, 1908 confers discretion upon the Court regarding the award of future interest, which is required to be exercised judiciously. The Constitution Bench of the Hon'ble Supreme Court in Central Bank of India vs. Ravindra and others (2002) 1 SCC 367 has held that *the Court has discretion to award reasonable interest depending upon the facts*

and circumstances of each case. In the present case, considering that the loan was sanctioned for agricultural purpose and the agreed rate of interest is 7% per annum, it would be appropriate to award future interest @ 6% per annum from the date of suit till realization, in order to meet the ends of justice.

12. Thus, the plaintiff Bank is entitled to recover Rs.3,71,697/- from the defendants. Defendant no.2 and 3 being guarantors are equally liable to pay the loan amount. Hence, the suit is to be partly decreed. The defendants have not repaid the loan amount and hence, the suit was required to be instituted. Thus, they have to bear the costs of suit. Hence, I answer the point no.1 to 4 in affirmative and in answer to point no.5, I pass the following order-

ORDER

1.	The suit stands partly decreed with costs.
2.	Defendant no. 1 to 3 jointly and severally liable to pay the Plaintiff Bank loan amount of Rs. 3,71,697/- @ 7% per annum from the date of institution of suit till passing of decree and thereafter, @ 6% per annum till its realization.
3.	The judgment is dictated and pronounced in the open court.

Date : 20/03/2026

(V.K. Patil)
Civil Judge J.D., Mangalwedha.

CERTIFICATE

I affirm that the contents of this P.D.F file Judgment are same word for the word as per original Judgment.

Name of Steno :- Smt. S.M. Gaddam, Steno L.G.

Court Name :- Smt. V.K. Patil,
Civil Judge J.D., Mangalwedha.

Date of decision. :- 20/03/2026

P. O. signed on :- 20/03/2026

Judgment uploaded on :- 24/03/2026