Received on : 13.09.2022
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Decided on : 06.02.2023
Duration : Y M D
00 04 24

IN THE COURT OF CIVIL JUDGE, SENIOR DIVISION
SHRIRAMPUR, DIST. AHMEDNAGAR.
(Presided over by D.P. Kasat)

Special Civil Suit No.113/2022 **Exh.20**
(CNR No. MHAH05-000724-2022)

Canara Bank,
A body corporate Constituted under
The Banking Companies Act. (Acquisition
and transfer of undertaking Act, 1970)
and having it's head office at "Bangalore"
in Karnataka State, and it's branches
amongst other places including at
Wadalamahadeo, Tal. Shrirampur,
Dist. Ahmednagar.
Through its Branch Manager,
Ganesh Lalaji Pandit,
Age - 32 years, Occ. - Service,
R/o – Wadalamahadeo,
Tal. Shrirampur, Dist. Ahmednagar. .... **Plaintiff**

Versus

1. Pravin Kailas Pawar,
Age - 25 years, Occ.- Agricultural,

2. Dnyaneshwar B. Pawar,
Age - 26 years, Occ.- Agricultural,
Both are R/o - Wadalamahadeo,
Tal.Shrirampur, Dist.Ahmednagar. .... **Defendants**

Suit : For Recovery of amount of Rs.7,36,773/-.

For Plaintiff	**:**	**Adv. Shri. B.L. Tambe,**
For Defendant	**:**	**Ex-parte.**

JUDGMENT
(Delivered on 06.02.2023)

This is a suit for recovery of amount.

2. In short, the case of the plaintiff is that, it is a Banking Company, constituted under the Companies Act, 1970, having its head office at Bangalore, regional office at Aurangabad and various branches including a branch at Wadalamahadeo, Tal.Shrirampur, Dist.Ahmednagar. Its officer namely Ganesh Lalaji Pandit, the Manager, is authorized to file and conduct this suit. The defendant No.1 requested the plaintiff Bank for Kisan Credit Card loan of Rs.3,50,000/-. The plaintiff Bank agreed to sanction them a loan of Rs.3,50,000/-, on the terms and conditions that, they shall execute an agreement, deed of Kisan OD, shall give one guarantor and shall pay interest at the rate of 11.75% per annum with monthly rests. Accordingly, the defendant No.1 executed the necessary loan documents in favour of the plaintiff Bank and the defendant No.2 stood as a guarantor to the said loan. Accordingly, after disbursing the loan amount to the defendant No.1, the plaintiff Bank has maintained the account of them. However, the defendant No.1 being principal borrower and defendant No.2 being guarantor, failed to repay the amount as agreed

and accordingly the plaintiff Bank is entitled to claim future interest on the entire claim at the rate of 13.75% per annum, as per prevailing interest rate. The plaintiff Bank demanded the repayment of the outstanding amount to the defendants, however, they failed to repay the same and therefore, it is constrained to file this suit.

3. Even after due service of suit summons, the defendant Nos.1 & 2 remained absent and accordingly the matter proceeded against them ex-parte.

4. On the basis of the contentions raised by the plaintiff Bank, following points arise for determination, to which findings are recorded followed by reasons there under.

No.	Points	Findings
1	Does plaintiff prove that, the defendants are in arrears of Rs.7,36,773/- ?	Yes
2	Is the plaintiff entitled to recover the amount as prayed along with interest ? If yes, at what rate ?	Yes, along with interest @6% per annum on principal amount only.
3	What order and decree ?	As per final order.

REASONS.

As to Points No. 1 & 2 :-

5. In support of its claim, the plaintiff Bank has examined its authorized officer Ganesh Lalaji Pandit, by way of affidavit of examination in chief at Exh.8 and closed its evidence by pursis Exh.19. Apart from this oral evidence, the plaintiff has placed on record various documents such as, loan application at Exh.9, sanction letter at Exh.10, agreement and deed for Kisan OD at Exh.11, simple mortgage deed at Exh.12, guarantee covering letter at Exh.12A, guarantee agreement at Exh.13, acknowledgement of debt and security at Exhs.14 & 15, office copy of notice at Exh.16, postal acknowledgement at Exh.17 and account statement at Exh.18.

6. Heard Learned advocate Shri. B.L. Tambe appearing on behalf of plaintiff Bank. The learned advocate of the plaintiff submitted that, the plaintiff Bank has placed on record entire evidence. Accordingly, he has contended that, the plaintiff has succeeded to prove its claim and entitled for the decree of the suit.

7. In this background, at the outset, it is essential to mention here that, the entire evidence placed on record by the plaintiff bank has remained unrebutted for want of challenge at the hands of defendants.

8. So also, at this juncture, perusal of the documents show that the defendant No.1 has applied for loan from the plaintiff Bank on 04.01.2016. It also appears form these documents that, the defendant has executed the agreement for agricultural loan and other loan documents in favour of the plaintiff Bank. It also appears from these documents that, accordingly, the loan amount of Rs.3,50,000/- was disbursed in the account of defendant No.1, by the plaintiff Bank. It also becomes clear from the acknowledgements at Exhs.14 & 15 that, on 24.12.2021 the defendants have acknowledged the outstanding amount of Rs.6,68,994/-. It also appears from the account extract at Exh.18 that, as on 05.07.2022 an amount of Rs.7,11,520/- is outstanding towards the defendants. As such, it becomes clear that after applying the interest, and miscellaneous charges, the total outstanding amount on the date of filing of suit i.e. on 13.09.2022 comes to Rs.7,36,773/-.

9. As such, it becomes clear from the evidence on record that the defendants are in arrears of an amount of Rs. 7,36,773/- on the date of filing of suit. It is also significant to note here that, perusal of the loan documents categorically show that the defendants have agreed to pay interest at the rate of 11.75% per annum.

10. However, at this juncture, a glance towards the

guidelines given by Hon'ble Supreme Court in the case of ***Corporation Bank and another Vs. D.S. Gowda and another*** reported in ***II (1994)BC 613 (SC)*** and ***Jayant Verma and ors. Vs. Union of India and ors.*** reported in ***2018 STPL 2490 SC*** and Hon'ble Bombay High Court in the case of ***Mahadeo Rama Bhonsle and others Vs. Central Bank of India and another*** reported in ***1997 (2) B.C.J. 458*** and ***State Bank of India Vs. Shri Umanath Ganpat Nadkarni and others*** reported in ***1999(3) Bom.C.R. 696*** is material.

11. In this matter, though the plaintiff bank has claimed interest at the rate of contractual rate and future interest by applying penal interest, in view of the guidelines laid down in above referred case laws, this being an agricultural loan, it would be just and proper to award interest at contractual rate till the date of suit and at the rate of 6% per annum from the date of suit till complete realization. So also, it would be just and proper to charge the interest at the rate of 6% only on the principal amount disbursed by the plaintiff Bank to the defendant No.1. Accordingly, the points under determination are answered and in answer to point no.3, following order is passed.

ORDER

1. Suit is hereby decreed with costs.

2. The Defendants shall pay jointly and

severally an amount of Rs.7,36,773/- to the plaintiff bank, along with interest @ 6 % per annum with yearly rests on the principal loan amount of Rs.3,50,000/- from the date of filing this suit, till complete realization of amount.

3. Decree be drawn up accordingly.

(Pronounced in open Court.)

DISTRICT COURTS MAHARASHTRA

Digitally signed by DATTAPRASAD PANDURANG KASAT
Date: 2023.02.06 18:22:57 +0530

(D.P. Kasat)

Date : 06.02.2023 **Civil Judge, Senior Division**
Shrirampur.

CERTIFICATE

I affirm that, the contents of this PDF file judgment are same word to word, as per the original.

Name of the Court	:	Civil Court, Senior Division, Shrirampur, Dist.Ahmednagar.
Name of Stenographer	:	Ajinath A. Padalkar.
Date of Judgment	:	06.02.2023.