IN THE DEBTS RECOVERY TRIBUNAL II, KARNATAKA AT BENGALURU

Dated this 17th Day of April, 2026

Present: Sri. T. RAJESH
Presiding Officer

OA.No.1058/2023

BETWEEN:

Canara Bank
Raichur main-1 Branch
Opp.- Vishal Mart, Lingasugur Road,
Near Chandramouli Circle
Raichur – 584 101

Through its Chief Manager
Mr. B Suresh Kumar **...APPLICANT**

AND:

1. Sri. Chinnayya
S/o. late Nagappa
R/a: Sarjapura, taluk &
Dist. Raichur

2. Shri Doddaramulu
S/o. late Nagappa
R/a: Sarjapura, taluk &
Dist. Raichur **...DEFENDANTS**

Counsel on record/appeared for:

Applicant	: VS Associates
Defendants	: Ex parte

FINAL ORDER

1. The present Original Application in short (OA) has been filed under section 19 of Recovery of Debts and Bankruptcy Act 1993 seeking for issuance of Recovery Certificate against the defendants for Rs 88,12,092/- (Rupees Eighty-Eight Lakhs Twelve Thousand and Ninety-Two Only) with further interest thereon from the date of filing the Application till realization.

2. It is the case of the applicant that, the defendants are availed the following credit facilities:

- Agricultural loan of Rs. 6,40,000/- (Rupees Six Lakhs Forty Thousand Only).
- Agricultural loan of Rs. 1,50,000/- (Rupees One Lakh Fifty Thousand Only) for purpose agricultural.

3. It is also the case of the applicant that, in view of the above availed loans, the defendants executed the necessary loan document along with simple mortgage deed.

4. It is further contended that, despite availing the credit facilities, agreeing to service the loan amount promptly and regularly, the defendants failed in complying the same, resulting in default in repayment and consequentially turning the loan accounts as NPA.

5. In the above circumstances, the applicant approached this Tribunal by filing this OA seeking issuance of Recovery Certificate for the amount due in the account.

6. Despite, service of summons on the defendants, they failed to appear, resulting the defendants being set ex parte on 16.10.2025.

7. The applicant had let in evidence through AW-1, who filed Proof Affidavit reiterating the contentions taken in the OA and also produced Exhibits A-1 to A-8 and got the same marked in evidence.

8. Heard the Ld. Counsel for the Applicant and considered the contentions as taken in the OA in the light of documentary evidence and proof affidavit.

9. The following issues arise for consideration in this matter:

i) Whether the applicant had succeeded in proving the OA claim as against the defendants?

ii) What order are to be passed?

Both these issues are gone into and decided together.

10. The case put forth by the applicant in the Application remains unrebutted as defendants remained ex parte. The evidence tendered by the applicant remains uncontroverted and undisputed. The evidences put forth by the applicant were found admissible and are sufficient to prove availment of credit facilities as stated in the OA, creation of the security interest and the defaults committed in the accounts. The liability of the defendants and the claim of the amount due are also proved by the above document. The claim of the

applicant is well within the limitation.

11. Hence in view of the findings arrived herein above, the Tribunal find both these issues are in favour of applicant and hence, this Tribunal is of the view that OA is to be allowed.

12. Taking into consideration the facts that the credit facilities is availed for Agricultural purpose and also that the OA claim is arrived at by calculating interest at the agreed rate, this Tribunal is the view that the OA can be allowed with a reduced interest of 6.00% (simple).

13. In the result, OA.No.1058/2023 stands allowed,

The applicant is allowed to recover an aggregate sum of Rs. 88,12,092/- (Rupees Eighty-Eight Lakhs Twelve Thousand and Ninety-Two Only) with further interest @6.00 % p.a.(simple) from the date of filing OA till the realization, from the defendants jointly, severally and personally, after giving credit to all the amounts recovered and received during the pendency of the OA and allowed the same to be recovered by proceeding against the schedule properties. Properties schedule to the OA be the schedule to the recovery certificate.

ii) If the sale proceeds are not found sufficient to cover the amount due and payable to the applicant bank, the defendants jointly, severally and personally and their assets are liable for all such amounts due under the loan accounts.

iii) The applicant bank is allowed cost of the proceedings which applicant to file cost memo within 7 days from the date of receipt of the order.

iv) The Recovery Certificate to be drawn in terms of this order and transferred to Recovery for execution.

v) Interim application pending, if any, stands disposed of in terms of this final order.

14. Communicate a copy of the order to the parties concerned in terms of Section 19(21)(i) of the RDB Act, read with Rule 16 of DRT (Procedure) Rules, 1993.

[Dictated to the Stenographer (HS), transcribed by her, corrected and signed and pronounced by me in the Open Court, this the 17th Day of April, 2026].

Sd/-
(T. RAJESH)
PRESIDING OFFICER

ANNEXURES

WITNESSES EXAMINED FOR THE APPLICANT BANK:

AW-1 K Shiva Prasad, S/o. Rangappa, Manager, of Applicant Bank.

Exhibits on the part of the Applicant:

Exhibit Nos.	Particulars of Documents
A1	Loan application dated 29.05.2004

A2	Loan application dated 19.10.2004
A3	Memorandum of agreement for agricultural loan dated 31.05.2004
A4	Simple mortgage deed dated 06.05.2004
A5	Letters of revivals dated 25.01.2007, 21.08.2009, 21.08.2010, 20.08.2013, 10.07.2016 & 05.05.2019
A6	Letters of revivals dated 04.10.2007, 21.08.2009, 09.08.2012, 08.08.2015, 06.05.2017 & 05.04.2019, 28.03.2022
A7	Notice dated 15.03.2022
A8	Originals of statement of accounts pertaining to the defendant's loan accounts statement no.

Witness Examined for the Defendants: -Nil -

List of Documents Exhibited for the Defendants: -Nil -

Sd/-
(T. RAJESH)
PRESIDING OFFICER