

KADG520023012025



Presented on : 06-09-2025  
Registered on : 06-09-2025  
Decided on : 28-03-2026  
Duration : 0 years, 6 months, 22 days

IN THE COURT OF THE PRL.CIVIL JUDGE & JMFC.,  
AT HONNALI.

Dated: This the 28<sup>th</sup> day of March, 2026.

Present:

Sri.Devadas H. B.A., LL.B.,  
Prl.Civil Judge & JMFC.,  
Honnali.

O.S.No.275/2025

Plaintiff : Karnataka Bank Limited  
Having its Registered Head Office  
at Mahaveer Circle  
Kankanady in Mangaluru.  
Represented by its Branch Manager  
Kundur Branch, Kundur Village  
Honnali Taluk, Davangere District.  
(By Pleader Sri.SK., Advocate)

Vs

Defendant : 1. Nagaraja H. S/o K.Hanumanthappa  
Aged about 48 Years.

2. Ramesh S.H. S/o Hanumanthappa

Aged about 50 Years.

Both are R/o: Kunduru Village

Honnali Taluk.

(Exparte)

\* \* \*

1. Date of institution of the suit : 06.09.2025
2. Nature of the suit : Recovery of money
3. Date of the commencement of  
the recording of the evidence : 19.11.2025
4. Date on which the Judgment  
was pronounced : 28.03.2025

: J U D G M E N T :

The plaintiff's Bank has institute the present suit against the defendants seeking for a relief of recovery a sum of Rs.1,40,098.90/- together interest at the rate of 17.85% per annum from the date of suit to till the date of realization and such other reliefs.

2. The brief facts of the plaintiff's bank suit as follows :-  
The defendants have approached the plaintiff's bank and requested for financial assistance an amount of Rs.42,500/- for the purpose of purchasing the bullocks and after negotiations the plaintiff's bank had sanctioned the loan and advanced an amount of Rs.42,500/- to the defendants and the defendants have agreed to repay the said loan amount in 3 yearly installments of Rs.14,000/-, Rs.14,000/- and Rs.14,500/- together with interest at the rate of 10.75% per annum and the

defendants also agreed and undertaken that if they are failed to repay the loan amount within a stipulated period, then the defendants are liable to pay penal interest at the rate of 5% per annum.

3. Further averred that, on 22.08.2013 the defendants have executed term loan agreement, hypothecation agreement and other necessary documents and declaration in favour of the plaintiff's bank and also the acknowledgment of debts in favour of the plaintiff's bank.

4. It is further averred that, subsequently, the plaintiff's Bank has repeatedly approached the defendants and demanded for repayment the loan availed by them, but the defendants did not repaid the loan amount and postponed the same by given one or other best known reasons. It is further averred that, the defendants are liable to pay total an amount of Rs.1,40,098.90/- along with interest. Hence, the plaintiff has filed the present suit seeking for a sum of Rs.1,40,098.90/- along with interest at the rate of 17.85% and prayed to decree the suit.

5. In response to the suit summons the defendants were remained absent, hence placed ex-parte.

6. On the basis of the plaint averments and documents available on record following points would arise for the determination of this Court:

1. Whether the Plaintiff's bank proves that the

defendants have obtained loan as averred in the plaint and they have failed to repay the loan amount along with interest?

2. Whether the Plaintiff's bank is entitled for the suit claim with interest as sought for?

3. What order or decree?

7. In support of the suit of the plaintiff's bank, the Branch Manager of the Plaintiff's Bank has examined as PW1 and got marked Ex.P1 to Ex.P9. Since the defendants are placed ex-parte and thereby cross of PW1 is taken as no cross.

8. Heard the argument addressed by the learned counsel for the plaintiff's bank.

9. The findings of this Court on the above said Points are as under:

POINT No.1 : In the Affirmative

POINT No.2 : Partly in the Affirmative

POINT No.3 : As per the final order for the following :

#### R E A S O N S

10. POINT No.1 : It is pertinent note that, the defendant has approached the plaintiff's bank and requested financial assistance an amount of Rs.42,500/- for the purpose of purchasing the bullocks. Further, the defendants after obtained

the loan amount they have agreed and undertaken that they would repay the loan amount along with interest at the rate of 10.75% per annum and if they have failed to repay the said amount within stipulated period then they would be liable to pay the penal interest at the rate of 5% per annum and executed necessary documents and also executed hypothecation agreement and other documents as contemplated under the law. Further, thereafter the defendants have failed to repay the loan amount along with interest even though the plaintiff's Bank approached them and demanded to repay the loan amount and the defendants postponed the same by given the one or other reasons.

11. Furthermore, the plaintiff's bank in order to substantiate their relief, the plaintiff's Bank Manager examined as PW1 by filing chief affidavit lieu of his examination and wherein reiterated the plaint averments and in support of oral evidence produced 9 documents which have been marked as Ex.P1 to Ex.P9 i.e., Ex.P1 is the sanction order, Ex.P2 is the term loan agreement, Ex.P3 is the Hypothecation agreement, Ex.P4 is declaration, Ex.P5 & Ex.P6 are the consent letters, Ex.P7 is the Annexure-II, Ex.P8 is acknowledgment of debt and Ex.P9 is Bank statement. Since the defendants have placed ex-parte and thereby cross of PW1 is taken as no cross.

12. During the course of argument the learned counsel for the plaintiff's bank argued that, the defendants have obtained the loan amount from the plaintiff's bank and after

obtained the loan amount agreed and undertaken that they would repay the loan amount along with interest and subsequently, the defendants have failed to repay the loan amount. Hence, the plaintiff's bank has filed the present suit and prayed to decree the suit.

13. On perusal of the oral evidence as well as documentary evidence it is revealed that, Ex.P1 is the sanction order and the plaintiff's bank has sanctioned loan amount of Rs.42,500/- to the defendants and the defendants also agreed and undertaken that they would repay the said amount within a stipulated period and also agreed that to pay the interest at the rate of 10.75% per annum and also agreed and undertaken that if they have failed to repay the loan amount within a stipulated period then they would be liable to penal interest at the rate of 5% per annum. Further Ex.P2 to Ex.P7 which are executed by the defendants in favour of the plaintiff's bank and Ex.P9 is the bank statement wherein the defendants are liable to pay an amount of Rs.1,38,098.90/- to the plaintiff's bank. Further after service of the suit summons the defendants did not appear before this Court and they have been placed *ex parte* and the evidence of PW1 and Ex.P1 to Ex.P9 are remained unchallenged.

14. Therefore, this Court came to the conclusion that, the defendants have obtained the loan amount from the plaintiff's bank and executed the necessary documents as per Ex.P2 to Ex.P8 and the defendants are liable to repay the loan amount as per Ex.P9. Hence, the plaintiff's bank has successfully established

by placing reliable and cogent evidence that, the defendants have obtained the loan amount from the plaintiff and after failed to repay the loan amount. Further, as per Ex.P9 the defendants are liable to pay total an amount of Rs.1,38,098.90/-. Under such circumstances, this Court has answered Point No.1 in the Affirmative.

15. Point No.2 : The plaintiff's bank has sought for interest at the rate of 10.75% per annum from the date of the suit till the date of realization. The loan advanced to the defendants are public money, but the defendants have failed to repay the same as agreed by them. Further this Court is of the opinion that, this is loan for the purpose of purchasing the bullocks, hence by considering the position of the defendants in these days, interest at 6% per annum from the date of the suit till the date of realization on the principal an amount of Rs.42,500/-. Under such circumstances this Court is of the opinion that, the defendants are liable to pay interest at the rate of 6% per annum from the date of suit to till the date of realization of the decretal amount to the plaintiff's bank. Hence, this Court has answered Point No.2 Partly in the Affirmative.

16. Point No.3 : For the aforesaid discussion on the Points No.1 and 2, this Court proceeds to pass the following:

#### O R D E R

The suit of the Plaintiff's bank is hereby partly decreed with cost.

The defendants are liable to pay an amount of Rs.1,38,098.90/- to the plaintiff's bank together with the future interest at the rate of 6% p.a. upon the principal amount of Rs.42,500/- from the date of suit till the date of realization within a period of 6 months from the date of this order.

If the defendants have failed to pay the decretal amount within the period of six months from the date of this Order, then the Plaintiff's Bank is at liberty to approach the Court in accordance with law.

Office to draw decree accordingly.

[Dictated to the stenographer directly on computer, typed by her, corrected and then pronounced by me in the open court on this day of 28<sup>th</sup> March 2026]

(Devadas H.)  
Prl.Civil Judge and JMFC.,  
Honnali.

#### ANNEXURE

1. Witness examined on behalf of plaintiff:

PW1 : Kishore Kumar N.

2. Documents marked on behalf of plaintiff:

Ex.P1 : Sanction order

Ex.P2 : Term loan agreement

Ex.P3 : Hypothecation Agreement

- Ex.P4 : Declaration
- Ex.P5 & 6 : Consent letters
- Ex.P7 : Annexure-II
- Ex.P8 : Acknowledgment of debt
- Ex.P9 : Bank statement

3. Witnesses examined on behalf of defendants : Nil.

(Devadas H.)  
Prl.Civil Judge and JMFC.,  
Honnali.

(Judgment pronounced in the open court vide separate order)

O R D E R

The suit of the Plaintiff's bank is hereby partly decreed with cost.

The defendants are liable to pay an amount of Rs.1,38,098.90/- to the plaintiff's bank together with the future interest at the rate of 6% p.a. upon the principal amount of Rs.42,500/- from the date of suit till the date of realization within a period of 6 months from the date of this order.

If the defendants have failed to pay the decretal amount within the period of six months from the date of this Order, then the Plaintiff's Bank is at liberty to approach the Court in accordance with law.

Office to draw decree accordingly.

Prl.Civil Judge and JMFC.,  
Honnali.

