

KAMS300022322025



**IN THE COURT OF I ADDITIONAL SENIOR CIVIL JUDGE
AND JMFC, HUNSUR**

Dated this the 24th day of March, 2026

:: PRESENT ::

Smt. Bhagyamma, B.Com., LL.B.,
I Addl. Senior Civil Judge & JMFC,
Hunsur

O.S./355/2025

PLAINTIFF:

Karnataka Grameena Bank,
having its Head Office at
Ballari and number of
branches in Mysore, Hassan
and other districts,
Represented by
The Branch Manager,
Karnataka Grameena Bank,
Thattekere Branch,
Br. Code No.12517,
Hanagodu Hobli,
Hunsur Taluk,
Mysore District.

(By Sri **BBL**, Adv.,)

-Vs-

DEFENDANTS:

1. Annamma,
W/o late Thomasappa,
Aged about 88 years,
Agriculturist,

2. Santhosh Kumar,
S/o late Lukas,
Aged about 32 years,
Agriculturist,
3. Aralappa,
S/o late Thomasappa,
Aged about 64 years,
Agriculturist,
4. Rayappa,
S/o late Thomasappa,
Aged about 55 years,
Agriculturist,
5. Klera,
D/o late Thomasappa,
Aged about 52 years,
Agriculturist,
6. Lurdu Mary,
D/o late Thomasappa,
Aged about 49 years,
Agriculturist,
7. Rajina Mary,
D/o late Thomasappa,
Aged about 46 years,
Agriculturist,
8. Sathish Kumar,
S/o late Lukas,
Aged about 30 years,
Agriculturist,
9. Shanthappa,
S/o late Inasappa,
Aged about 55 years,
Agriculturist,

All are R/at Kudluru Village,

: JUDGMENT ::

The Plaintiff bank has filed this suit for the relief of decree for recovery of an amount of Rs.6,66,496/- with interest at the rate of Rs.14.50% p.a. from the date of suit till the realization and costs.

2. Description of schedule property:

Agricultural land bearing Sy.No.63 measuring 3-00 acres situated at Kudluru Village, Hanagodu Hobli, Hunsur Taluk, bounded on:

East by - Lands of Anthonamma
West by - Lands of Joseph Mary
North by - Lands of Anthappa
South by - Road

3. The plaint averments as averred in the plaint is as under:

The Plaintiff is a statutory body and carrying of banking business with its Head Office at Ballari and also the Branches in Mysore, Hassan and Other Districts. It is pleaded that the 1st defendant is mother of defendants No-3 to 7 and late Lukas. The 2nd and 8th Defendants are sons of late Lukas. The defendants-1 & 2 jointly approached the Plaintiff's Bank for financial assistance for the purpose of Agricultural Crop Loan and filed a loan application on 26-12-2017. As a security the defendants-1 to 8 jointly executed registered Simple Mortgage Deed dated 01-01-2018 in favour of the Plaintiff Bank and mortgaged the suit schedule property for a sum of Rs.4,30,000/-. As a security the Defendants-1 & 2 jointly executed a Mortgage

Agreement Deed (Adamana Pathrada Kararu) dated 05-01-2018 for a sum of Rs.2,50,000-00 creating a charge over the suit schedule Property in favour of the Plaintiff Bank. Afterwards, they jointly executed a Terms and Condition Letter dated 05-01-2018 and agreed to repay with interest at 7% P.A. or as per the rates that may be revised from time to time charge on compounded annually as per Practice and Procedure of the bank and also as per the agreement. Later, the Plaintiff Bank sanctioned the loan of Rs.2,50,000/- on 05-01-2018 in A/c No-85051291156 and the defendant-1 and 2 withdrawn the same. Further, the defendants-1 & 2 jointly executed a Letter of Revival dated 23-12-2020 and 18-12-2023 in favour of the Plaintiff Bank. Thereafter, the defendants-1 & 2 are irregular in making payment of said loan instalments and still due sum of Rs.3,66,188/- outstanding as on 12-08-2025 as per statement of account.

4. Second Loan: On the same day, i.e., dated 26-12-2017, the Defendants-1 & 2 jointly approached the Plaintiff's Bank for the purpose of Agriculture Term Loan and filed a loan application. The plaintiff Bank considered the application and as security the Defendants-1 & 2 jointly executed a Mortgage Agreement Deed (Adamana Pathrada Kararu) dated 05-01-2018 for a said sum of Rs.50,000/- creating a charge over the suit schedule Property in favour of the Plaintiff Bank and jointly executed a Terms and Condition Letter on the same day by agreeing to repay with interest at 11.75% P.A. or as per the rates that may be revised from time to time charge on compounded annually.

The Plaintiff Bank sanctioned the loan amount of Rs.50,000/- on 05-01-2018 in A/c No.85051290753 and the defendant-1 and 2 withdrawn the same. They jointly executed Letter of Revival on 23-12-2020 and 18-12-2023 in favour of the Plaintiff Bank. Thereafter, the defendants-1 & 2 are irregular in making payment of said loan instalments and still due a sum of Rs.72,309/- outstanding as on 12-08-2025 as per the statement of account.

5. Third Loan : On the same day i.e., dated 05-01-2018 the Defendants-1 & 2 approached the Plaintiff's Bank for financial assistance for the purpose of Agri Personal Loan under the guarantee of 9th Defendant by filing loan application. The plaintiff Bank considered the above loan application and as a security the Defendants-1 & 2 jointly executed a Personal Loan Agreement Deed dated 05-01-2018 for a said sum of Rs.50,000/-. As a security the defendant No.9 executed a Guarantee Agreement for Personal Loan dated 05-01-2018 for a said sum of Rs.50,000/-. Further the Defendants-1, 2 & 9 jointly executed a Terms and Condition Letter dated 05-01-2018 in favour of the Plaintiff Bank. Afterwards, the Defendants-1, 2 & 9 jointly executed Demand Promissory Note dated 05-01-2018 in favour of the Plaintiff Bank. The Defendants-1 & 2 agreed to repay the said loan amount with interest at 14.25% P.A. or as per the rates that may be revised from time to time charge on compounded annually as per Practice and Procedure of the bank and also as per the agreement. The Defendants-1 & 2 signed a letter of terms

and conditions to that effect on 05-01-2018. Afterwards, the Plaintiff Bank sanctioned the loan amount of Rs.50,000/- on 05-01-2018 in A/c No-85051288315. In turn, the Defendants-1 & 2 borrowed the said loan amount by withdrawing the same for the said loan account opened by them in the plaintiff Bank commencing from 05-01-2018. Afterwards, the Defendants-1 & 2 jointly executed a Letter of Revival dated 23-12-2020 and 18-12-2023 in favour of the Plaintiff Bank. After borrowing the said Loan the Defendants-1 & 2 are irregular in making payment of said loan instalments and still due to the plaintiff Bank a sum of Rs.94,639/- outstanding as on 01-05-2025 as per the statement of account dated 20-08-2025.

6. Fourth Loan: The Defendants-1 & 2 further jointly approached the Plaintiff's Bank for financial assistance for the purpose of Agriculture Term Loan by filing loan application on 27-02-2018 and the Bank considered the said loan application. As a security the Defendants-1 & 2 jointly executed a Mortgage Agreement Deed (Adamana Pathrada Kararu) dated 01-03-2018 for the said sum of Rs.50,000/- by creating a charge over the suit schedule Property. The defendants-1 & 2 jointly executed a Terms and Condition Letter dated 01-03-2018 in favour of the Plaintiff Bank by agreeing to repay with interest at 11.75% P.A. or as per the rates that may be revised from time to time charge on compounded annually as per the agreement. The Plaintiff Bank sanctioned the loan amount of Rs.50,000/- on 01-03-2018 in A/c No-85052232440 and

the Defendants-1 & 2 withdrawn the same and later they jointly executed a Letter of Revival dated 23-12-2020 and 18-12-2023 in favour of the Plaintiff Bank. Later, the Defendants-1 & 2 are irregular in making payment of said loan instalments and still due sum of Rs.75,768/- outstanding as on 12-08-2025 as per statement of account.

7. Fifth Loan: In addition, the defendants-1 & 2 approached the Plaintiff's Bank for financial assistance for the purpose of Fuel Loan by filing loan application under the guarantee of 9th Defendant dated 13-03-2019 and the bank considered the said loan application. The defendants-1 & 2 jointly executed a Terms and Condition Letter on 13-03-2019 and the Defendants-1, 2 & 9 jointly executed Demand Promissory Note dated 13-03-2019 in favour of the plaintiff Bank. The defendants-1 & 2 agreed to repay the said loan amount with interest at 11.75% P.A. or as per the rates that may be revised from time to time charge on compounded annually and as per the agreement. The Defendants-1 & 2 signed a letter of terms and conditions to that effect on 13-03-2019 and the Bank sanctioned the loan amount of Rs.30,000/- on 13-03-2019 in A/c No.85060281125 and the Defendants-1 & 2 withdrawn the same for the said loan account opened by them in the plaintiff Bank commencing from 13-03-2019. Subsequently, the Defendants-1 & 2 jointly executed a Letter of Revival dated 14-12-2021 and 05-11-2024 in favour of the Plaintiff Bank and they are irregular in making payment of said loan installments and still due a sum of Rs.57,592/- outstanding as on 12-08-

2025 as per the statement of account. After borrowing the said Loan amount the 1st defendant is irregular in making payments of said loan amount with interest. Hence, the plaintiff bank has issued a registered Legal Notice through its Panel Advocate to the Defendants -1, 2 and 9 on 27-01-2025, which was served to the defendants No-1, 2 and 9. In spite of repeated requests demands and Legal notice, the defendants No-1 to 8 are not ready to repay or settled the suit claim amount to the Plaintiff Bank. Hence this Suit is filed by the Bank.

Particulars of the Suit Claim:

1st Loan:- Agriculture Crop Loan amount

Rs.2,50,000/- +7% Interest

Balance outstanding as on 12-08-2025 **---Rs-3,66,188/-**

2nd Loan:- Agriculture Term Loan
(Barn Repair) amount

Rs-50,000-00 +11.75% Interest

Balance outstanding as on 12-08-2025 **---Rs-72,309/-**

3rd Loan:- Agri Personal Loan amount

Rs-50,000-00 +14.25% Interest

Balance outstanding as on 01-05-2025 **---Rs-94,639/-**

4th Loan:- Agriculture Term Loan
(Bullock) amount

Rs.50,000-00 + 11.75% Interest

Balance outstanding as on 12-08-2025 **---Rs.75,768/-**

**Point No 3: As per the final order
for the following;**

REASONS

12. Point No.1 and 2:- As these points are interconnected, they are taken up together for common discussion to avoid repetition of facts.

The plaintiff bank has submitted that defendants-1 and 2 jointly approached the plaintiff's bank and filed a loan applications for the purpose of Agriculture crop loan of Rs.2,50,000/-; Agriculture term loan (Barn repair) of Rs.50,000/-; Agri personal loan of Rs.50,000/-; Agriculture term loan (Bullock) amount of Rs.50,000/- and Fuel loan of Rs.30,000/- agreeing to repay the same with interest at 7%, 11.75%, 14.25%, 11.75% and 11.75% p.a. respectively by executing simple mortgage deed, terms and conditions letter, letter of revival and other relevant documents as sought by the plaintiff bank in its favour. After availing the loans the defendants-1 & 2 became irregular and became defaulters. Hence, the plaintiff bank constrained to file this suit for the recovery of total out standing amount of Rs.6,66,496/-.

13. To evidence the borrowing and also to prove the terms and conditions of the loan transactions, lending money and the rate of interest charged etc., the Manager of plaintiff bank got examined as PW1 by way of chief examination affidavit. Herein, PW.1 in his examination-in-chief has reiterated the plaint averments. But the

defendants placed as *ex parte* as they are not appeared and placed as *ex parte*. Hence, the reproduction of contents of the affidavit filed in lieu of oral evidence is unwarranted. The PW.1 in order to prove the loan transactions relied on the documents marked at Ex.P.1 to Ex.P53.

14. Among the documents produced by the plaintiff bank, Ex.P1 is the crop loan application, Ex.P.2 is the simple mortgage deed, Ex.P3 is the mortgage agreement deed, Ex.P4 is the terms and conditions letter, Ex.P5 & 6 are two letter of revivals, Ex.P7 to 9 are statement of accounts, Ex.P10 to 12 are the Encumbrance Certificates, Ex.P13 is the tax paid receipt, Ex.P14 is registered discharge mortgage deed, Ex.P15 is the copy of MRH 3/2012-13, Ex.P16 is the RTC (75 pages), Ex.P17 is the loan application (2 Nos.), Ex.P18 is the mortgage agreement deed, Ex.P19 is the terms and conditions letter, Ex.P20 & 21 are two letters of revivals, Ex.P22 & 23 are statement of accounts, Ex.P24 is the loan application, Ex.P25 is the personal loan agreement, Ex.P26 is the guarantee agreement of personal loan, Ex.P27 is the terms and conditions letter, Ex.P28 is the demand promissory note, Ex.P29 & 30 are letter of revival (2 Nos.), Ex.P31 & 32 are statement of accounts, Ex.P33 is the fourth loan application, Ex.P34 is the mortgage agreement deed, Ex.P35 is the terms and conditions letter, Ex.P36 & 37 are two letter of revival, Ex.P38 & 39 are two statement of accounts, Ex.P40 is the fifth loan application, Ex.P41 is the terms and conditions letter, Ex.P42 is the demand promissory note,

Ex.P43 & 44 are letter of revival, Ex.P45 & 46 are statement of accounts, Ex.P47 is the office copy of legal notice dated 27.01.2025, Ex.P48 to 50 are 3 postal receipts, Ex.P51 to 53 are 3 postal acknowledgments.

15. It appears that in spite of repeated demands, the defendants have failed to clear the loan outstanding balance amount. On going through the oral and documentary evidence placed on record, the plaintiff bank has substantiated the fact that the defendants availed Agriculture crop loan of Rs.2,50,000/-; Agriculture term loan (Barn repair) of Rs.50,000/-; Agri personal loan of Rs.50,000/-; Agriculture term loan (Bullock) amount of Rs.50,000/- and Fuel loan of Rs.30,000/- agreeing to repay the same with interest at 7%, 11.75%, 14.25%, 11.75% and 11.75% p.a. respectively by executing relevant documents. Therefore, looking to the oral evidence of PW.1 and relevant documents executed by the defendants with plaintiff bank during the ordinary course of business transaction justifies the claim of the plaintiff bank.

16. In fact, despite of service of summons the defendants failed to put forth their appearance nor filed any defence. The assertion made in the plaint as well as in the evidence of PW-1 to the effect is remained unchallenged. Had defendants any defense to make, nothing prevented them from filing the Written Statement by resisting the plaint averments. But, for the reasons best known to them, they have neither filed Written Statement nor cross-examined PW-1. In the absence of any challenge to PW-1,

this court has to hold that the defendants are liable to pay the claim amount. The positive evidence given by PW.1 remained un-rebutted and uncontroverted and there is no reason to disbelieve her evidence.

17. Insofar as the claim of interest is concerned, though the plaintiff bank has claimed interest at contractual rates, it is settled law that the Court has discretion under Section 34 of the Code of Civil Procedure in awarding pendente lite and future interest. Having regard to the nature of the transaction, which pertains to agricultural loans and considering the principles of fairness and equity, this Court is of the opinion that interest at the rate of 6% per annum would meet the ends of justice.

18. Since the loans in question are secured by mortgage of the suit schedule property, the plaintiff bank is entitled to enforce the said security. In the event of failure of the defendants to pay the decretal amount within the stipulated time, the plaintiff is at liberty to bring the mortgaged property to sale in accordance with law for realization of the decretal amount. With regard to limitation, the execution of Letters of Revival by the defendants clearly amounts to acknowledgment of debt within the prescribed period. Consequently, the limitation period stands extended and the suit filed by the plaintiff is well within time.

19. By considering the facts and circumstances of the case and the purpose for which loan was availed, this court

finds it proper to charge current interest and future interest at the rate of 6% p. a. The statements of accounts produced by the plaintiff bank clearly establish that a sum of Rs.6,66,496/- remains outstanding as on the date of filing of the suit. The said amount is duly proved through reliable documentary evidence and remains unchallenged. Hence, the plaintiff bank is entitled for Rs.6,66,496/- with current and future interest at the rate of 6 % p.a. In case of default to make payment by the defendant, the plaintiff bank is at liberty to sell the mortgaged immovable property shown in the schedule of plaint. Accordingly, this court answers **Point No.1 in the Affirmative and Point No.2 Partly in the Affirmative.**

20. **Point No.3:-** In view of my findings on the above points, I proceed to pass the following:

O R D E R

Suit of the plaintiff Bank is partly decreed with cost.

The defendants are liable to pay sum of Rs.6,66,496/- (Six lakhs sixty six thousand four hundred and ninety six only) with current and future interest at the rate of 6 % p.a.

In default of payment as aforesaid, the plaintiff bank may apply to the court for the sale of schedule property as shown in schedule of the plaint and on such application being made, the schedule property shall be directed to be sold and for the purposes of such sale the defendants

shall produce the documents relating to the mortgaged property before the court or such officer as it appoints.

Draw Preliminary Decree accordingly.

[Dictated to the Stenographer, directly on computer, computerized by him, corrected and then pronounced by me in the open Court on this the **24th day of March 2026**]

[BHAGYAMMA]

I Addl. Senior Civil Judge & JMFC,
Hunsur.

A N N E X U R E

WITNESS EXAMINED FOR THE PLAINTIFF:

P.W.1 Chowdappa S.R.

WITNESSES EXAMINED FOR THE DEFENDANTS:-

Nil-

DOCUMENTS EXHIBITED FOR THE PLAINTIFF:

Ex.P1	:	Crop loan application
Ex.P.2	:	Simple Mortgage deed
Ex.P3	:	Mortgage Agreement deed
Ex.P4	:	Terms and conditions letter
Ex.P5 & 6	:	Two letter of revivals
Ex.P7 to 9	:	Statement of accounts
Ex.P10 to 12	:	Encumbrance Certificates
Ex.P13	:	Tax paid receipt
Ex.P14	:	Registered discharge mortgage deed
Ex.P15	:	Copy of MRH 3/2012-13
Ex.P16	:	RTC (75 pages)
Ex.P17	:	Second loan application
Ex.P18	:	Mortgage agreement deed
Ex.P19	:	Terms and conditions letter
Ex.P20 & 21	:	Two letters of revival

Ex.P22 & 23	:	Statement of accounts
Ex.P24	:	Loan application
Ex.P25	:	Personal Loan Agreement
Ex.P26	:	Guarantee agreement of personal loan
Ex.P27	:	Terms and conditions letter
Ex.P28	:	Demand promissory note
Ex.P29 & 30	:	Letter of revival (2 Nos.)
Ex.P31 & 32	:	Statement of accounts
Ex.P33	:	Fourth loan application
Ex.P34	:	Mortgage agreement deed
Ex.P35	:	Terms and conditions letter
Ex.P36 & 37	:	Letter of revival
Ex.P38 & 39	:	Statement of accounts
Ex.P40	:	Fifth loan application
Ex.P41	:	Terms and conditions letter
Ex.P42	:	Demand promissory note
Ex.P43 & 44	:	Letter of revival
Ex.P45 & 46	:	Statement of accounts
Ex.P47	:	Office copy of legal notice dated 27.01.2025
Ex.P48 to 50	:	3 postal receipts
Ex.P51 to 53	:	3 postal acknowledgments

DOCUMENTS EXHIBITED FOR THE DEFENDANTS:

Nil

[BHAGYAMMA]

I Addl. Senior Civil Judge & JMFC,
Hunsur.