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Govt. of Karnataka **TITLE SHEET FOR JUDGMENT IN SUITS** [C.R.P.611.50]

Form No.9(Civil)
Title Sheet for
Judgment in Suits
(R.P.91)

IN THE COURT OF I ADDITIONAL CIVIL JUDGE AND JMFC, BHADRAVATHI

:Present:

Smt. Nasira Banu, B.A., (Law), LLB.
I Addl. Civil Judge and J.M.F.C.,
Bhadravathi.

ORIGINAL SUIT NO.515/2024

Dated on this the 10th day of June, 2026

PLAINTIFF: Karnataka Gramin Bank, erstwhile, Pragathi Krishna Gramin Bank & Pragathi Gramin Bank, having its Head office and Principal Place of Business at No.32, Sanganakal Street, Gandhi Nagar, Bellary.
Inter-alia with a Branch opposite to Court Complex, Bhadravathi-577301.
Represented by its Branch Manager.

(By Sri.D.Y.V., Adv.,)

\- Vs -

DEFENDANTS: **1.** G.S Balaraj S/o Sri. Subbaiah,

Aged about 56 years,
R/o Hathikatte, Kasaba Hobli,
Shettihalli, Bhadravathi taluk.

2. G.Nagaraja S/o Subbaiah,
Aged about 61 years,
R/o Hathikatte, Kasaba Hobli,
Shettihalli, Bhadravathi Taluk.

(By Sri.H.M.N., Advocate)

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Date of Institution of the Suit	: 30.10.2024
Nature of the suit	: Recovery of money
Date of the commencement of recording of the evidence	: 09.12.2025
Date on which the Judgment was pronounced	: 10.06.2026
Total Duration	: Year/s Month/s Day/s 01 07 10

PRESIDING OFFICER

J U D G M E N T

The plaintiff-bank has filed this suit against the defendant No.1 and 2 for recovery a sum of ₹4,09,536.54/- together with interest at the rate of 14% p.a. from the date of the suit till repayment.

2. <u>The brief facts of the case of plaintiff's bank is as under:</u>

a. The plaintiff bank is body corporate constituted under the Banking Companies Act, having its Head Office and Principal place of business at No.32, sanganakal Street, Gandhi Nagara, Bellari, inter-alia a branch opposite to Court complex, Bhadravathi represented by its Manager.

b. The defendant No.1 as a borrower and defendant No.2 as a co-obligant availed PKCC loan of Rs.74,000/- by executing agreement-cum-deed of hypothecation dated:04.12.2008. They agreed to repay said loan with interest at 9% per annum and also agreed to pay overdue interest at 2%. The defendants executed request for overdraft facilities and other loan papers in favor of plaintiff Bank. The defendant No.1 created charge on the suit schedule properties. The defendant No.1 also hypothecated crops grown in the suit schedule property. The defendants have undertaken to clear suit loan in 12-18 months from the date of loan. The suit loan is numbered as PKCC- 3527-10557130103527-55715354145512. The defendants failed to clear suit loan as agreed by them. As a result the suit account became overdue and hence, defendants are liable to pay interest at 14% per annum. The defendants have executed letter of revivals in favor of plaintiff bank acknowledging suit loan account due by them. Hence, the defendants are liable to pay suit claim amount. Inspite of repeated demands, requests and legal notice, the defendants have not paid loan amount. Therefore, the plaintiff is constrained to file this suit. On these grounds prayed to decree the suit.

3. The defendants appeared through their counsel and filed their written statement.

4. **<u>The case of the defendants is as under:</u>**

In the written statement, defendants denied the plaint averments and stated that, the defendants availed loan for agricultural purpose. The plaintiff bank got created letter of revivals for the purpose of limitation. The defendants never agreed to pay interest at 9% plus 2% per annum. The defendants are not capable of earning and they have no source of income. It is not possible for the defendants to grow crops and the crops have been destroyed due to non-transportation and hence, defendants suffered loss. As per RBI directions the interest charged by the plaintiff bank is very high. The defendants suffered heavy loss in their agricultural land. Hence, they are not possible to overcome the loss. The defendants are not liable to pay interest, penal interest, unapplied interest, reversible interest as claimed by them. This court has no jurisdiction to entertain the above suit. The suit is barred by limitation and frame of the suit is not in accordance with law. On these grounds, prayed to dismiss the suit with cost.

5. On the basis of pleadings and documents my learned predecessor-in-office of this court framed the following:

ISSUES

1. *Whether the plaintiff bank is entitled to recover the suit claim amount together with interest at sought for?*
2. *Whether the plaintiff bank is entitled to other relief as sought for?*
3. *What order or decree?*

6. In order to prove its case, the plaintiff bank has got examined its Branch Manager namely E. Sharath as PW.1 and got marked 15 documents at Ex.P1 to 15. The said documents are as under:

Sl. No.	Exhibits	Particulars of documents
1.	Ex.P.1	Deed of Hypothecation.
2.	Ex.P.2	Loan application.
3.	Ex.P.3	Application submitted by guarantor.
4.	Ex.P4	Request for overdraft facility.
5.	Ex.P5 to 10	Letter of revivals.
6.	Ex.P11 & 12	Statement of account.
7.	Ex.P13	Legal Notice.
8.	Ex.P14 & 15	Postal receipts

7. On the other hand the defendants have not led evidence.

8. Perused entire records and in the facts and circumstances of the case, the issues framed in the suit is answered as hereunder;

ISSUE No.1	:	In the Affirmative.
ISSUE No.2	:	In the Negative.
ISSUE No.3	:	As per final order, for the following:

REASONS

9. **ISSUE No.1 and 2:** These two issues are interlinked and interconnected hence they are taken up together in order to avoid repetition of facts and circumstances. It is the specific case of the plaintiff bank that, on 04.12.2008 the defendants borrowed a sum of ₹ 74,000/- and agreed to repay the same with interest at the rate of 9% p.a. But the defendants failed to repay the loan amount as agreed. Therefore, the plaintiff has come up with this suit seeking recovery of the loan amount of ₹4,09,536.54/- including interest and miscellaneous expenses from the date of suit till the day of realization.

10. Plaintiff bank in order to prove its case has got examined its Branch Manager as PW1. PW1 in his chief examination affidavit has reiterated the averments of the plaint. In support of his oral evidence, PW1 has produced and got marked 15 documents as Ex.P1 to 15. Ex.P1 is the Deed of hypothecation. On perusal of said document it shows that

the defendant no.1 borrowed Rs.74,000/- and agreed to pay same with interest at 9% p.a. and executed Ex.P1. Ex.P2 is the application for loan submitted by the defendant No.1 in favor of plaintiff Bank. The said document also shows that, the defendant No.1 applied for loan of Rs.74,000/-. Ex.P3 is the application submitted by defendant No.2, which shows that, the defendant No.2 agreed for standing as guarantor to the loan of defendant No.1. Ex.P4 shows that, the defendants applied for overdraft facilities. Ex.P5 to 10 are the letter of revivals which shows that, the defendants executed letter of revivals acknowledging the suit loan. Ex.P11 and 12 are the statement of accounts which shows that, an amount of Rs.3,94,716.54/- is due from the defendants to the plaintiff Bank. Ex.P13 to 15 shows that, the plaintiff bank demanded for repayment of loan amount.

11. The plaintiff bank has produced sufficient oral and documentary evidence to establish that the defendants have borrowed a sum of ₹ 74,000/- on 04.12.2008 and agreed to repay the same with interest at 9% per annum.

12. The defendants in their written statement stated that they have no source of income and even they have not agreed to pay interest as claimed by the plaintiff Bank. However, in order to prove the same the defendants have not led any evidence. The defendants however admitted

that, they obtained loan from the plaintiff Bank. Hence, the documentary evidence placed by the plaintiff and admission made by the defendants in their written statement shows that the defendant No.1 borrowed a sum of Rs.74,000/- and defendant No.2 stood as guarantor for the said loan. The loan is availed on 04.12.2008. Final letter of revival is executed on 10.11.2021 and the suit is filed on 30.10.2024. Therefore, suit is within time. Hence, by considering these facts this court is of opinion that the defendants are jointly liable to pay loan amount. Therefore, plaintiff bank is entitled for the relief claimed in the suit. Accordingly, Issues No.1 is answered in the ***Affirmative*****.**

13. **ISSUE No.2:** The plaintiff in this case claimed relief of recovery of money and also claimed realisation of said amount by way of sale of mortgaged property. However, the plaintiff has not produced documents relating to said property. The plaintiff can very well take the steps while executing the decree for sale of property. Hence, Issue No.2 is answered in the **"Negative".**

14. **ISSUE No.3:** In view of the above discussion and answer to the above issues, this court proceeds to pass the following:

ORDER

The suit of the plaintiff is hereby partly decreed with cost.

The defendants are hereby directed to pay a sum of Rs.4,09,536.54/- (Rupees Four Lakh Nine Thousand Five Hundred and Thirty Six Rupees and Fifty Four Paisa Only) along with interest at the rate of 6% p.a from the date of suit till realization.

Draw decree accordingly.

(Dictated to the Stenographer, directly on computer typed by her, the same is corrected, signed and then pronounced by me in the open court, the 10th day of June, 2026)

(Nasira Banu)
I Addl. Civil Judge & JMFC,
Bhadravathi.

ANNEXURE

Witnesses examined on behalf of plaintiff side:-

PW1 : E. Sharath

Documents marked on behalf of plaintiff side:-

Ex.P1	:	Agreement cum Hyothecation.
Ex.P2	:	Loan application
Ex.P3	:	Guarantors application
Ex.P4	:	Request f or OOD facility
Ex.P5 to 10	:	Letter of revivals
Ex.P11 & 12	:	Account statement
Ex.P13	:	Legal notice
Ex.P14 & 15	:	Postal receipts.

Witnesses examined on behalf of defendant side:-

- Nil -

Documents marked on behalf of defendant side:-

- Nil -

I Addl. Civil Judge and JMFC,
Bhadravathi.