



IN THE HIGH COURT OF KARNATAKA AT BENGALURU

DATED THIS THE 3RD DAY OF JULY, 2026

PRESENT

THE HON'BLE MR. JUSTICE D K SINGH

AND

THE HON'BLE MR. JUSTICE T.M.NADAF

WRIT PETITION NO. 19803 OF 2018 (GM-DRT)

BETWEEN:

1. SUMITHRA
W/O H.DINABANDU,
AGED ABOUT 59 YEARS,

2. SHILPA
D/O H.DINABANDU,
AGED ABOUT 38 YEARS,

3. DIVYA
D/O H.DINABANDU,
AGED ABOUT 30 YEARS,

4. MEGHA
D/O DINABANDU,
AGED ABOUT 37 YEARS,

ALL ARE RESIDING AT NO.131,
IV MAIN, CHAMARAJPET,
BANGALORE-560018

...PETITIONERS

(BY SRI. AKARSH S KANADE., ADVOCATE)

AND:

1. PUNJAB NATIONAL BANK

Digitally
signed by
VASANTHA
KUMARY B K
Location:
HIGH
COURT OF
KARNATAKA



NO.115/1, LAL BHAGH FORT ROAD BRANCH,
BANGALORE-560 004
REP BY ITS
ACCOUNTS MANAGER

2. M/S SEIDEN I.E. CORPORATION
NO.289/B/8/1, 12TH MAIN,
2ND BLOCK,
BSK 1ST STAGE,
HANUMANTH NAGAR,
BANGALORE-560050
3. SRI. SURESH
S/O LATE H.RAJA GOPAL
NO.289/B/8/1, 12TH MAIN,
2ND BLOCK,
BSK 1ST STAGE,
HANUMANTH NAGAR,
BANGALORE-560050
4. SMT. NAMITHA SURESH
W/O R SURESH
MAJOR
NO.289/B/8/1, 12TH MAIN,
2ND BLOCK,
BSK 1ST STAGE,
HANUMANTH NAGAR,
BANGALORE-560050
5. SRI.R. NAGARAJ
S/O LATE H. RAJA GOPAL
NO.289/B/8/1, 12TH MAIN,
2ND BLOCK,
BSK 1ST STAGE,
HANUMANTH NAGAR,
BANGALORE-560050
6. R NARASIMHAMURTHY
S/O LATE H. RAJA GOPAL
AGED ABOUT 56 YEARS,
NO.289/B/8/1,



12TH MAIN,
2ND BLOCK,
BSK 1ST STAGE,
HANUMANTH NAGAR,
BANGALORE-560050

7. SMT.R.YASHODA BAI
S/O LATE H. RAJA GOPAL
MAJOR
NO.289/B/8/1,
12TH MAIN,
2ND BLOCK,
BSK 1ST STAGE,
HANUMANTH NAGAR,
BANGALORE-560050.
8. SMT.R. BACKIYAMMA (R.BHAGYAMMA)
W/O M. GOVINDRAJU,
MAJOR,
NO.56, BALAJI EXTENSION,
KAMMAGONDANAHALLI,
BANGALORE-560015
9. SRI. DEEPAK
S/O H RAMAKRISHNA,
MAJOR,
NO.131, IV MAIN,
CHAMARAJPET,
BANGALORE-560018
10. SRI.H. CHANDRASHEKAR
S/O LATE HUCCHAPPA
MAJOR,
NO.131, IV MAIN,
CHAMARAJPET,
BANGALORE-560018
11. SRI. MOHAMMED JABBIR PASHA
S/O MOHAMMED ALI,
MAJOR,
NO.2, VENKATAPPA ROAD,



TASKER TOWN,
SHIVAJINAGAR,
BANGALORE-560050

...RESPONDENTS

(BY SRI. S.R.NARAYANAPPA AND S.B.KRISHNA., ADVOCATE
FOR R1;
R8, R10 ARE SERVED AND UNREPRESENTED;
VIDE ORDER DATED:05.03.2024, NOTICE TO R2 TO R7,
R9 & R11 ARE HELD SUFFICIENT)

THIS WRIT PETITION IS FILED UNDER ARTICLES 226
AND 227 OF THE CONSTITUTION OF INDIA, PRAYING TO
QUASH THE ORDER DATED 22.08.2017 BY THE DEBTS
RECOVERY APPELLATE TRIBUNAL AT CHENNAI IN
R.A.141/2013 VIDE ANNEXURE-A, ETC.

THIS PETITION, COMING ON FOR ORDERS, THIS DAY,
ORDER WAS MADE THEREIN AS UNDER:

CORAM: HON'BLE MR. JUSTICE D K SINGH
and
HON'BLE MR. JUSTICE T.M.NADAF

ORAL ORDER

(PER: HON'BLE MR. JUSTICE D K SINGH)

The present writ petition under Article 226 of the
Constitution of India has been filed impugning the order dated
22.08.2017 passed by the Debt Recovery Appellate Tribunal,
Chennai in R.A.No.141/2013 arising out of the order dated
30.09.2008 passed by the Debt Recovery Tribunal (DRT)
Bengaluru in O.A.No.291/2005.



2. The guarantee was executed by the grandmother of the petitioners along with all her children in respect of a loan advanced by the respondent-Punjab National Bank, to a partnership firm-M/s. Seiden I.E. Corporation.

3. Mr.Suresh and Smt. Namitha Suresh were the partners of the said firm. The partnership firm had availed packing credit limit of Rs.2 Crores and a loan of Rs.50 lakhs under the FBP limit from the respondent-bank. The said loan was disbursed on 08.09.1999. The loan was released on the condition that 50% of packing credit to be adjusted before the end of October, 1999 and 50% by the end of November, 1999. The partnership firm did not honour the commitment and defaulted in making repayment of the loan advanced to it. The said loan was secured inter alia by executing a personal guarantee of the grandmother of the petitioners as well as children, who deposited title deeds of the schedule property (Item No.4).

4. The Guarantee letter is dated 08.09.1999 i.e., the same date when the credit limit was sanctioned and released in



favour of the partnership firm. The grandmother of the petitioners died on 19.01.2003. The bank proceeded to recover its dues in respect of their property, however, there was still a sum of Rs.4,47,08,008/- outstanding as on 30.09.2008 along with interest thereon. The bank filed the O.A. No.291/2005 before the Debt Recovery Tribunal (DRT) at Bengaluru and the DRT, Bengaluru vide order dated 30.09.2008 dismissed the O.A.No.291/2005 in respect of the schedule property (Item No.4) on the ground that the schedule property (Item No.4) was a Hindu Undivided Family (HUF) Property. The DRT noted that the grandmother was one of the coparceners and her children were not bound by the guarantee executed by her by depositing the title deeds in respect of the said property.

5. It was further observed that to the extent of the grandmother's share, the guarantee could be enforced, but not with respect of the entire property. However, other properties which were mortgaged were released in favour of the bank to recover the outstanding loan amount in respect of the loan advanced.



6. The said order dated 30.09.2008 passed by the DRT was challenged by the Punjab National Bank before the Debt Recovery Appellate Tribunal (DRAT) by filing an appeal. The DRAT held that the guarantee letter dated 08.09.1999 was signed not only by the grandmother but also by all her children and her sons-in-law (H.Ramakrishna, H.Dinabandu and H.Chandrashekar). The DRAT further found that the guarantee was not just a personal guarantee, rather a security interest was created in respect of the schedule property(Item No.4) by depositing title deeds by the grandmother and her children. Therefore, the DRAT held that the petitioners who were respondents before the DRT as legal heirs of one of the sons, H. Dinabandu cannot take advantage of death of their grandmother at a specific point of time stating that the capacity of HUF does not require separate authorization by every coparcener to create security in respect of the HUF.

7. Learned counsel for the petitioners vehemently argued that the daughter of the grandmother, Puttamuniyamma had already died in the year 1989. It appears prima facie that the guarantee letter is nothing but a forged



document, inasmuch as the Puttamuniyamma has also alleged to have signed the personal guarantee creating a security interest in respect of the schedule property (Item No.4). The DRAT has not adverted to all these allegations before allowing the appeal. The findings of the DRAT at paragraph-6 would read as under:

"6. On a careful perusal of pleadings of the parties and submissions of the Ld. counsel for the parties, it becomes clear that guarantee letter was signed by the parties on 08.09.1999. Whereas the date of death of defendant No.8 who is the mother of Defendant No.9,10,11,12 was on 19.01.2003. Meaning thereby guarantee letter has been signed by defendants 2 to 15 jointly, particularly when H.Ramakrishna, H.Chandrasekar both sons have stood as guarantor in their individual capacity also. They cannot take advantage of death of their mother at subsequent point of time stating that in the capacity of Hindu Undivided Family mother needed a separate authorization by all members."

8. When Puttamuniyamma had already died in the year 1989, there is no question of the guarantee letter being signed by her. This creates a prima facie suspicion about the guarantee letter itself. Therefore, we set aside the impugned order passed by the DRAT and remand the matter to the DRAT



for fresh consideration, after granting an opportunity to the parties to produce any evidence in support of their contentions. Since the matter is quite old, we request the DRAT to decide the case expeditiously. The parties are directed to appear before the DRAT on 14.07.2026.

Ordered accordingly.

**SD/-
(D K SINGH)
JUDGE**

**SD/-
(T.M.NADAF)
JUDGE**

RKA
List No.: 2 Sl No.: 1