



CNR: KAHC010091742020

NC: 2026:KHC:43036
RFA No. 1015 of 2020

IN THE HIGH COURT OF KARNATAKA AT BENGALURU

DATED THIS THE 12TH DAY OF AUGUST, 2026

BEFORE

THE HON'BLE MR. JUSTICE SHIVASHANKAR AMARANNAVAR
REGULAR FIRST APPEAL NO. 1015 OF 2020 (MON)

BETWEEN:

INDIAN OVERSEAS BANK
BILEKAHALLI BRANCH,
No.9., BANNERGATTA ROAD,
BANGALORE-560 076.
REPRESENTED BY ITS BRANCH MANAGER.

...APPELLANT

(BY SRI SHASHANK C, ADVOCATE FOR
SRI. VENUGOPAL M S., ADVOCATE)

AND:

Digitally signed by
LAKSHMINARAYANA
MURTHY RAJASHRI

Location: HIGH
COURT OF
KARNATAKA

1. SMT. T. GEETHA
W/O THIMMARAYAPPA M,
AGED ABOUT 38 YEARS,
RESIDENT OF No.11, NEW LAYOUT,
DEVARACHIKKANAHALLI,
BANGALORE SOUTH,
BANNERGATTA, BENGALURU-560 076.
2. SRI NANDEESHWARA
S/O BASAWA,
AGED ABOUT 49 YEARS,
RESIDING AT No.365,
JUDGES COLONY,



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R T NAGAR MAIN ROAD,
BENGALURU-560 032.

...RESPONDENTS

(VIDE ORDER DTD. 01.07.2025, NOTICE TO
RESPONDENTS ARE D/W)

THIS RFA IS FILED UNDER SEC.96 OF CPC., AGAINST
THE JUDGMENT AND DECREE DATED 23.09.2019 PASSED IN
OS No.4826/2018 ON THE FILE OF THE VII ADDL.CITY CIVIL
AND SESSIONS JUDGE, BENGALURU (CCH-No.19)
DISMISSING THE SUIT FOR RECOVERY OF MONEY.

THIS APPEAL, COMING ON FOR FURTHER HEARING, THIS
DAY, JUDGMENT WAS DELIVERED THEREIN AS UNDER:

CORAM: HON'BLE MR. JUSTICE SHIVASHANKAR AMARANNAVAR

ORAL JUDGMENT

This appeal is filed by the appellant/plaintiff
challenging the judgment and decree dated 23.09.2019
passed in O.S.No.4826/2018 by the VII Additional City
Civil and Sessions Judge, Bengaluru (CCH No.19)
whereunder the suit of the appellant/plaintiff has been
dismissed.

2. The plaintiff is Banking Company and it has filed
the suit against respondents/defendant Nos.1 and 2 for
recovery of loan amount with interest. It is the case of the



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appellant/plaintiff that plaintiff has sanctioned loan of Rs.2,85,000/- to defendant No.1 towards purchase of stitching machine with interest at the rate of 12% of per annum on 10.03.2014. Defendant No.2 stood as a guarantor to the said loan availed by defendant No.1. Defendant Nos.1 and 2 have executed demand promissory note agreeing to repay the amount borrowed with interest @ 12% p.a. and also executed loan agreement dated 10.03.2014 and defendant No.2 has executed guarantee agreement dated 10.03.2014. The defendants have agreed to repay the amount borrowed in 60 equated monthly installments commencing from April, 2014. The defendants have paid only portion of the amount and failed to repay the amount borrowed. The defendants have executed revival letters dated 07.01.2017. As the defendants have not repaid the amount borrowed with interest, the plaintiff/bank issued notice to defendant Nos.1 and 2 by registered post. In spite of service of the said notice, the defendants have not repaid the amount



borrowed with interest. Therefore, the plaintiff has filed the suit for recovery of Rs.3,06,972/- from the defendants contending that they are jointly and severally liable to pay the said amount with interest @ 14% p.a.

3. On service of suit summons the defendants remained absent and they were placed ex-parte before the trial Court. The plaintiff's Manager has been examined as PW.1 and got marked Exs.P1 to P15. The trial Court after hearing arguments and appreciating the evidence on record has dismissed the suit of the appellant/plaintiff by the impugned judgment. Appellant/plaintiff – Bank has challenged the said judgment wherein the suit of the appellant/plaintiff has been dismissed.

4. Heard the learned counsel for the appellant.

5. Learned counsel for the appellant would contend that the Tribunal has not believed the revival letters as per Exs.P9 and P10 on the ground that prior to executing the revival letter, the Bank has not called upon them to execute the said revival letters and there is no document



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to show that the defendants have visited the plaintiff/bank for executing the revival letters and dismissed the suit holding that it is barred by limitation. He further contends that revival letters as per Ex.P9 and P10 executed by defendant Nos.1 and 2 respectively, clearly saves the limitation since they are executed within the period of limitation i.e. three years from Ex.P5 – demand promissory note. The suit filed is within three years from the date of revival of Exs.P9 and P10. With this he prayed to allow the appeal.

6. Having heard the learned counsel, the Court has perused the judgment, decree and trial Court records.

7. Ex.P2 is the loan application filed by defendant No.1. Ex.P3 is the credit sanction advice dated 06.03.2014 where under defendant No.1 has been sanctioned loan of Rs.2,85,000/-, rate of interest is 12%, EMI is Rs.4,150/- and period of loan is 60 months. Ex.P4 is quotation for stitching machine. Ex.P5 is the demand promissory note executed by defendant No.1 dated



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10.03.2014 for Rs.2,85,000/-. Ex.P6 is the loan agreement and it is signed by defendant No.1 and it is dated 10.03.2014 wherein the amount borrowed is Rs.2,85,000/- and rate of interest is 12% and period of loan is 60 months and amount of installment is Rs.4,150/- . Ex.P7 is the guarantee agreement executed by defendant No.2 and it is dated 10.03.2014 wherein defendant No.2 stood as guarantor to the loan of defendant No.1. Ex.P8 is the hypothecation of tailoring machine and it is executed by defendant No.1. These documents coupled with the evidence of PW.1 indicate that defendant No.1 has borrowed Rs.2,85,000/- agreeing to pay the same in 60 equated monthly installments and rate of interest is 12% and defendant No.2 stood as a guarantor to the said loan of defendant No.1.

8. Ex.P9 is the revival letter dated 07.01.2017 and it is executed by defendant No.1 acknowledging that she has availed loan of Rs.2,85,000/- and execution of demand promissory note dated 10.03.2014. Ex.P10 is the revival



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letter dated 07.01.2017 executed by defendant No.2. The said revival letters are executed by defendant Nos.1 and 2 within the period of limitation i.e. within three years from 10.03.2014 as per Ex.P5- demand promissory note and Ex.P6 – loan agreement. Considering the said Ex.P9 and P10, the suit filed on 05.07.2018 is within the period of limitation.

9. Exs.P11 and 12 are two notices got issued by the plaintiff/bank to defendant Nos.1 and 2 respectively dated 04.10.2017 by registered post mentioning the balance amount due and demanding repayment of amount due with interest. Ex.P13 is the statement of loan account of defendant No.1 wherein a sum of Rs.3,05,555/- is due as on 30.06.2018. The suit is filed on 05.07.2018 wherein recovery of sum of Rs.3,06,972/- with interest has been sought. Considering the demand promissory note, loan agreement, rate of interest is 12%. The trial Court has erred in disbelieving the evidence of PW.1 and execution of revival letters as per Exs.P9 and P10 on hypothetical



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consideration. Considering the above aspects, the plaintiff/bank has made out a case for grant of decree for a sum of Rs.3,06,972/- with interest. Therefore, the suit of plaintiff requires to be decreed by reversing the judgment and decree passed by the trial Court.

10. In view of the above, the following:

ORDER

- I) Appeal is allowed.
- II) The judgment and decree dated 23.09.2019 passed in O.S.No.4826/2018 by the VII Additional City Civil and Sessions Judge, Bengaluru, is set-aside.
- III) The suit of the appellant/plaintiff is decreed.
- IV) Defendant Nos.1 and 2 / respondent Nos.1 and 2 are liable to pay the suit claim of Rs.3,06,972/- jointly and



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severally, with interest @ 6% p.a. from
the date of suit till realization.

V) Draw decree accordingly.

Sd/-
(SHIVASHANKAR AMARANNAVAR)
JUDGE

DKB
List No.: 3 SI No.: 8
Ct.sm