



CNR: KAHC010341632026

NC: 2026:KHC:52600-DB
COMAP No. 274 of 2026

IN THE HIGH COURT OF KARNATAKA AT BENGALURU

DATED THIS THE 22ND DAY OF SEPTEMBER, 2026

PRESENT

THE HON'BLE MR. JUSTICE D K SINGH

AND

THE HON'BLE MR. JUSTICE H.SHANTHI BHUSHAN

COMMERCIAL APPEAL NO. 274 OF 2026

BETWEEN:

SRI. MOHAN M.B.,
S/O.LATE. BALAKRISHNA,
AGED ABOUT 57 YEARS,
R/O.NO.517, II STAGE,
10TH CROSS, OPP. NAKALAGODU RAVI'S HOUSE,
JAYANAGARA EXTENSION,
CHIKKAHONNENAHALLI,
HASSAN – 573 202.

...APPELLANT

(BY SRI. K.C.SHANTA KUMAR,ADVOCATE)

AND:

KARNATAKA BANK LIMITED
HAVING ITS HEAD OFFICE
AT MANGALORE INTER-ALIA
A BRANCH AT VIDYANAGARA,
HASSAN CITY, HASSAN – 573 202,
REPRESENTED BY ITS BRANCH MANAGER,
SRI. MAHESH KUMAR M.A.

...RESPONDENT

(BY SRI. BHARAT KUMAR.S, FOR
SRI. GANESH A.,ADVOCATES)

THIS COMMERCIAL APPEAL FILED UNDER SEC.13(1A) OF
THE COMMERCIAL COURTS ACT, 2015, PRAYING TO SET ASIDE
THE JUDGMENT AND DECREE PASSED BY THE LEARNED
PRINCIPAL DISTRICT AND SESSIONS JUDGE, HASSAN IN
COM.O.S.NO.37/2022 DATED.02.03.2026 AND DISMISS THE
SUIT FILED BY THE RESPONDENT.

Digitally
signed by
MALA K N
Location:
HIGH COURT
OF
KARNATAKA



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

CORAM: HON'BLE MR. JUSTICE D K SINGH
AND
HON'BLE MR. JUSTICE H.SHANTHI BHUSHAN

ORAL JUDGMENT

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

The present Commercial Appeal under Section 13(1A) of the Commercial Courts Act, 2015, has been filed impugning the judgment and decree dated 02.03.2026 passed in Commercial O.S.No.37/2022 by the Principal District and Sessions Judge, Hassan.

2. The aforesaid suit has been filed by the respondent/plaintiff for recovery of Rs.10,07,670/- with cost and interest at 17.31% per annum from 17.10.2022.

3. On completion of the pleadings, learned Commercial Court framed the following issues for trial:

"1. Whether plaintiff proves that defendant has borrowed loan of Rs.8,00,000/- from the bank for the purpose of purchase of plant and machineries for manufacture of paper bags and has agreed to repay the aforesaid loan amount with interest at the rate of 9.96% p.a and in default, overdue interest at the rate of 5% p.a.?"



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2. Whether plaintiff proves that defendant is liable to pay interest at the rate of 17.31% (12.31% + 5%) on the due amount of Rs. 10,07,670/-?

3. Whether the defendant proves that there is no cause of action to file the suit?

4. Whether the defendant proves that due to fire mischief in the factory, the plaintiff has received loan of Rs.8,00,000/- from the Central Government?

5. Whether the plaintiff bank is entitled to the relief sought for?

6. What order and decree?"

4. In support of its case, the plaintiff/Bank examined Mr.Srikanth S.M., Bank Manager, Karnataka Bank Limited, Hassan as PW-1 and produced the documentary evidence in Exs.P1 to P9. On the other hand, the appellant/defendant got himself examined as DW-1 and they produced documentary evidence as per Exs.D1 to D7 to support his case.

5. The learned Commercial Court has decided the issue No.1 affirmative; issue No.2 partly affirmative, issue Nos.3 and 4 negative and issue No.5 affirmative and has granted the decree for a sum of Rs.10,07,670/- with



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interest at the rate of 9.66% per annum from the date of the suit till the date of realization of the said decree.

6. The learned counsel for the appellant/defendant has not argued anything except for the fact that because of the COVID-19 and financial constraint, the amount could not be paid. Further he has argued that the interest should have been not more than 6% per annum, whereas the interest has been awarded at the rate of 9.66%.

7. The learned counsel for the respondent/Bank has supported the impugned judgment and decree.

8. We have gone through the impugned judgment and decree as well as the entire records.

9. There is no serious dispute with respect to the amount that the plaintiff/Bank is entitled to recover with interest i.e., @ 9.66% per annum, which is agreed rate of the Bank. The learned counsel for the appellant submits that he will settle the dues with the Bank within a period of two months.



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10. We have considered the submissions made by the learned counsel appearing for the parties and examined the evidence and the records of the case. We do not find that the impugned judgment and decree requires an interference. Therefore, we ***dismiss*** the appeal. However, allow the appellant settles the Bank dues within a period of two months from today. The impugned judgment and decree shall not be executed for a period of two months from today to enable the appellant to settle the dues. However, if he fails to settle the dues of the Bank within a period of two months from today, i.e., on or before 15th December 2026, the Bank shall be at liberty to execute the decree.

Ordered accordingly.

Sd/-
(D K SINGH)
JUDGE

Sd/-
(H.SHANTHI BHUSHAN)
JUDGE