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TITLE SHEET FOR JUDGMENT IN SUIT

IN THE COURT OF THE CIVIL JUDGE & JMFC, SANDUR

PRESENT

Sri Md. Shaiz Chouthai, B.A.,LL.B. (Hons.), LL.M,(M.L.)

Civil Judge & JMFC, Sandur

Dated: 20th day of June 2026

O.S. No.155/2022

Plaintiff/s	:	Smt. Mumtaz Begum W/o J.M. Gouse, Aged about 50 years, R/o 14th Ward, Sandur Town, Sandur Taluk, Ballari District. ***(By Sri. B.M., Advocate)***

V/s

Defendant/s	:	Smt. Gangamma W/o N. Dhanaraj, Aged about 40 years, R/o 1st ward, Ananda Bazaar, Sandur Town, Sandur Taluk, Ballari District. ***(By Sri. A.H.M., Advocate)***

Date of Institution of the Suit	16.07.2022		
Nature of the Suit	Recovery of Money		
Date of Commencement of Recording of Evidence	29.02.2024		
Date on which the Judgment was pronounced	20.06.2022		
Duration	Years 03	Months 11	Days 04

(Md. Shaiz Chouthai)
Civil Judge & JMFC, Sandur.

JUDGMENT

This suit is filed by the plaintiff against the defendant for recovery of money to the tune of Rs.2,37,000/-.

2. **The gist of the plaintiff's case is as follows:-**

The plaintiff and defendant are well known to each other since long time. With this acquaintance the defendant approached the plaintiff for financial assistance for his business purpose and borrowed a sum of Rs.1,50,000/- on 24.02.2020 and agreed to repay the same with interest at the rate of 24% per annum within short period. It is contended that on the receipt of the said amount, the defendant executed promissory note in favour of the plaintiff.

3. Thereafter, the plaintiff approached the defendant and demanded repayment of loan. The defendant postponed the payment of the amount for one or the other reasons. Later, on 22.06.2022 the plaintiff got issued legal notice to the defendant calling upon her to pay the principal amount and interest. The said notice is served on defendant on 28.06.2022. In spite of this the defendant did not pay the said amount. Hence, this suit for recovery of amount of Rs.2,37,000/- which includes interest of Rs.84,000/- from 24.02.2020 to 24.06.2022 and Rs.3,000/- towards legal notice. The plaintiff is claiming future interest at the rate or 24% per annum.

4. After instituting the suit, suit summons was issued to the defendant, the defendant appeared and filed written statement. During pendency of the suit, the defendant got her

written statement amended. The contentions taken in amended written statement are set out herein below.

Contentions of defendant:

5. The defendant denied the entire allegations made in the plaint as false. At the same time, the defendant admit that she obtained a hand loan of Rs.1,50,000/- from the plaintiff on 24.02.2020 and executed on demand promissory note in her favour. However, it is the case of defendant that she paid entire hand loan with interest as agreed on 10.06.2022 and the plaintiff executed a document in her favour agreeing to return the said promissory note by 10.07.2022. But, the plaintiff did not return the said document but filed this false suit against the defendant. The plaintiff by suppressing this material fact about repayment of loan with interest and execution of document Dt. 10.06.2022 has filed this false suit to gain wrongfully against defendant. On these grounds, the defendant prays to dismiss the suit with exemplary cost under section 35(A) of CPC.

6. Based on the unamended pleadings of both the parties, this court had earlier framed totally four issues. The issue No.2 casted burden on the defendant to prove that she had borrowed a loan of Rs.2,00,000/- from the plaintiff which was returned by her. After getting her written statement amended, the issue No.2 was recasted as under:-

ISSUES

1. Whether the plaintiff proves that, defendant had borrowed loan of Rs.1,50,000/- on 24.02.2020, he executed a Promissory note on the same day and he has agreed to repay the amount with interest at the rate of Rs. 24% per annum ?

2. Whether the defendant proves that, he has borrowed the loan of Rs.1,50,000/- from the plaintiff on 24.02.2020 and it was returned to him with interest but the plaintiff has not returned the alleged promissory note as contended in the written statement? **(Recasted Issue)**

3. Whether the plaintiff is entitled for the relief as sought for?

4. What Order or Decree?

7. To substantiate her case, the plaintiff has stepped into witness box and examined herself as PW1 and got marked Ex.P1 to Ex.P4. On the other hand, defendant examined herself as DW1. During the course of cross-examination of PW1, a signature on document Dt. 10.06.2022 was confronted to the witness who admitted it to be her signature. The signature in the said document is marked as Ex.D1.

8. Heard the arguments of learned counsel for defendant. Perused the records.

9. My answers to the above issues are as follows:-

Issue No.1 : In the Affirmative
Issue No.2 : In the Negative
Issue No.3 : In the Affirmative
Issue No.4 : As per final order for the following:-

REASONS

10. **ISSUE NO.1 :-** The plaintiff has contended that the defendant borrowed a sum of Rs.1,50,000/- on 24.02.2020 and executed the promissory note Dt. 24.02.2020 agreeing to repay the same with interest at the rate of 24% per annum. The defendant in her written statement admitted availing of loan of Rs.1,50,000/- from the plaintiff on the given date. She also admitted about the repayment condition with 24% per annum as interest. She further admitted the execution of promissory note as per Ex.P1. In spite of this admission, this court called upon the plaintiff to prove those admitted fact otherwise than by such admissions. The plaintiff examined herself as PW1 and reiterated the averments of the plaint. Even during the evidence, the defendant admitted the availing of loan and execution of promissory note – Ex.P1. There is nothing forthcoming from the materials on record which would discredit the testimony of PW1 in respect of advancing loan of Rs.1,50,000/- to the defendant and execution of promissory note. Therefore, the plaintiff has

proved the fact that the defendant upon availing loan of Rs.1,50,000/- executed Ex.P1 and agreeing to repay the same with interest at the rate of 24% per annum.

11. It is important to note that the plaintiff – PW1 during her cross-examination submitted that the defendant availed hand loan of Rs.4,00,000/- and the same has been averred in her plaint. This testimony of PW1 is contrary to her own case set up in the plaint. However, when the defendant admit the claim of the plaintiff for having borrowed loan of Rs.1,50,000/- and executed promissory note, the contrary stand taken by PW1 during her cross-examination that she lend Rs.4,00,000/- pales into insignificance and cannot be considered. The claim of PW1 that the defendant borrowed Rs.4,00,000/- is not supported by any document. But, as observed above, the plaintiff is successful in proving that the defendant borrowed a sum of Rs.1,50,000/- and executed promissory note on 24.02.2020. Hence, this court answers Issue No.1 in the **AFFIRMATIVE**.

12. **ISSUE NO.2:** While admitting borrowing of loan of Rs.1,50,000/- and executing promissory note on 24.02.2020, the defendant takes up defence that the said loan has been repaid by her on 10.06.2022. According to defendant, after repayment of loan with interest on 10.06.2022, the plaintiff executed a document in her favour admitting the receipt of principal amount and interest and undertaken to return the promissory note by 10.07.2022. It is on this ground alone the defendant has sought dismissal of the suit. Therefore, the burden lies on the defendant to prove repayment of loan with interest and execution of the document Dt. 10.06.2022 by plaintiff.

13. The defendant examined herself as DW1 and subjected herself for cross-examination. According to her, she repaid Rs.2,00,000/- to the plaintiff which included interest. During her cross-examination, she expressed ignorance as to when she repaid the said loan. A suggestion was made to DW1 that she did not repay the loan obtained by her from the plaintiff. In order to prove the repayment of the loan, the defendant did

not place any document before the court. It is true that the plaintiff – PW1 during her cross-examination admitted her signature on the document Dt. 10.06.2022. The said signature alone is marked as Ex.D1. PW1 denied the contents of the said document. Mere admission of the signature on a document does not prove its contents. As such, the defendant cannot rely upon the said document to prove the repayment of loan when the plaintiff denied the very execution of the said document Dt. 10.06.2022. The defendant did not prove the repayment of loan with interest as contended in the written statement. Admission of signature as Ex.D1 on the document Dt. 10.06.2022 will not dispense with its proof. Therefore, this court is of the opinion that the defendant failed to prove the repayment of loan. As such this court answers issue No.2 in the **NEGATIVE**.

14. **ISSUE NO.3:** The plaintiff is successful in proving the execution of promissory note – Ex.P1 both by oral and documentary evidence. There is nothing on record which could raise doubt about the genuineness of the said document. On the

other hand, the defendant failed to prove that she repaid the entire hand loan with interest to the plaintiff and on receipt of the same the plaintiff executed document on 10.06.2022 in her favour. In spite of the legal notice, the defendant failed to pay the loan with interest. The allegations made in the legal notice are not refuted by the defendant by issuing reply notice. The plaintiff has also proved that she has demanded the defendant to repay the loan amount and the defendant having failed to repay the same, the plaintiff is entitled to the suit claim. The defendant as per Ex.P1 had agreed to repay the amount at 24% of interest per annum. The agreed rate of interest has to be granted to the plaintiff. However, in the interest of justice and equity and having considered the age of the suit, this court is of the opinion that, future interest at the rate of 10% per annum will do justice. Hence, with these observations this court answers Issue No.3 in the **AFFIRMATIVE.**

15. **<u>ISSUE NO.4:-</u>** For the reasons stated and findings given to issues No.1 to 3, the following is made:-

ORDER

The suit of the plaintiff is decreed with costs.

The defendant is liable to pay a sum of ₹2,37,000/- along with interest at the rate of 10% per annum on the principal amount of ₹1,50,000/- from the date of institution of the suit till the date of realization to plaintiff.

Draw decree accordingly.

(Dictated to the Stenographer directly on computer, typed by him, the same is corrected, revised, signed and then pronounced by me in the open Court, the ***20th day of June 2026****).*

(Md. Shaiz Chouthai)
Civil Judge & JMFC, Sandur.

ANNEXURE

List of witnesses examined for plaintiff/s:

PW.1 : Smt. Mumtaz W/o J.M. Gouse.

List of documents exhibited for plaintiff/s:

Ex.P.1 : On Demand Pronote

Ex.P.1(a)	:	Signature of defendant
Ex.P.2	:	Legal notice Dt. 22.06.2022
Ex.P.3	:	Postal receipt
Ex.P.4	:	Postal acknowledgment

List of witnesses examined for defendant/s:

DW.1	:	Smt. Gangamma W/o N. Dhanaraj

List of documents exhibited for defendant/s:

Ex.D1	:	Consent deed document Dt. 10.06.2022.

(Md. Shaiz Chouthai)
Civil Judge & JMFC, Sandur.