

KACD610015682022



Presented on : 23-05-2022
Registered on : 26-05-2022
Decided on : 18-03-2026
Duration : 22D-09M-03Y

**IN THE COURT OF CIVIL JUDGE AND J.M.F.C.,
AT: MOLAKALMURU**

Present: Smt. HFMA H.R.
B.A.L., L.L.B.,
C/c Civil Judge and JMFC., Molakalmuru

Dated on the 18th day of March 2026

O.S. No.108/2022

PLAINTIFF: Karnataka Gramina Bank
suing by its Branch Manager & G.P.A.
Holder, Hirehally Branch,
by M.D.Harikrishna s/o M.Devaraj,
58 years, R/o Challakere Town
and Taluk.

(By Sri M.N.Vijayalakshmi, Advocate)

-V/s-

DEFENDANT:

1. P.Doddaiah s/o Papaiah,
aged about 47 years.
2. Nagamma w/o Baiyanna,
aged about 44 years.
3. Suresh s/o Papaiah,
aged about 46 years.
4. Bosanna @ Boraiah s/o Sikaraiah,
aged about 45 years.

All are R/o Hirehally village and post,
Challakere Taluk, Chitradurga District.

(D.1 to 3 by Sri G.S.Obaiah, Advocate)
(D.4 - Exparte)

Date of Institution of suit	:	26.05.2022		
Nature of suit	:	Recovery of money		
Date of commencement of recording of Evidence	:	03.06.2023		
Date of pronouncement of Judgment	:	18.03.2026		
TOTAL DURATION	:	Days	Months	Years
		22	09	03

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: J U D G M E N T :

The plaintiff bank has filed this suit against the defendants for recovery of sum of Rs.1,87,910/- with pendente-lite and future interest @ 12% P.A. from the date of suit till the date of realization and such other reliefs.

2.The brief facts of the plaintiff's case are as follows:

The plaintiff avers that, the defendants had approached the plaintiff bank for financial assistance for agricultural purpose and availed loan of Rs.1,90,000/- on 16.10.2014. The defendants have executed memorandum of agreement and other necessary documents by agreeing to repay the loan amount with interest at the rate of 12% per annum compounded half yearly. The defendants have also created charge over the plaint schedule property by executing Form No.3 dated:13.10.2014. The

defendants have carried on transactions with the plaintiff bank. In spite of it, the defendants are in arrears of Rs.1,87,910/- including typing and xerox charges of Rs.1,000/-. In spite of repeated demands and issuance of notice by the plaintiff bank, the defendants have not paid the amount due. Hence, the plaintiff has filed this suit.

3. After registering the suit, summons was issued to the defendants. Summons was served to defendants. Defendants No.1 to 3 have appeared through their counsel and filed their written statement. Defendant No.4 has remained absent and hence, he is placed *ex parte*.

4. The defendants in their written statement have denied the averments of plaint and have taken contentions that plaintiff has filed this suit only to make unlawful gain. The Government of Karnataka has waived the farmers loan upto Rs.2,00,000/- twice. Plaintiff has created and concocted documents by taking advantage of innocence and illiteracy of defendants. Defendants are not liable to repay any loan to the plaintiff. Defendants have not executed any letter of revivals in favour of plaintiff. Plaintiff has suppressed true facts. The plaintiff has obtained signatures of defendants in some papers and by misusing the said documents has filed this false suit. The suit is barred by law of limitation. Defendants have already repaid the loan to the plaintiff. On these grounds, defendants pray to dismiss the suit.

5. Based on the pleadings of both the parties, my predecessor in office has framed the following issues:

- 1) Whether the plaintiff bank proves that

defendant had obtained Rs.1,90,000/- on 16.10.2014 as agricultural loans by executing documents agreeing to pay loan amount with interest of Rs.12%?

- 2) Whether the defendants prove that Government has waived the loan of defendants?
- 3) Whether the defendants prove that suit is barred by law of limitation?
- 4) Whether the plaintiff bank is entitled for the suit claim?
- 5) What order or decree?

6. In order to prove the case of plaintiff, one Jayachandra M. and Uchhareddy B., who are the authorized representatives of the plaintiff bank, got examined themselves as PW-1 and 2 and produced 12 documents as per Ex.P1 to Ex.P12. With this, the plaintiff closed its side of evidence. The defendants have not adduced evidence on their behalf.

7. Heard arguments by learned counsel for plaintiff bank and perused the materials placed on record.

8. My findings to the above issues are as follows:

- Issue No.1 : In affirmative
- Issue No.2 : In negative
- Issue No.3 : In negative
- Issue No.4 : In partly affirmative
- Issue No.5 : As per final order for the following;

: REASONS :

9. **Issue No.1 and 2**: Since, these issues are inter connected with each other to avoid repetition of the facts and findings, these points are taken up together for consideration.

10. The subject matter covered under present points is availment of loan of Rs.1,90,000/- and agreement of payment of interest by the defendant and factum of waiving of loan. In order to prove the said assertions, the plaintiff bank has got examined one Jayachandra M. and Uchhareddy B., who are the Managers of plaintiff bank, as PW-1 and filed affidavit by way of their evidence by reiterating contents of entire plaint averments. PW-1 and 2 in their evidence have produced 12 documents as per Ex.P1 to Ex.P12.

11. Ex.P.1 is Application Form cum appraisal report executed by defendants. Ex.P.2 is Loan Sanction Conveying Letter given by plaintiff bank. Ex.P.3 is request for agricultural overdraft facilities. Ex.P.4 is Undertaking letter from the borrower. Ex.P.5 is memorandum of agreement for agricultural loans. Ex.P.6 is Form of Declaration executed by defendants No.1 to 3. The Ex.P.1 to 6 show that defendants had approached the plaintiff bank for financial assistance and accordingly, the plaintiff bank has sanctioned Rs.1,90,000/- to the defendants. Ex.P.7 to 9 are letters of revival. Ex.P.10 is legal notice. Ex.P.11 and 12 are statement of account. Ex.P.7 to 12 show the transaction between the plaintiff and defendants.

12. The recitals of Ex.P.1 to 12 disclose the passing of consideration of Rs.1,90,000/- and the turn to repay it with interest at the rate of 12% per annum. Hence, the payment of loan and agreement to repay it with interest at the rate of 12% per annum are proved by very production of Ex.P1 to 12. On the other hand, the defendant in his written statement had taken contention that “ಪ್ರತಿವಾದಿಯು ಸಂಪೂರ್ಣ ಸಾಲವನ್ನು ತೀರುವಳಿ ಮಾಡಿದ್ದರೂ ಸಹ, ವಾದಿಯು ಪ್ರತಿವಾದಿಗೆ ಸಾಲ ಮರುಪಾವತಿ ಬಗ್ಗೆ ಯಾವುದೇ ರೀತಿಯ ನೋಟೀಸ್ ನೀಡದೆ ಹಾಗೂ ಪ್ರತಿವಾದಿಯರಿಗೆ ಸಾಲ ತೀರುವಳಿ ಮಾಡುವಂತೆ ಮಾಹಿತಿ ನೀಡದೆ ಏಕಾಏಕಿ ಈ ದಾವೆಯನ್ನು.....”. The said statement of defendant clearly shows that the defendants have admitted about availment of loan. The defendants in their written statement have not specifically denied about availment of loan of Rs.1,90,000/-. The documents produced by the plaintiff bank support its case.

13. The defendants have taken contention that their loan has already been waived by the Government. In support of their contentions, the defendant has not adduced evidence and not produced any documentary evidence to show that the loan has already been waived by the Government. Further, the defendants have also not cross examined the P.W.1 in that respect.

14. The defendants in their written statement have not specifically denied about agreed rate of interest and have not taken specific contention that they have not agreed for the interest as stated in the documents produced by the plaintiff. The documents produced by the plaintiff bank clearly disclose that the defendants have agreed to repay the loan with interest at the rate of 12% per annum. Further, the Ex.P.6 shows that the defendants have executed Form No.3 for the security of the loan in favour of

the plaintiff bank. It reveals that the suit schedule property is owned by the defendants No.1 to 3 and same is mortgaged in favour of plaintiff bank. There is no reason to disbelieve the version of the plaintiff in respect of providing credit facility of Rs.1,90,000/- to the defendants and availment of the said loan and execution of mortgage deed by the defendants No.1 to 3.

15. The version of the PW-1 is inconsonance with the averments made out in the plaint. The defendants have filed written statement and denied the averments of plaint in toto. The defendants have taken contention that defendants are not liable to repay the loan amount with interest and that, the documents produced by the plaintiff bank are also created for filing this suit. The defendants to substantiate their contention have not produced any documents before the Court to disprove the case of plaintiff. Further, defendants have not entered into the witness box to substantiate the case. In the decision reported in **AIR 1999 Supreme Court 1441 Vidhyadhar Vs. Manikrao & another**, the Hon'ble Supreme Court was held that "***Where a party to the suit does not appear into the witness box and states his own case on oath and does not offer himself to be cross-examined by the other side, a presumption would arise that the case set up by him is not correct***". This ruling is very much applicable to the case on hand, because the defendants have not entered into the witness box to substantiate their case. These circumstances give strength to the case of the plaintiff bank. By this, it can be concluded that the defendants availed the loan of Rs.1,90,000/- agreeing to repay it with interest as stated in the

plaint. Hence, court answer **issue No.1 in the affirmative and issue No.2 in negative.**

16. Issue No.3: The defendants have taken contention that the suit is barred by law of limitation. The limitation for recovery of money is governed under Article 21 of Limitation Act, which has to be read with Article 19 of Limitation Act. Admittedly the plaintiff bank has sanctioned credit facility to the defendants on 16.10.2014. The suit for recovery of money has to be filed within the period of limitation as provided under law i.e., within 03 years. The plaintiff bank has pleaded that the suit is within the date of limitation as the defendants have executed the letters of revival as per Ex.P7 to 9 dated 31.05.2017 and 20.04.2020. In such an event Sec.17 and 18 comes into play. The plaintiff has to file suit for the recovery of money within 03 years of date of letter of revival dated:31.05.2017 and 20.04.2020. The letters of revival is nothing but AOD. The plaintiff has filed the suit on 23.05.2022, which is well within the period of limitation as governed under law. Therefore, the suit of the plaintiff bank is well within the period of limitation. Hence, court answers **issue No.3 in the negative.**

17. Issue No.4:- The plaintiff has sought for recovery of Rs.1,87,910/- along with interest at the rate of 12% per annum from the defendants. To prove the outstanding balance, the plaintiff bank has marked the statement of account of defendant as per Ex.P11 and 12. Regarding genuineness of this document, there is a presumption U/Sec.4 of Banker's Book Evidence Act, which supports the entries in the bank transactions as genuine and to rebut the said presumption, the defendants have not

adduced evidence and have not cross examined the P.W.1. Therefore, presumption in respect of Ex.P11 and 12 stands unrebuttal.

18. As per Ex.P11 and 12, the balance outstanding was Rs.1,81,887/- as on 18.03.2022. Further, plaintiff claims unapplied interest from 18.03.2022 to 23.05.2022 i.e. Rs.5,023/- and Rs.1,000/- towards typing and miscellaneous charges. The said claim has gone unchallenged. Hence, the defendants are liable to pay sum of Rs.1,87,910/-.

19. The plaintiff bank has also sought for the award of interest @ 12% per annum. The Sec.34 speaks about two types of interest i.e., interest for the period of pendente-lite and subsequent interest. The loan was lent to defendants for agricultural purpose. Hence, considering the nature of transaction and circumstances of the case, I am of the opinion that awarding interest of 6% from the date of suit till the date of judgment with cost of the suit would meet ends of justice. Further, from the date of Judgment till realization of the entire amount, it is as per the rate going to be imposed by the court, which the court deems thinks fit reasonable. This court feels that the future interest shall be restricted to 6% p.a.

20. The plaintiff bank has proved its claim before this court. The plaintiff bank is a financial institution which is running under the public fund. The plaintiff bank has every right to recover the money lent by them. Such being the case, the plaintiff bank has already established its claim over the defendants. By considering all these reasons, the court answers the **issue No.4 in the Partly Affirmative.**

21. **Issue No.5**:- In view of aforesaid discussion and reasons on issue No.1 to 4, court proceeds to pass the following:-

ORDER

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

The plaintiff bank is entitled to recover a sum of Rs.1,87,910/- along with interest @ 6% P.A. from the defendants from the date of suit till the recovery of entire decretal amount.

The defendants are liable to pay the above said amount within 03 months from the date of disposal of this case.

Draw decree accordingly.

(Dictated to the stenographer directly on computer, typed by him and corrected by me, then pronounced in the open Court on this the 18th day of March 2026)

(Hema .H.R.)
C/c Civil Judge & JMFC.,
Molakalmuru

ANNEXURE

I. Witnesses examined on behalf of plaintiff/s:-

PW-1 : Jayachandra M.

PW-2 : Uchhareddy B.

II. Witness examined on behalf of defendant/s:-

--Nil--

III. Documents marked on behalf of plaintiff/s:-

- Ex.P.1 : Application Form cum appraisal report
- Ex.P.2 : Loan Sanction Conveying Letter
- Ex.P.3 : Request for agricultural overdraft facilities
- Ex.P.4 : Undertaking letter from the borrower
- Ex.P.5 : Memorandum of agreement
- Ex.P.6 : Form of Declaration
- Ex.P.7 to 9 : Letters of revival
- Ex.P.10 : Legal notice
- Ex.P.11 & 12: Statements of account.

III. Documents marked on behalf of defendant/s:-

--Nil--

**C/c Civil Judge & JMFC.,
Molakalmuru**