

IN THE COURT OF THE MUNSIF, KODUNGALLUR.

Present:- Smt.Karthika.K., Munsiff.

Monday, the 23rd day of March, 2026/ 02nd Chaithram, 1948.

O.S.1063/2019

Plaintiff:-

C.G.Finance, Kunjayini Desom, Edavilangu Village, Kodungallur Taluk, The firm is rep. By Proprietor Joseph, S/o. Choolaparambil George, Edavilangu Village and Desom, Kodungallur Taluk.

By Adv.Snehaprabha.V.

Defendants:-

1. Shinoj, S/o.Puthenveetil Sasi, Edavilangu Village and Desom, Kodungallur Taluk.
2. Ramani, W/o.Puthenveetil Sasi, Edavilangu Village and Desom, Kodungallur Taluk.

(1st defendants house name amended as per order in I.A.9/2025 Dated 03.01.2026)

By Adv.Sheena Baiju

This suit having come up for final hearing before me on 18.02.2026 in the presence of the counsel for both sides and having stood over for consideration to this day the court on 23.03.2026 delivered the following:-

JUDGMENT

Suit is one for realisation of money.

2. **The plaintiff averments is as follows:-** The defendant obtained Rs.65,000 as loan from the plaintiff's institution on 11.10.2018 and on the same day they executed and handed over a promissory note with a stipulation that the defendant will pay off the amount along with interest at the rate of 12.36% per Rs.100. The defendants did not pay the amount as promised till this date. Even

though the plaintiff made demands on several times to pay back the amount, the defendants kept silent. The plaintiff had issued a lawyer notice to the defendants on 31.09.2019. Even though the defendant received the lawyer notice he remained silent and did not pay the amount. The plaintiff is entitled to get the entire amount along with 12.36% interest per Rs.100. The plaintiff institution is a legally registered one and the proprietor of the institution is authorised to institute the suit for and on behalf of the plaintiff institution. The plaintiff is the proprietor of the plaintiff institution. There may be an order directing the defendants to pay the amount with interest at the rate of 12.36% per Rs.100/-.

3. **The written statement filed by the defendants is briefly stated as follows:-** The defendants denied the entire allegations in the plaint. Defendants denied that on 11.10.2018, they took Rs. 65,000 as loan from the plaintiff institution. The defendants denied that they had executed a promissory note agreeing to repay the entire amount with 12.36% interest per Rs.100. The first defendant contended that he had been conducting a hotel in the name and style 'Break point ' from 2014 on wards. The plaintiff and the defendants are known to each other. The plaintiff is called as Sojan in the locality. The plaintiff is doing gold loan business in the name and style 'C.G.Finance' and also conducting money lending

business during the year 2017-2018. First defendant pledged his mother's gold chain in the plaintiff's shop during the period between 2018 January to July and received Rs.60,000/-. But when the 2nd defendant wanted the said gold chain for a marriage the 1st defendant approached the plaintiff and promised to pay Rs.35,000/- for returning the gold chain and requested to convert the remaining Rs.25,000/- as a loan. The defendant agreed to pay Rs. 500 per week towards the loan amount. But the plaintiff informed that another person is also a partner in his business and in order to convert Rs. 25,000 as loan he needs one as a surety and plaintiff promised that when defendant brings the second defendant as surety he will return the gold chain. The first defendant came to plaintiff's institution C. G. Finance at Kunjayini along with the second defendant and gave Rs.35,000 as cash to the plaintiff and made them sign in in some printed forms and returned the gold chain to the 2nd defendant. The plaintiff came to defendant's hotel every week and collected Rs.500/- towards the loan payment. The plaintiff did not give any receipt to the defendants. Plaintiff never came on time to obtain Rs. 500/-. The plaintiff obtained Rs.2,000/- on 12.1.2019, Rs.500/- on 25.1.2019, Rs.500/- on 29.1.2019, Rs.500/- on 30.1.2019, Rs.500/- on 1.2.2019, Rs.500/- on 13.2.2019, Rs.500/- on 14.2.2019, Rs.6000/- on 24.6.2019, Rs.2000/- on 19.8.2019, Rs.6,500/- on 29.8.2019 and

Rs.8,500/- on 30.8.2019. Other than this the plaintiff ordered food for 150 people from the defendants hotel at the rate of Rs.120 per person for a function at the plaintiff's house on 10.11.2019. Even though the bill was Rs. 18,000, the plaintiff adjusted this amount towards the repayment of the loan amount payable by the defendant. Even though the defendant had paid Rs.45,000 to the plaintiff, without closing the loan of the defendants, the plaintiff threatened them that he would file a case against them. On 10.02.2020, the defendants further paid Rs. 10,000 to the plaintiff institution. The above promissory note has no consideration. The defendant did not receive any lawyer notice from plaintiff. The plaintiff is not entitled to realize interest @ 12.36% on Rs.100. The plaintiff institution is not legally registered and it has no license to conduct money lending business. The plaintiff has no locus standi to file this suit, or any cause of action against these defendants. Hence the suit may be dismissed.

4. On the basis of the above said pleadings the following issues were raised:-

1. Is the plaintiff entitled to realise the amount from the defendants?
2. What is the amount if any to which the plaintiff is entitled to realise from defendants?

3. What is the rate of interest if any to which the plaintiff is entitled?

4. Reliefs and Order as to costs?

5. In this case the proprietor of plaintiff institution was examined as PW1 and Ext.A1 to A7 were marked from the side of the plaintiff. The 1st defendant was examined as DW1 and Ext. B1, B2 documents were marked from the side of the defendants.

6. Heard both sides.

7. **Issue No.1 to 3 :-** The plaintiff in this case was examined as PW1. Exts. A1 to A7 documents were marked from the side of the plaintiff. Ext. A1 is the promissory note dated 11.10.2018 executed by the 1st defendant, Shinoj and his mother and 2nd defendant Ramani. From the promissory note, it is evident that on 11.10.2018 the defendant had obtained a loan of Rs.65,000 from C. G. Finance, Edavilangu P.O.,Kunjayini. Ext. A2 is the office copy of the lawyer notice dated 31.10.2019. In Ext. A2, PW1 informed the defendant that on 11.10.2018 the defendant obtained a loan of Rs.60,000 from the plaintiff's institution and executed a promissory note agreeing to pay the said amount with 1.33 paise as interest. But the amount as per the promissory note was not repaid in the plaintiff's institution. Therefore the plaintiff informed D1 & D2 that they are entitled to take legal proceedings against the defendants. It is further stated that if

the defendants failed to pay the entire amount within 15 days from the date of receipt of lawyer notice along with the stipulated interest the plaintiff would initiate civil and criminal proceedings against the defendants.

8. Ext. A3 is the true copy of Kerala money lender license obtained by the plaintiff from Kerala State Good Services Tax department dated 21.4.2025 to carry on the money lending business. Ext. A4 is the true copy of money lending license obtained by the plaintiff from Commercial Tax Department, Government of Kerala on 16.5.2014. Ext. A5 is the true copy of ledger book kept by the plaintiff in the institution C.G.Finance. Ext.A5 shows that as per loan No.154 plaintiff issued loan of Rs.65,000/-to defendant No.1, Shinoj on 11.10.2018. The original of the ledger book was compared with true copy and returned the original to the plaintiff. Ext. A6 is the true copy of day book of the plaintiff institution of the year 2017. The original of which is produced and compared with the true copy and the original was returned to the plaintiff. Ext. A7 is the true copy of day book for the year 2018.

9. The plaintiff was examined as PW1. PW1 filed proof affidavit in tune with the averments in the plaint. In the proof affidavit PW1 reiterated the case of the plaintiff in the plaint. During cross-examination, PW1 explained the nature of the business being

conducted by him in his financial institution. PW1 testified that D1 is presently running a hotel. When PW1 gave the amount to DW1 he agreed that he will pay Rs. 500 on every week. The defendant had put up a case that when the plaintiff went to pick her daughter from her tuition class at S.N. Vidya Bhavan, he used to collect Rs. 500 from the plaintiff's institution. PW1 said to have collected Rs.2,000/- on 12.1.2019, Rs.500/- on 25.1.2019, Rs.500/- on 29.1.2019, Rs.500/- on 30.1.2019, Rs.500/- on 1.2.2019, Rs.500/- on 13.2.2019, Rs.500/- on 14.2.2019, Rs.6000/- on 24.6.2019, Rs.2000/- on 19.8.2019, Rs.6,500/- on 29.8.2019 and Rs.8,500/- on 30.8.2019. But PW1 denied the receipt of any of these amounts from the defendant. PW1 stick to his case and deposed that the defendant obtained Rs. 65,000 from the plaintiff's institution and D1 & D2 had never pledged any gold chain for Rs. 60,000 during the period of 2018 January to July. PW1 denied that on 10.11.2019 he ordered a sadhya for 150 persons at the rate of Rs.120 per person and he agreed to set off Rs. 18,000 payable to the defendant towards this loan amount. PW1 stated that he sent a lawyer notice to the defendant and denied the payment of Rs. 56,500 to the plaintiff.

10. The defendant in this case was examined as DW1. DW1 produced Exts. B1 and B2 documents before this court. Exts. B1 and B2 are the two note books produced by DW1, in which DW1 used to

write his daily expenses. In Ext.B1, the plaintiff has written the daily expenses for the period of 12.01.2019 to 30.8.2019. In the last page of Ext.B1 book the defendant wrote that on 25.1.2019, 29.1.2019, 30.1.2019, 31.1.2019, 1.2.2019, 8.2.2019, 10.2.2019, 13.2.2019, 14.1.2019 and 28.2.2019 he paid Rs.500/- each to plaintiff Varghese @ Sojan.

11. Ext. B2 is another note book in which the defendant writes his daily expenses. DW1 produced these two books to show that he had been repaying the loan amount to plaintiff on various dates as installments. But there is no proof other than Exts. B1 and B2 note books. Ext. B1 and B2 are the note books in which the plaintiff enters his daily expenses. But simply writing the name of PW1 in Ext. B1 and B2 showing that some amount was paid to PW1 cannot be treated as sufficient proof for the payment unless it is corroborated by some solid evidence. The plaintiff is an institution and when the defendant obtained the amount he had signed in the documents. Therefore when DW1 repaid the amount it is normal to obtain receipt from the plaintiff for making payment. Even though the defendant stated that he has paid certain amounts and stated the date of payment and the amount of payment in the written statement there is no substantial evidence to prove that fact before the court. Therefore, it cannot be said that the defendant had discharged the

loan amount payable to plaintiff institution. The defendant did not deny the signature in Ext. A1 document. Since the execution of Ext. A1 document is proved and the defendants claim partial discharge of the loan amount it is the duty of defendant to prove that he had repaid the amount. But other than the oral submission of DW1, no solid evidence is there to prove the repayment. Therefore, it can only be concluded that the plaintiff is entitled to realise the entire amount as per Ext. A1 promissory note from the defendant.

12. **Issue No.4.**

In the result, the suit is decreed as follows:-

a) The defendants shall pay an amount of Rs.74,002/- (Seventy Four Thousand and Two) to the plaintiff with an interest @ 12% per annum from the date of suit till the date of decree and thereafter with an interest @ 6% per annum on the decree amount till realization.

b) The defendants shall pay entire costs of the suit to the plaintiff.

(Dictated to the Confdl.Asst., transcribed by her corrected by me and pronounced in open court on this the 23rd day of March, 2026)

Sd/-
KARTHIKA.K.,
MUNSIFF.

APPENDIXPlaintiff's Exhibits:

- | | | | | |
|----|---|------------|---|---|
| A1 | - | 11.10.2018 | - | Promissory Note |
| A2 | - | 31.10.2019 | - | Copy of Lawyer Notice |
| A3 | - | 21.04.2025 | - | True Copy of Kerala Money Lender
Licence |
| A4 | - | 16.05.2014 | - | True Copy of Money Lending Licence |
| A5 | - | | - | True Copy of Ledger Book |
| A6 | - | | - | True Copy of Day Book Year-2017 |
| A7 | - | | - | True Copy of Day Book-2018 |

Defendant's Exhibits:

- | | | | | |
|-------------------------|---|--|---|-----------|
| B1 | - | | - | Note Book |
| B2 | - | | - | Note Book |
| <u>Court Exhibits :</u> | | | - | Nil. |

Plaintiff's Witness:

- | | | | | |
|-----|---|------------|---|--------|
| PW1 | - | 09.01.2026 | - | Joseph |
|-----|---|------------|---|--------|

Court Witness:

- | | | | | |
|--|---|--|---|------|
| | - | | - | Nil. |
|--|---|--|---|------|

Defendant's Witness:

- | | | | | |
|-----|---|------------|---|--------|
| DW1 | - | 16.01.2026 | - | Shinoj |
|-----|---|------------|---|--------|

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Compared by:

/True Copy/

Id/-
MUNSIFF.