**THE HON'BLE SRI JUSTICE A.SHANKAR NARAYANA**

**CIVIL REVISION PETITION Nos.2376, 2388, 2398, 2401, 2405, 2407, 2429, 2432, 2439 & 2770 of 2016**

**COMMON ORDER:**

In all these Revision Petitions, common questions of facts are involved and the revision petitioner is also same and, therefore, they are being taken up together and disposed of by this common order.

2. These Revision Petitions, under Section 115 of C.P.C., are filed by the Andhra Bank, Tadwai Branch of Nizamabad District, assailing orders, dated 28.01.2016, in I.A.Nos.247, 249, 260, 262, 251, 252, 250, 256, 261 & 259 of 2015 in C.F.R.No.342, 344, 356, 358, 346, 347, 345, 352, 357 & 355 of 2015, respectively, passed by the Principal Junior Civil Judge at Kamareddy, dismissing the I.As filed under Order XLVII Rule (i) of C.P.C., seeking review of the decree of rejection of plaints passed by the said Court on 25.07.2015 and to register the plaints.

3. For the sake of convenience, the facts in CRP.No.2388 of 2016 are referred.

4. Respondent No.1/defendant No.1 availed crop loan of Rs.42,000/- from the revision petitioner/plaintiff, and respondent No.2 is the co-obligant to the loan availed by respondent No.1. In the process of availing loan, the loanee has executed composite agreement in favour of the revision petitioner-Bank on 12.10.2011, besides executing a promissory note for the loan amount. Since respondent No.1 failed to

discharge the loan, despite sending notice, the Bank filed suit, which was numbered as CFR.No.344 of 2015, on the file of the Principal Junior Civil Judge at Kamareddy. The same was rejected by the docket order, dated 25.07.2015, which reads thus:

> "Since suit is barred by limitation, the plaint is rejected".

5. The Bank, having got aggrieved with the rejection order, preferred I.A.No.249 of 2015 under Order XLVII Rule (i) read with Section 151 C.P.C., requesting to review the decree of rejection of plaint on the ground of limitation, averring in the affidavit that, though, demand promissory note was executed by respondent No.1/defendant No.1 on 12.10.2011, composite agreement was also entered into along with sanction letter and there has been a stipulation in the sanction letter that the documents are valid upto three years subject to the condition of yearly renewals by the end of June every year. It was also stated that Article 31 of the Limitation Act (for short 'the Act') would apply, but not Article 35 of the Act.

6. The Court below passed the order under challenge dismissing the I.A., observing in paragraphs '5' and '6' of the order that Article 31 of the Act has no application to the fact-situation in the instant case and the period of limitation is governed by Article 35 and, since three years period did expire from the date of execution of demand promissory note, the claim was barred by limitation.

7. Heard Sri B.Satish Kumar, learned counsel for the revision petitioners. Though, service was completed on the respondents in all these revisions, none appears for them.

8. Learned counsel for the revision petitioners would submit that since composite agreement was simultaneously executed along with sanction letter clearly indicating that the limit sanctioned will remain valid for three years subject to yearly renewals by the end of June every year, and in the absence of yearly renewals, the three years period of limitation would commence from the expiry of the last date for the first renewal of the sanction letter and, therefore, Article 31 of the Act would govern the limitation period, but not Article 35 of the Act, though, the pronote contains the word "on demand". To fortify his submission, the learned counsel placed reliance on the judgment of a Division Bench of the Hon'ble High Court of Madras in **Ponnuswami Chetty v. Vellore Commercial Bank Ltd. By Agent Kumaraswami Aiyar**[1]**.** It is his submission that in a similar situation, where there was execution of promissory note referred to as Exhibit A and the application for sanction of loan filed therein as Exhibit B, which was filled up by inserting the words "six months", the Hon'ble High Court of Madras, following the decision of a Full Bench in **Annamalai Chetty v. Velayuda Nadar**[2]**,** has opined that the trial Court was right in holding that the cause of

---

[1] 1919 Law Suit (Mad) 101 = 1920 (38) Mad L J 70

[2] (1915) I.L.R. 39 Mad. 129 (F.B.)

action arose after six months of execution of Exhibit A and not immediately after.

9. Now, the question is whether the Court below was right in rejecting the plaints at the threshold where the period of limitation comes into question.

10. No doubt, in review applications, there was an opportunity for the learned counsel for the Bank to project the relevant facts on law, but, somehow, the Court below has rejected the submissions of the learned counsel for the Bank and dismissed the application holding that Article 35 of the Act would govern the period of limitation. The Court below has, somehow, overlooked the fact of the terms of composite agreement and the sanction letter. Therefore, the question was not a pure question of law as such, but it is a mixed question of law and fact. Hence, the Court below was not right in rejecting the plaint, without examining the purport of Articles 31 and 35 of the Act by evaluating the terms and conditions incorporated in the composite agreement as well as the letter of sanction, which could have been done after adduction of evidence by the respective parties. In that view of the matter, the orders under challenge passed by the Court below are hereby set aside, directing the Court below to register the plaints and frame a relevant issue touching the question of limitation while settling the issues and adjudicate upon the same along with the other issues.

11. Accordingly, these revision petitions are allowed with the directions as indicated above.

12. As a sequel, pending miscellaneous petitions, if any, shall stand closed.

**JUSTICE A.SHANKAR NARAYANA**

30.08.2016
v v