GJVL020070922022

सत्यमेव जयते

Received On	**07**	**10**	**2022**
Registered On	**07**	**10**	**2022**
Decided On	**15**	**06**	**2026**
Duration	**03**	**08**	**08**
	YY	**MM**	**DD**

IN THE COURT OF ADDITIONAL CIVIL JUDGE , JMFC
AT: VALSAD
[PRESIDED OVER BY : MS. PREETI SAGAR]

Regular Civil Suit No. 105 of 2022
Exhibit: 25

State Bank of India
Through Its Chief Manager - Mr. Birju Lal Sharma
Service at: State Bank of India, Station Road
Branch, Valsad, District : Valsad **-:: Plaintiff::-**

V/s

Ratanji Balaji Parmar (Main Borrower)
Residing At : Company B SRPF GR 1, Block No. 19/B,
Room No. 11, Lal Buag Line,
Vadodara, Taluka & District: Vadodara **-::Defendant::-**

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Appearances:-

Learned advocate for the plaintiff-Bank: Mr. D. M. Acharya

Learned advocate for the defendant: NONE

Suit for Recovery of Money : Rs. 6,74,652/-

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::: J U D G M E N T :::

1. The plaintiff-Bank has filed the present recovery suit against the defendant to recover due amount of Rs.81,022/- (Rupees Eighty One Thousand Twenty Two) along with the 24% interest.

2. The brief facts of the plaintiff's recovery suit are that the Plaintiff has stated that the Plaintiff is a Nationalized Bank conducting its business under the specific guidelines of the RBI and having its branch at Station Road Branch, Valsad, Taluka and District Valsad, and that the Chief Manager of the Plaintiff Bank is duly authorized. The Plaintiff has stated that the Defendant, being the principal borrower, approached the Plaintiff Bank for obtaining a Personal Loan (PAPL) through an online application for an amount of Rs.2,00,000/- and accordingly Loan Account No. 36950208569 was sanctioned and disbursed on 16.06.2017 after the Defendant submitted the online application on the same date, and the Defendant was duly informed of and accepted all the terms and conditions governing the said loan transaction; however, despite repeated oral requests, reminders, personal visits, telephone calls and communications by the Plaintiff Bank, the Defendant failed and neglected to repay the loan amount regularly as agreed under the sanction terms, and though the Plaintiff Bank reposed full trust and confidence in the Defendant, the Defendant made false assurances with malafide intention to avoid his moral and legal liabilities towards the Plaintiff Bank, and consequently an amount of Rs.81,022/- together with unapplied interest and further interest became due and payable by the Defendant to the Plaintiff Bank; the Plaintiff has further stated that the Defendant had made certain payments which were credited in the said loan account, namely Rs.5,400/- on multiple occasions and dates till 16.09.2021 and Rs.4,500/- on 02.11.2021, but despite such payments the Defendant failed to clear the outstanding dues of the Plaintiff Bank, the Plaintiff has further stated that the Plaintiff Bank initiated legal proceedings against the Defendant by issuing a Legal Final Notice through its Advocate on 21.09.2021 and again on 21.09.2022, which was received/not claimed by the Defendant, calling upon him to repay the outstanding dues of the Plaintiff Bank, but the Defendant neither replied to the said notices nor made payment of the outstanding amount, compelling the Plaintiff Bank to institute the present Civil Suit for recovery of Rs.81,022/- together with further interest on the basis of the statement of account and other documents executed by the Defendant in favour of the Plaintiff Bank, the Plaintiff has stated that the Plaintiff Bank's Station Road

Branch at Valsad had sanctioned and disbursed the said loan, all loan transactions and execution of documents took place within the territorial jurisdiction of this Hon’ble Court at Valsad, and since the Defendant was also liable to repay the loan amount at Valsad, this Hon’ble Court has proper jurisdiction to entertain, hear and decide the present suit.

3. The defendant has been duly served with summons of Court which were served to defendant through public service in newspaper vide Exhibit 09 but defendant has not remained present before the Court during course of proceeding of the suit. The defendant has neither appeared through his Advocate nor has filed reply despite granting enough opportunities. Therefore, this suit is ordered to be proceeded *ex parte* against the defendant and his right of submitting written statement and adduce evidence was ordered to be closed.

4. Thereafter, on 10.11.2025, the following issues were framed which are reproduced as under:

SR. NO.	**ISSUES**	**ANSWERS**
1	Whether Plaintiff Bank Proves That Defendants Have Obtained Personal Loan (PAPL) And Executed All Necessary Documents In Favour Of The Plaintiff Bank?	**Affirmative**
2	Whether Plaintiff Proves That Defendants Have Not Paid Regular	**Affirmative**

	Installments & Defaulted In Paying The Same?	
3	Whether Plaintiff Proves That It Is Entitled To Recover Suit Amount With Interest From The Defendants? If Yes, At What Rate?	**Partly Affirmative, As Per The Final Order**
4	Whether The Suit Is Within The Period Of Limitation?	**Affirmative**
5	Whether The Plaintiff Is Entitled For Relief As Claimed For?	**As Per The Final Order**
6	What Order And Decree?	**As Per The Final Order**

5. The plaintiff-bank has produced following documentary and oral evidence in support of its case.

<u>Oral Evidence:-</u>

Sr. No.	**Particulars**	**Exhibit**
1.	Deposition of Mr. Rahul Ram Swaroop Shiv (Chief Manager)	16

<u>Documentary Evidence:-</u>

Sr. No.	**Particulars**	**Exhibits**
1.	Original Certified Copy of the Statement of A/c	18
2.	Original Office Copy of Advocate Notice	19
3.	Original RPAD Slip	20
4.	Original RPAD Returned Cover Unclaimed.	21

6. Thereafter, the Ld. Advocate for the Plaintiff has filed closing pursis at **Exibhit – 23** and whereby, he has declared that the plaintiff does not want to lead further evidence in support of their case. The defendant has neither submitted any documentary evidence nor led any oral evidence.

7. Heard the learned Advocate for the plaintiff, the learned Advocate for the plaintiff had argued at length submitting as per the claim stated in the plaint and evidence. As the matter has been ordered to be tried Ex-parte against the defendant due to none presence, no argument has been rendered by the defendant.

8. The reasons for arriving at the decisions for the aforesaid issues are discussed in the paragraphs hereinafter.

-: R E A S O N S :-

Issue Nos. 1 & 2

9. In the present matter Plaintiff has filed his Examination-in-chief as per the provisions of The Civil Procedure Code the same has not been challenged by the Defendants in any manner. It is not disputed that the plaintiff bank is a nationalized bank and engaged in the bank activities. It has been averted by the Plaintiff that the Defendant has approached the Plaintiff-Bank for loan. The

Defendant has neither contested nor challenged any of the evidence adduced by the Plaintiff. Plaintiff, in the support of his claim and averment, has adduced certified copy of the Statement of Account vide ***Exhibit 18.*** Further, the Plaintiff has adduced that there has been constant notice for recovery of the loan amount but, the defendant of the case has neglected to make appropriate repayment of the loan borrowed. The plaintiff is still in lien for a period ranging from the period of default since the year 2021 till filing of the suit outstanding against the defendant of the case. Thereby in total an amount of **RS. *81,022.00/-*** is outstanding against the defendants of the case, which defendants have neglected to pay despite the repeated demands by the plaintiff.Having a reference to the document produced vide ***Exhibits 18 to 21***, the documents produced perfectly relates themselves with the chronological progress of loan transaction between the plaintiff-Bank and defendant and also provides corroboration to the facts asserted by the plaintiff, with regard to application and sanction of loan. All the above documents are duly signed by the Defendant and the entries in such all exhibited documents proved that the loan had been sanctioned in favor of the Defendant. This signifies that the Defendant had actually taken the loan and on the said date, they had not fully fulfilled or paid his liability. In respect of the above documents, all documents could be considered as primary evidence as per the Indian Evidence Act and thereby can be considered as the best form of evidence as per sections-61 to 65 of the said Act.

10. Apart from that, the defendant has also failed to cross examine the plaintiff or rebut the evidence produced by the plaintiff. Therefore, perusing the oral evidence led by the plaintiff, there is nothing to disbelieve the contentions that the defendant took loan with interest from the plaintiff bank and outstanding amount was due on the defendant. Hence, taking into consideration all the aforesaid facts, this Court is of the opinion that, the amount said by the plaintiff within his plaint is legally recoverable from the defendant. Further, considering the discussion above and referring the *Exh. 18,* it is clear that the bank had provided a loan to the Defendant. Since the Defendant has availed the loan and failed to repay the same. Thus, this Court opines the **ISSUE NOS.** *1 & 2* are answered *"IN AFFIRMATIVE"* holding all the Defendant is jointly and severally liable for the whole liability arising out of the present suit.

<u>Issue No. 3:-</u>

11. Considering the discussion made earlier, this Court has already opined Issue Nos. 1 & 2 as affirmative and proved. Whereas, in the present issue this Court has to determine whether the plaintiff is entitled to get the relief of interest. With regard to the issue, the plaintiff is a banking company and primarily been incorporated with an intent of banking and finance. Thereby the aspect of interest is integral for such institution. However, such demand of interest must be proper, in the instant case, plaintiff has urged for agreement rate of interest @ 24% p.a.

Thus, having a reference, to Sec. 34 of "The Code of Civil Procedure – 1908", in the instant case since the rate of interest has already been decided between the parties by agreement, a rate of interest exceeding 6% p. a. can be granted.

In the *Central Bank of India vs. Ravindra and Others (2002) (1) SCC 367),* the Constitution Bench of Hon'ble Apex Court has formulated certain principles as,

"*<u>(8) Award of interest pendente lite and post-decree is discretionary with the court as it is essentially governed by Section 34 CPC dehors the contract between the parties. In a given case if the court finds that in the principal sum adjudged on the date of the suit the component of interest is disproportionate with the component of the principal sum actually advanced the court may exercise its discretion in awarding interest pendente lite and post-decree interest at a lower rate or may even decline awarding such interest. The discretion shall be exercised fairly, judiciously and for reasons and not in an arbitrary or fanciful manner.</u>*"

Further this court has also referred Section 21A of the BANKING REGULATION ACT,1949 stating that rates of interest charged by banking companies should not be subject to scrutiny by courts. ‘Notwithstanding anything contained in the Usurious Loans Act, 1918 (10 of 1918), or any other law relating to indebtedness in force in any State, a transaction between a banking company and its debtor shall not be re-opened by any court on the ground that the rate of interest charged by the banking company in respect of such transaction is excessive.’

Referring to the documents adduced below Exhibit 18, it is clear that the interest rate for the said loan was at the rate 14% p.a. however, the plaintiff has claimed interest at the rate 24% per p.a. in the present suit. As per the established by the law it is very much clear when the plaintiff seeks any interest rate beyond the contractual rate, he should states the reasons the same and as to why such interest rate must be allowed. In the present matter the plaintiff has failed to explain as to why interest at 24 % must be allowed. <u>Hence, in the opinion of the Court, the interest rate demanded by the plaintiff seems to be excessive and inappropriate and it would not be just and proper to award interest as claimed. Thereby, this Court answers the **ISSUE NO. 3** ***“IN PARTIALY AFFIRMATIVE"*** by holding that the plaintiff be entitled to claim due amount with an interest at the rate of 14% P.A. from the date of suit till its realization.</u>

ISSUE NO. 4

12. The Limitation Act, 1963 is fully applicable with regard to money suit filed by the Plaintiff Bank. Hence, the question of limitation has to be answered as per Limitation Act 1963. The limitation for suit for recovery of interest under 1993 Act is a suit of nature which shall be covered by Part X Article 113 of the Schedule which is to the following effect:

PART X SUITS FOR WHICH THERE IS NO PRESCRIBED PERIOD

113. Any suit for which no period of limitation is provided elsewhere in this Schedule	**Three years**	**When the right to sue accrues**

13. The period for commencement of limitation for filing suit under Article 113 begins “when the right to sue accrues”. We have now to find out as to when the right to sue accrues to the plaintiff as per 1993 Act. From the original form of loan account at Exhibit-18 it is clear that loan has been applied on 16-06-2017. Notice issued to the Defendant at **Exhibit 19** is of 21-09-2022. Statement of

Account at **Exhibit 18** and overall documents proves that the defendant has willfully defaulted in repayment of loan amount in 2017. Present suit was filed on 07-10-2022. The amount becomes due as soon as liability to pay arises. Hence, the suit is clearly within the period of limitation. Thus, the answer for **ISSUE NO. 4** in **Affirmative**

ISSUE Nos. 5 & 6

14. Considering facts, circumstances and overall proved admissible evidence, the plaintiff has proved that it is entitled for seeking relief of recovery of money from the defaulting defendant. Suit is filed with proper cause title upon sufficient court fees and this court has jurisdiction to entertain such suits of money. This suit is maintainable in law. Relief as prayed can be partially granted based on aforesaid discussion. Therefore, this court answers **ISSUE NO. 5 in *AFFIRMATIVE.*** Considering the above discussion, this Court, for Issue No. 6, pass the following:

::: O R D E R :::

The Plaintiff's suit is hereby **partly allowed**.

The plaintiff is entitled to recover **Rs. 81,022/- (Rupees Eighty One Thousand Twenty Two)** with interest **@ 14% per annum**, with yearly interest to be calculated as per simple rate of interest from date of institution of the suit till actual realization.

Decree be drawn accordingly.

Signed & Pronounced in open Court today on **15th June of , 2026.**

Place: Valsad
DATE: 15-06-2026

Sudeep Mishra (English Stenographer Gr. II)

[Ms. Preeti Sagar]
Addl. Civil Judge & J.M.F.C.,
Valsad.
Judge Code : GJ01674