IN THE PRINCIPAL SUBORDINATE COURT AT TIRUCHENGODE
Present: Thiru.M.Ramachandran, B.Com., B.L.,
Principal Subordinate Judge, Tiruchengode
Thursday, the 02nd day of July 2026
OS.No.91/2024
(CNR.No.TNNM06-000164-2024)

M/s.State Bank of India,
Rep. by Asst.Manager
Tiruchengode Main Branch - Plaintiff

/Vs/

Selvaraj, aged about 69 years
S/o.Chinnappan - Defendant

This suit coming before this court for final hearing on 09-06-2026 in the presence of Thiru.P.Senthil, counsel for the plaintiff and the defendants called absent, set exparte and the defendant having remained set exparte, upon hearing the arguments of the plaintiff side, perusing the records and having stood over for consideration till this date and hence this court delivers the following;

JUDGMENT

01. The plaintiff had filed the suit under order VII rule 1 to 6 of C.P.C to pass a decree by to direct the defendant to pay the suit amount/balance outstanding amount of Rs.1,77,719/- as on 22-12-2023 with further interest from the date of the suit till realization and to award costs of the suit.

02. The averments made in the plaint in a nutshell:-

(i) The plaintiff is in the business of Banking. The defendant had approached the plaintiff bank for availing term loan under KCC (Kissan Credit Card) for the cultivation of crops. The defendant on executing requisite documents in favour of the plaintiff bank, the plaintiff bank sanctioned a loan limit of Rs.1,00,000/- (Rupees One Lakh only). A separate loan account No.33599724562 was opened in the name of defendant with the plaintiff bank. The loan amount was advanced by the plaintiff bank and availed by the defendant in the said amount on 20-01-2014. Original loan application/s and documents are herewith enclosed for the kind perusal of this Honourable Court.

(ii) The defendant executed letter of arrangement for the limits of Rs.1,00,000/- agreeing to repay the same with interest as will be charged at the end of or as on the dates the repayment of installments at the end of or as on the dates the the repayment of installments fall due, at the rate of 3.50% margin above the MCLR which is 8.00% p.a. and the effective rate being 11.50% p.a. calculated on daily balance outstanding in the accounts inter alia other terms/stipulation as per the agreement.

(iii) That after availing the aforesaid loan facility, the defendant never adhered to the terms of sanction and not repaid the loan amount in spite of repeated reminders. The defendant is a chronic defaulter in repayment of the term loan A./c.No.33599724562. The plaintiff further submits that as per the discharge quote/books of accounts maintained by the plaintiff bank in their regular course of business, the outstanding loan amount is Rs.1,77,719/- (Rupees One Lakh Seventy Seven Thousand Seven Hundred and Nineteen only) as on 22-12-2023. The said outstanding amount is legally enforceable debt and the defendant is bound to discharge the loan amount. The defendant is defaulter in repaying the term loan balance for the past months/years thereby the account of the defendant is classified as NPA. Hence the plaintiff has no other go except filing this suit for recovery of the loan outstanding amount. Original printed copy of discharge Quote/Statement of loan account of defendant is herewith enclosed for the kind perusal of this Honourable Court.

03. The point for consideration is whether the plaintiff is entitled to recover the suit amount as prayed for?

04. Heard the arguments of plaintiff side. The defendant was set exparte. On the side of plaintiff, PW1 was examined and the documents in Ex.A1 to Ex.A5 were marked. The suit is one for recovery of loan amount.

05. The PW1, who is the Manager of the plaintiff Bank has narrated entire facts of the case in her proof affidavit. The plaintiff in the pleadings and oral evidences has contented that the plaintiff has sanctioned the crop loan of Rs.1,00,000/- on 20-01-2014 respectively to the defendant and that the defendant has to repay the loan amount with interest and that in the said transactions, an amount of Rs.1,77,719/- is outstanding in the loan account of the defendant and that defendant is liable to pay the said amount with subsequent interest on the said amount. The Ex.A1 to Ex.A3 and Ex.A5 would show that the plaintiff has sanctioned loan to the tune of Rs.1,00,000/- to the defendant.

06. The Ex.A4 would show that the defendant is liable to pay the plaintiff an amount of Rs.1,77,719/- as on 22-12-2023. The PW1 had deposed that even after repeated request, the defendant has failed to repay the outstanding loan amount. The defendant has not turned up to contest the suit. The plaintiff has established the case through oral and documentary evidences. Therefore, this court is of view that the plaintiff is entitled for an amount of Rs.1,7,719/- with subsequent interest and costs. The conduct of the defendant in not appearing and contesting the suit even after receiving the suit summon clearly proved that he has impliedly admitted the case of the plaintiff. In whole, the plaintiff has successfully proved its case against the defendant. Further, considering the facts and circumstances of this case and the high rate of interest in the loan agreement this court is inclined to reduce the contractual interest for the subsequent period (i.e.) from the date of suit, till the date of

realization. Having considered the above, this court is of the view that, the plaintiff has proved its case and is entitled for the relief accordingly.

In the result, the defendant is directed to pay the plaintiff a sum of Rs.1,77,719/- (Rupees One Lakh Seventy Seven Thousand Seven Hundred and Nineteen only) together with interest at the rate of 9% per annum on the said amount from the date of plaint till the date of Judgment and thereafter, with interest at the rate of 6% per annum on the said amount till the date of realization with costs. Accordingly, the suit is decreed with costs. Time for payment two months.

Directly dictated to the Steno-typist and directly computerized by her, corrected and pronounced by me in the open court, on this 02nd day of July 2026.

M RAMACHANDRAN

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Date: 2026.07.02 18:18:05 +0530

Principal Subordinate Judge,
Tiruchengode.

01. List of witnesses on the side of plaintiff -

1) PW1 - Nagarajan

02. List of exhibits on the side of plaintiff -

1)	Ex.A1	-	20-01-2014 & 31-01-2017	-	Original application
2)	Ex.A2	-	20-01-2014 & 31-01-2017	-	Original of arrangement
3)	Ex.A3	-	20-01-2014	-	Original hypothecation agreement
4)	Ex.A4	-	22-12-2023	-	Bank loan account statement
5)	Ex.A5	-	-	-	Copy of Regulations Nos.76 & 77 of the State Bank of India General Regulations, 1955.

03. List of witnesses and exhibits on the side of defendant : -Nil.

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RAMACHANDRAN

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Principal Subordinate Judge,
Tiruchengode.

Fair/Draft/Judgment
OS.No.91/2024
Dt- 02-07-2026