Presented on : 21-11-2025
Registered on : 21-11-2025

IN THE COURT OF THE SUBORDINATE JUDGE, UDHAGAMANDALAM.

Present: Tmt. G. Bharathi Prabha, B.A., B.L.,
Subordinate Judge
Udhagamandalam
(J.O.Code: TN01448)

Wednesday, the 22nd day of July, 2026

O.S.No.143 of 2025

CNR No.TNNS02-000349-2025

State Bank of India,
Agalar Branch,
Rep. By its Branch Manager … Plaintiff

-Vs-

B.Sheela … Defendant

This suit is coming on 20.07.2026 for final hearing before this court, in the presence of Tr. A.Mahesh, B.A., LL.B., Advocate for the plaintiff, and G.DaisyGrace, Advocate for the defendant and upon perusing the records and arguments and having stood over till this day for consideration, this court delivered the following:-

JUDGMENT

The suit is filed for recovery of a sum of Rs.4,04,140/- only with interest thereon at 12% p.a. compounded with half yearly rest from the date of suit till payment to the plaintiff bank and for Costs of the suit.

Gist of the Plaint:-

2. The plaintiff contends that, the defendant borrowed a sum of Rs.85,000/- from the plaintiff on 15.02.2013, for the KCC loan of the defendant. The defendant executed loan papers on the same day. The defendant also agreed to pay interest at the rate of 7% compounded with half yearly rest from the date of the grant of the loan or at such rate or rates in consonance with the Reserve Bank of India guidelines. In respect of the loan facilities granted to the defendant, there has not been proper repayment in the said account resulting the said account becoming NPA as per the Reserve Bank of India guidelines. There is a sum of Rs.3,84,784.99 due by the defendant to the plaintiff. The interest is calculated up to 31.03.2025. Now, there is a sum of Rs.4,04,140/- due by the defendant to the plaintiff. Further, the defendant under her Revival letter dated 08.02.2016, 22.01.2019, 15.11.2021 and 10.10.2023 undertook the liability of the defendant to plaintiff. Hence, the suit.

Gist of the Written Statement:-

3. The suit is false, frivolous, vexatious and unsustainable in law or on the facts of the case. This defendant admits the allegation in para 3 of the plaint that the defendant applied to the plaintiff bank for KCC Loan and in pursuance of the same on 15.02.2013 the defendant borrowed from the plaintiff bank a sum of Rs.85,000/-. The defendant executed the Loan document on the same day agreeing to repay the same with interest at rate of 7% compounded with half yearly rest from the date of the grant of the loan or at such rate or rates in consonance with the Reserve Bank of India Guidelines. The statement of account submitted by the plaintiff bank is incorrect. Because of the failure of monsoon and due to covid-19 she is not able to repay the loan amount. Interest claimed by the plaintiff is exorbitant. This defendant denies that she executed revival letters on 08.02.2016, 22.01.2019, 15.11.2021 and 10.10.2023. Hence, the suit barred by limitation. She has entitle to the Tamilnadu Agriculturalist relief Act 1938. Hence the suit is may be liable to be dismissed.

4. On the basis of the above pleadings, the following issues are framed:-

<u>Issues:</u>

1. Whether the suit is in time?
2. Whether the plaintiff is entitled for the suit claim as prayed for?
3. To what other reliefs?

5. During the course of Trial, the plaintiff side examined PW1 and Ex.A1 to Ex.A8 were marked. On the side of the defendant no witnesses were examined and no documents were marked.

Issues Nos.1 to 3:

6.1. The plaintiff states that they filed the suit for recovery of a sum of Rs.4,04,140/- with interest contending that, the defendant borrowed a loan of Rs.85,000/- on 15.02.2013 agreeing to repay the same with interest. The defendant did not pay the due amount. The demands made by the plaintiff went in vain, hence, the plaintiff filed the suit.

6.2. The defendant states that the statement of account submitted by the plaintiff bank is incorrect. Because of the failure of monsoon she is not able to repay the loan amount. Interest claimed by the plaintiff is exorbitant. The defendant denies that she executed revival letters on 08.02.2016, 22.01.2019, 15.11.2021 and 10.10.2023. Hence, the suit barred by limitation. She has entitle to the Tamilnadu Agriculturalist relief Act 1938. Hence the suit is may be liable to be dismissed.

6.3. The plaintiff examined its Branch Manager as PW-1 and marked the Ex.A1 to Ex.A3 in order to prove their case. PW1, the Branch Manager of the plaintiff bank, has categorically deposed regarding the loan transaction, disbursement, and outstanding liability. The relevant bank records were produced and proved in accordance with law. Since, the borrowal of the defendant has been admitted and the failure of repayment has also not been disputed by the defendant, the questions remains to be determined is, whether, the defendant agreed for the interest mentioned in the Ex.A2 and Ex.A3 was executed by her? The PW-1 had categorically deposed that, the Ex.A2 and Ex.A3 was executed by the defendant on the date mentioned thereon, thereby, the PW1 has deposed that the defendant also agreed to pay interest at the rate of 7% compounded with half yearly rest from the date of the grant of the loan or at such rate or rates in consonance with the Reserve Bank of India Guidelines through Ex.A2 and Ex.A3. The defendant side stated she have not received the loan as stated by the plaintiff. She has stated that she applied for the loan but she did not receive the entire amount from the bank. But the plaintiff side marked the loan account statement of the defendant as Ex.P8. On perusal of Ex.P2 it is found that in the loan amount was sanctioned and through Ex.P8 the account statement of the defendant it is clear that, she has borrowed the said amount from the plaintiff. However, nothing material was elicited to discredit her testimony or the documentary evidence. The evidence of PW1 is found to be consistent, cogent, and reliable.

6.4. The plaintiff's side would contend that, the bank has no necessity to obtain Revival letters on the date of the sanction of loan and the said documents were executed by the defendant on the date mentioned thereon. The PW-1 was also asserted the same, by producing the said Revival letters in Ex.A4 to Ex.A7, answering that, the Revival letters will be obtained only after the expiry of three years. Though, the defendant's side had taken such a stand in the written statement, even after the plaintiff's side deposed evidence as above, the defendant did not get into the witness box to give evidence to support her defence, thereby, the defendant's side refused the opportunity to the plaintiff's side to test the defence taken by the defendant. No satisfactory explanations were offered for withholding the evidence of the defendant. While so, this court finds merit in the argument of the plaintiff's side that, the defendant stayed away from witness box knowing that, the Ex.A4 to Ex.A7 Revival letters had been executed by her on the date mentioned thereon, so, adverse inference has to be withdrawn against the case of the defendant.

6.5. Where a party to the suit does not appear in the witness-box and states her own case on oath and does not offer herself to be cross-examined by the other side, a presumption u/s. 114(g) of the Evidence Act would arise that the case set up by her is not correct. Hon'ble Apex Court in Adivekka vs. Hanamavva Kom Venkatesh, AIR 2007 SC 2025 has held that

> *"15. Why a Will had to be executed and registered without the knowledge of his wife by Hanumanthappa has not been explained.*

There is nothing on record to show that the testator had any special love or affection for Respondent No. 1. Respondent No. 1 did not examine herself. According to her, she was not even aware of the execution of the Will. She came to know the same at a much later stage, i.e., after lapse of 10-12 months. How and on what basis she obtained the possession of the original Will is not known. On what basis the Sub-Registrar handed over possession of the Will to DW-1 has not been disclosed. Had she examined herself, she could have been accosted with the said question. It could have been shown that Hanumanthappa did not have any love and affection for her. Non-examination of the party to the lis would lead to drawal of an adverse inference against her. [See Sardar Gurbakhsh Singh v. Gurdial Singh and Another, AIR 1927 PC 230, Martand Pandharinath v. Radhabai, AIR 1931 Bom 97, Sri Sudhir Ranjan Paul v. Sri Chhatter Singh Baid & Anr., Tulsi and Others v. Chandrika Prasad and Others, (2006) 8 SCC 322 and Binapani Paul v. Pratima Ghosh & Ors, [2007 (6) SCALE 398]"

Hon'ble Apex Court in Vidhyadhar vs. Manikrao, (1999) 3 SCC 573 has held as follows:

"16. 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 as has been held in a series of decisions passed by various High Courts and the Privy Council beginning from the decision in Sardar Gurbakhsh Singh v. Gurdial Singh and Anr. This was followed by the Lahore High Court in Kirpa Singh v. Ajaipal Singh and Ors. AIR (1930) Lahore 1 and the Bombay High Court in Martand Pandharinath Chaudhari v. Radhabai Krishnarao Deshmukh AIR (1931) Bombay 97. The

Madhya Pradesh High Court in Gulla Kharagjit Carpenter v. Narsingh Nandkishore Rawat also followed the Privy Council decision in Sardar Gurbakhsh Singh's case (supra). The Allahabad High Court in Arjun Singh v. Virender Nath and Anr. held that if a party abstains from entering the witness box, it would give rise to an inference adverse against him. Similarly, a Division Bench of the Punjab & Haryana High Court in Bhagwan Dass v. Bhishan Chand and Ors. , drew a presumption under Section 114 of the Evidence Act against a party who did not enter into the witness box."

6.6. It is not the case of the defendant that, the signatures found in Ex.A4 to Ex.A7 are not the signatures of her. Simply because, the defendant had contended that, the signatures in Ex.A4 to Ex.A7 was not obtained on 08.02.2016, 22.01.2019, 15.11.2021 and 10.10.2023, the case of the plaintiff cannot be disbelieved as the plaintiff had discharged its initial onus satisfactorily. Further, the defendant had not assigned any acceptable reasons as to why she did not take any action to challenge signature found in Ex.A4 to Ex.A7. This would clearly suggest that, the defendant could have executed the Ex.A4 to Ex.A7 Revival letters in the manner alleged by the plaintiff.

6.7. The defendant borrowed a sum of Rs.85,000/- on 15.02.2013. The plaintiff filed the suit on 21.11.2025 i.e., after the lapse of nearly three years, contending that, the Revival letters dated 08.02.2016, 22.01.2019, 15.11.2021 and 10.10.2023 in Ex.A4 to Ex.A7 gives right to file the suit on or before 15.12.2024. Since, the defence raised by the defendant's side regarding the execution of Ex.A4 to Ex.A7 Revival letters had been shattered by the plaintiff and the adverse inference has been drawn against the case of the defendant, this court is of the view that, the Ex.A4 to Ex.A7 Revival letters are executed by the defendant on the dates mentioned thereon, so, those documents are true and genuine documents and the suit is filed in time.

6.8. Now the Point is, what is the rate of interest and the amount to be paid by the defendant to the plaintiff. Admittedly, the loan is one for KCC loan of the defendant. The plaintiff claimed Rs.4,04,140/- with subsequent interest at the rate of 12% p.a. The defendant took a stand that, the repayments made were not given credit properly in her account statement. But, she had not furnished any particulars regarding the missing repayments and produced any records to substantiate this contention. The perusal of account statement in Ex.A8 shows that, the repayments were given credit to the loan account. Nothing contrary to such credits were produced by the defendant's side. So, this court is of the view that, the plaintiff had given credit to all the repayments made by the defendant. However, considering the facts and circumstances of the case and the high rate of interest claimed for the subsequent period, this court is inclined to reduce the interest for the subsequent period, in the interest of justice. Accordingly, the plaintiff is entitled for the suit claim.

7. In the result,

The suit is decreed directing the defendant to pay the plaintiff, a sum of Rs.4,04,140/- with interest thereon at the rate of 9% p.a. from the date of suit till the date of decree, 6% p.a. from the date of decree till the date of realization and with costs. Time for payment Two months.

Dictated to the Steno-Typist, directly typed by him in computer, corrected and pronounced by me in the open court on this the 22nd day of July, 2026.

G. Bharathi Prabha

Digitally signed by G. Bharathi Prabha
Date: 2026.07.22 16:33:47 +0530

SUB JUDGE,
UDHAGAMANDALAM.

I. **<u>Plaintiff's Side Witnesses:</u>**
PW1 – Thiru. I.Vijay Guru (Branch Manager)

II. <u>Plaintiff's Side Exhibits:</u>

Ex-A1	15.02.2013	Loan Application	Online copy
Ex-A2	15.02.2013	Letter of Arrangement	Online copy
Ex-A3	15.02.2013	Hypothecation Agreement	Online copy
Ex.A4	08.02.2016	Revival letter	Online copy
Ex.A5	22.01.2019	Revival letter	Online copy
Ex.A6	15.11.2021	Revival letter	Online copy
Ex.A7	10.10.2023	Revival letter	Online copy
Ex.A8	29.04.2025	Accounts with interest calculation memo	Online copy

III. <u>Defendant Side Witnesses & Exhibits:</u> -Nil-

G. Bharathi Prabha
Digitally signed by G. Bharathi Prabha
Date: 2026.07.22 16:33:53 +0530

SUB JUDGE,
UDHAGAMANDALAM.

Sub Court, Udhagamandalam Copy of Judgment	
O.S.No:	143/2025
Dated:	22.07.2026