IN THE COURT OF SUBORDINATE JUDGE : LALGUDI

Present : Tmt.R.Mohana, B.L.,

Subordinate Judge, Lalgudi.

Dated Thursday, the 04th day of June - 2026

O.S No.221/2024

(CNR No.TNTP180002392024)

M/s. State Bank of India, Kattur Branch, Represented by its
Branch Manager . . .Plaintiff.

- Vs -

S. Sagunthala . . . Defendant.

This suit is came up before this court for final hearing on 16.02.2026, in the presence of Learned Counsel Thiru.D.Dhanapal - advocate for the plaintiff and the defendant was called absent and remained exparte and, heard the plaintiff's side and upon perusing the case records and stood over for consideration till this date before this Court, today this court delivers the following.....

JUDGMENT

This suit is filed by the plaintiff bank under order 7 rule 1 CPC praying to pass a decree in favour of the plaintiff as against the defendant, directing the defendant to pay the plaintiff the suit sum of Rs.2,56,957/- together with subsequent interest at the rate of 11.80% p.a. from the date of plaint till the date of realization and costs of the suit.

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2. Gist of the plaint averments -

The plaintiff is the State bank of India, incorporated under the State Bank of India Act 1955, having its corporate office at State bank Bhavan, Nariman point, Mumbai-400021, and having a Branch at Kattur Branch, No.95/1, Poovalur Road, Lalgudi, Trichy-621601, represented by its Branch Manager is authorized to file suits and sign the pleadings under the Regulations 76 & 77 of the General Regulations under state Bank of India Act. The suit is filed by the Plaintiff Bank against the defendant for recovery of amount due under a KCC Limit is fully detailed in the following paragraphs - On 16.07.2015 the defendant made an application with the Plaintiff Bank for availing a KCC limit. On 16.07.2025 the plaintiff bank has sanctioned a KCC limit of Rs.1,42,000/- to the defendant in Loan Account No.35082093116. In consideration of the loan amount being sanctioned and to secure the repayment of the said loan with interest, charges and other expenses, on 12.07.2015 the defendant had executed a Letter of arrangement and Hypothecation Agreement by hypothecating the crops in favor of the plaintiff's Bank by which the defendant had agreed to repay the loan amount of Rs.1,42,000/- within one year with interest or renewal of the every year. The defendant further agreed to pay interest at the rate of 12% per annum raising or falling there with from time to time and as per the Reserve Bank of India Guidelines varied from time to time. The defendant have agreed the outstanding and under to repay the loan amount and admitted his liabilities and executed the Revival Letter in favor of the Plaintiff Bank on 12.07.2018 and 14.06.2021. The

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defendant had availed the loan facility as per the entries made in the Book of Accounts of the plaintiff-Bank in the name of defendant, kept and maintained in the usual course of business. The operation and conduct of the loan account by the defendant was irregular and unsatisfactory. Despite several demands and remainders made by the plaintiff, the defendant failed to regularize the account. As per the terms of agreement, if the defendant defaulted to pay any one of the installments, the plaintiff bank is entitled to recall the entire loan amount. Despite their promise to service the said loan, the defendant have miserably failed to remit the dues as agreed and he has defaulted in the prompt repayment of the aforesaid loan and the said debt is still subsisting for which a lawyer notice on 21.05.2024 was issued to the defendant. Even after sending the notice, the defendant has not repaid the loan amount. Hence, this suit is filed by the plaintiff. In-spite of several reminders made by the plaintiff bank, the defendant had neglected to pay the installments as promised. As per the book of accounts maintained by the plaintiff in the usual course of business, a sum of Rs.2,56,957/- along with subsequent interest as on 20.05.2024. The plaintiff bank is duly constituted under the State Bank of India Act, 1955 and is exempted from Debt Relief Act. The Defendant is not entitled to any relief under any of the Debt Relief Acts. Under such circumstances it has become necessary for the plaintiff bank to file the suit against the defendant for recovery of a sum of Rs.2,56,957/- in Loan Account No. 35082093116 is still payable by the defendant as on 20.05.2024 + subsequent interest @ 11.80%. Even though the defendant has agreed to pay interest at 12% per annum, now the plaintiff has claimed interest at 11.80% as per the directions of the Reserve Bank of India. It is further submitted that the plaintiff bank is entitled to claim interest at the contractual rate till the date of realization in full as per the provisions of section 34 of CPC and as per section 21 (A) of the Banking Regulation Act. The defendant is bound to pay the suit claim with contractual rate of interest with overdue interest till date of payment. The Plaintiff Bank has sanctioned the KCC Limit on 16.07.2015. The defendant has agreed to repay the loan amount within one year and every year renewal. The Revival Letter is also executed by the defendant on 12.07.2018 and 14.06.2021. Due to Covid -19 Pandamic the Hon'ble Supreme Court has excluded the period from 15.03.2020 to 28.02.2022 as per the order in SuoMotu Writ Petition (Civil) No.3/2020. Hence, this suit filed within the prescribed period of limitation.

3. The defendant was called absent and remained exparte for non appearance in spite of service held sufficient.

4. Matter in issue – Whether the Plaintiff Bank is entitled for the relief of recovery of money as prayed for in the Plaint ?

5. On the side of the plaintiff, the Plaintiff Bank Branch Manager Thiru.P.Karuppasamy was examined as Pw1 and Ex.A1 to A8 were marked through her. Exparte evidence closed with Pw1. On the side of the defendant, No oral evidence adduced and no documents were marked.

6. The Learned Counsel for the Plaintiff argued that the defendant is the borrower and he approached the Plaintiff Bank for obtaining KCC loan for the defendant and to that effect the defendant and he had executed hypothecation agreement and other related security documents in favour of plaintiff bank. The Plaintiff bank has proved the case by producing the oral and the documentary evidence. But, despite repeated demands made by the Plaintiff bank the defendant evaded to repay the same and hence considering the oral and documentary evidence, the suit may be decreed as prayed for.

7. The Plaintiff Bank Branch Manager Thiru. Karuppasamy is examined as PW1 who deposed about the transaction made by the Defendant with Plaintiff Bank by marking the Documents Ex.A1 to Ex A8. As per the above said documents, it has been established by the Plaintiff Bank that the defendant had availed KCC loan from the Plaintiff Bank by agreeing to repay the same with subsequent interest as per the document Ex.A2.

8. The statement of Account has been marked as Ex.A8 which also reflects that the loan amount has been credited in the loan account of the defendant and the defendant is not repaid the same with interest as agreed by him. The suit is filed well with in the limitation period as per the order in SuoMotu Writ Petition (Civil) No.3/2020. Hence this Court is of the opinion that the Plaintiff Bank has proved the initial burden and established the prima facie case by producing documentary and oral evidence. But, on the contrary, the defendant who was not turned to rebut the evidence of the Plaintiff bank. As such, the defendant being borrower of the loan availed with the Plaintiff bank, who is liable to repay the loan amount with interest.

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In the result, the suit is decreed as prayed for with cost. The defendant is liable to pay the suit claim amount a sum of Rs.2,56,957/- to the Plaintiff Bank with subsequent interest at the rate of 6 percent per annum on the principal amount a sum of Rs.1,42,000/-, from the date of the Plaint, till the date of realization of the entire decree amount.

Dictated to the steno typist, typed by her in computer, printout taken, corrected and pronounced by me in open court on this the **04th** day of **June 2026**.

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SUB JUDGE
LALGUDI.

List of Documents

Plaintiff side Documents -

Ex.A1	16.07.2015	Loan application	original
Ex.A2	16.07.2015	Agreement	original
Ex.A3	16.07.2015	Hypothecation agreement	original
Ex.A4	12.07.2018	Revival letter	original
Ex.A5	14.06.2021	Revival letter	original
Ex.A6	21.05.2024	Legal notice	office copy
Ex.A7	--	Served acknowledgment card	original
Ex.A8	--	Statement of account	computerized copy

Plaintiff side witness -

PW1 – Thiru. Karuppasamy (plaintiff Bank Branch Manager)

Defendant side Witness and Document - Nil

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SUB JUDGE
LALGUDI.

Subordinate Court, Lalgudi.
OS.No.221/2024
Fair /Draft Judgment
Date : 04.06.2026