

IN THE COURT OF THE PRINCIPAL SUBORDINATE JUDGE, PALAKKAD
Present: Smt.Rukma.S.Raj, Principal Sub Judge.

Friday, the 24th day of November, 2023
(3rd day of Agrahayana, 1945 S.E)

ORIGINAL SUIT NO:213/2022

Plaintiff :-

The South Indian Bank Ltd, Vadakkencherry Branch, Sara Complex, Opp.Bus Stand, Vadakkencherry Po, Alathur Taluk, Palakkad District, Pin-678 683. Represented by its Branch Manager and power of attorney holder, Arun.K.

-Vs-

Defendants :-

1. Reshma.R, D/o Radhakrishnan, aged 27 years, residing at Thekkumpuram House, Karumanassery, Kizhakkenchery amsom desom, Alathur Taluk, Palakkad District, Pin-678 684
2. Radhakrishnan, S/o Kunju, aged 65 years, residing at Thekkumpuram House, Karumanassery, Kizhakkenchery amsom desom, Alathur Taluk, Palakkad District, Pin-678 684
3. Madhavikutty.K, W/o Radhakrishnan, aged 53 years, residing at Thekkumpuram House, Karumanassery, Kizhakkenchery amsom desom, Alathur Taluk, Palakkad District, Pin-678 684
4. Velappan S/o Andi, aged 72 years, Mariappadom House, Elavampadom Post, Kizhakkenchery Village, Alathur Taluk, Palakkad District, Pin-678684.

This suit coming on this day for final hearing before me in the presence of Sri.O.C.James & Smt.Saranya.K, Advocates for plaintiff and Sri.P.Vijayaraghavan & Sri.Akhila.C, Advocates for defendants, this court delivered the following.

J U D G M E N T

1. Suit for realisation of money.

2. **Case of the plaintiff in brief is as follows :** Defendants No.2 and 3 as borrowers/co – applicant and 4th defendant as guarantor approached for an educational loan to meet the educational expenses of first defendant For B.Tech Electronics and Electrical Engineering and availed an educational loan of ₹4,00,000/- (Rupees four lakh only) from the plaintiff bank. The loan was sanctioned on 30/08/2013. Subsequently this loan was restructured and the defendants had further availed ₹62,000/- (Rupees sixty two thousand only) on 05/11/2018. The loan was further restructured on 28/10/2019 and defendants had availed further loan of ₹84,000/- (Rupees eighty four thousand only) on 28/10/2019. Defendant No.2 and 3 had executed necessary documents for the loan for and on behalf of their daughter. On attainment of majority, the first defendant had also executed confirmation/declaration undertaking the liability. The first loan amount with interest should be paid in 120 monthly installments after the completion of one year of course or after six months after getting the job whichever is earlier. The second and third loan along with interest is to be paid in 24 equal installments. The stipulated interest rate was 16% per annum. But thereafter the defendants failed to repay the loan installments. An amount of ₹9,25,448.88/- is due from the defendants with respect to the

first loan, an amount of ₹59,238.26/- is due with respect to the second restructured loan and an amount of ₹1,29,591.18/- is due with respect to the third restructured loan. The plaintiff prays for realisation of the said amount with future interest at the rate of 15.55% per annum with monthly rests and penal interest at the rate of 2% per annum from the date of suit till realisation. So the plaintiff prays for the realisation of the above amount with interest. Hence, the suit.

3. Even though the defendants entered appearance they failed to file written statement. Thereafter PW1 was examined and Ext.A1 to Ext.A17 were marked. Evidence of PW1 remains unchallenged since he was not cross examined by the defendants. From the oral testimony of PW1 coupled with the documents produced it is clear that the defendants availed an educational loan of ₹4,00,000/- and restructured loan of ₹62,000/- and ₹84,000/- from the plaintiff bank and thereafter failed to repay the amount and the plaintiff is entitled to recover plaintiff claimed amount from the defendants. Since it is not a commercial transaction, I am of the view that the rate of interest sought for by the plaintiff is exorbitant. An interest at the rate of 6% per annum on the plaintiff claimed amount from the date of suit till the date of realisation of amount is sufficient.

4. In the result, suit is decreed as follows.

1) The defendants shall pay an amount of ₹11,14,278.32/- (Rupees eleven lakh fourteen thousand two hundred and seventy eight and thirty two paise only) to the plaintiff with interest at the rate of 6% per annum from the date of suit till the realisation of the amount.

iii) The plaintiff is entitled to costs in the suit.

Dictated to the Confidential Assistant, transcribed and typed by him, corrected and pronounced by me in open court on this the 24th day of November, 2023.

Principal Sub Judge.

APPENDIX

Plaintiff's witness :-

PW1 : 20.11.2023 : Arun.K.

Plaintiff's exhibits marked :-

- A1 : 05-08-2013 : Original Loan application duly signed by the defendant Nos.1 to 3.
- A2 : 30-08-2013 : Original sanction letter issued by plaintiff and duly signed by the defendant.
- A3 : 02-09-2013 : Original Education Loan Agreement executed by the 2nd and 3rd defendants.
- A4 : 02-09-2013 : Original Agreement of Guarantee executed by the Guarantor, 4th defendant
- A5 : 05-11-2018 : Original sanction/renewal letter issued by plaintiff to the defendants.
- A6 : 05-11-2018 : Original short term restructuring loan agreement executed by the defendants No.1 to 3

- A7 : 05-11-2018 : Original Agreement of Guarantee executed by the Guarantor, 4th defendant.
- A8 : 28-10-2019 : Original sanction/renewal letter issued by plaintiff to the defendants.
- A9 : 28-10-2019 : Original short term restructuring loan agreement executed by the defendants No.1 to 3
- A10 : 28-10-2019 : Original Agreement of Guarantee executed by the Guarantor, 4th defendant.
- A11 : 05-11-2018 : Original Acknowledgment of Debt executed by the defendants.
- A12 : 28-10-2019 : Original Acknowledgment of Debt and security executed by the defendants.
- A13 : 20-05-2022 : Copy of lawyer notice issued Adv.O.C.James to the defendants. postal receipts
- A13(a) : 21-05-2022 : Postal receipts
- A14 : 24-05-2022 : Returned Unserved lawyer notice address to Reshma
- A14(a) : 24-05-2022 : Returned Unserved lawyer notice address to Madhavikutty
- A14(b) : 24-05-2022 : Returned Unserved lawyer notice address to Radhakrishnan.
- A15 : 21-10-2022 : Statement of Account No.0590655000000033 for the period from 03.09.2013 to 21.10.2022 issued by South Indian Bank, Palakkad
- A16 : 21-10-2022 : Statement of Account No.05906550000000116 for the period from 12.11.2018 to 21.10.2022 issued by South Indian Bank, Palakkad
- A17 : 21-10-2022 : Statement of Account No.05906550000000151 for the period from 29.10.2019 to 21.10.2022 issued by South Indian Bank, Palakkad

Defendants' witness and exhibit :-Nil

Principal Sub Judge.

Fair/Copy/Judgment in
OS No.213/2022

Dated:24.11.2023