

**IN THE COURT OF SENIOR CIVIL JUDGE-II
AIZAWL DISTRICT, AIZAWL, MIZORAM.**

Money Suit No.232 of 2014.

1.State Bank of India,
Mission Veng Branch,
Represented by Chief Manager,
SBI,Mission Veng Branch, Aizawl.

.....Plaintiff.

Versus-

1. Smt. Lalthankhumi
W/o Zothanpuia (L)
Dawrpui, Aizawl

SBI Money Suit No.54 of 2015. - Decree

.....Defendants.

BEFORE

Senior Civil Judge-II

R.Vanlalena, MJS

Aizawl, Mizoram

Appearance:

For the Plaintiff :Mr TJ.Lalnuntluanga, Advocate,
For the Defendants:

Date of hearing :Dt.06.05.2016.

Date of Judgment :Dt.06.05.2016.

JUDGMENT AND ORDER

1.The main facts of the case leading to the filing of the present money suit as reflected by the plaintiff in the plaint may be mentioned as follows.

2.The Plaintiff is a nationalised Bank constituted under the State Bank of India Act, 1955 carrying a business of banking at Aizawl under the Banking Regulation Act, 1949. The registered local head office is in Guwahati and one of its branches is at Mission Veng, Aizawl headed by the Chief Manager.

3.The Defendants are group members of Zonun Self Help Group and are all residents of Dawrpui, Aizawl, Mizoram.

4.The Defendants had approached the Plaintiff and applied for Agriculture term loan/loan assistance in the name of the Zonun Self Help Group (hereinafter

referred to as (ZSHG) amounting to Rs.4,00,000(Rupees four lakhs) only on 10.01.2008 for ten members of the said ZSHG.

5.The Plaintiff had carefully examined all the documents submitted by the defendants in support of the application for the said loan money. After having verified and careful checks, the Plaintiff decided to sanction loan money amounting to Rs.4,00,000/- to the Defendants.

6.On 14.11.2007, the Defendants had made a resolution inside the group. As per the resolution of ZSHG, the Defendant No.1 as appointed as President and Defendant No.3as appointed Secretary of the ZSHG respectively and further resolved that in the event of any member of the ZSHG unwilling to repay the loan, the group/ZSHG shall take responsibility of it.

7.The Plaintiff and the Defendants had executed articles of agreement for financing loan to the ZSHG on 27.02.2008. The representative of the ZSHG put and subscribed signatures on the loan agreement. As per the said agreement of loan, the ZSHG shall repay the loan in 36 months with equated monthly instalment of Rs.11,111.11/- with interest at a rate Rs.12% per annum subject to change in the rate of interest from time to time as per the Reserve Bank of India directives applicable to self help group. The said loan repayment shall commence from six month after disbursement of the loan amount. Moreover, inter-se agreement was also made by the members of ZSHG on 27.02.2008 and was put into black and white.

8. The Plaintiff, thereafter disbursed the loan sum amounting to **Rs.4,00,000/-** to the Defendants/ZSHG on dt.25.03.2008 through Account No.30337247965 by means of debit transfer.

9.After the disbursement of the said loan, the Plaintiff had been reviewing the performance of the loan account and observed that the Defendants/ZSHG had neglected and failed to make repayment of the loan amount and thus the loan account of the Defendant had become very irregular towards repayment of the loan together with the interest. Subsequently, the Plaintiff had given oral reminder to the Defendants on various dates and written reminder also given to them on 21.01.2012 against the name of the President and Secretary of the ZSHG/Defendants. However, the Defendants failed to repay the loan. This resulted into irregular accrued amount of Rs.4,52,326/-as on 23.05.2011. Therefore, the total outstanding dues till date 08.10.2014 was Rs.8,41,214.89/- plus an interest as agreed upon

10. In spite of persistent efforts of the Plaintiff to get back the loan money borrowed by the Defendants, no payment had been made by the Defendants till date. The Defendants had executed revival letter on 11.06.2012 for the articles of agreement dated 27.02.2008 for financing the ZSHG. As such the cause of action is still surviving and the instant money suit is filed within the period of limitation.

11. The inaction of the Defendants in failing to repay the loan with interest was highly illegal and perhaps amounts to cheating. In fact, the Defendants have no

excuse for not repaying the loan with the interest and are bound to repay the loan with the interest as agreed upon by them.

12. The cause of action arose when the Defendants availed loan amounting to Rs.8,41,214.89/-from the Plaintiff on 23.05.2011 and the cause of action again arose had irregularities on repayment of the loan on 23.05.2011 and the execution of revival letter on 11.06.2012 of the articles of agreement for financing the loan to the ZSHG/Defendants. The cause of action further arose when the Defendants acknowledged their debts to the Plaintiff for non repayment of the loan. The cause of action still survives.

13. The Plaintiff and the Defendants being both residents of Aizawl, as such this Court has territorial jurisdiction and pecuniary jurisdiction to entertain the instant suit.

14. The instant suit is valued at Rs.8,41,214.89/-and the court fees amounting to Rs.11,740/- has been submitted alongwith the plaint.

15. The Plaintiff claimed the following reliefs:-

- (a) A decree in favour of the Plaintiff and against the Defendants.
- (b) A decree directing the Defendants to pay the Plaintiff the total outstanding dues amounting to Rs.8,41,314.89/- with interest at a rate of Rs 14% per annum from the date of irregularity of the loan repayment.
- (c) Any other reliefs as the Court may deems fit and proper.
- (d) For costs of the suit.

*** I, C.Lalremtluangi D/o C.Lalchhunga, Deputy Branch Manager of SBI, Mission Veng Branch, aged about 33 years do hereby solemnly affirm and state as follows:

1. That I am the Deputy Branch Manager of the Plaintiff Branch and we are doing a business of Banking at Aizawl with constituted under the State Bank of India Act 1955 carrying its business of Banking under the Banking Regulation Act 1949. The instant case is file by the Registered Local Head office at Guwahati through the Chief Manager, State Bank of India, Mission Veng Branch at Aizawl and as such I am well acquainted with all the facts and circumstances of the case and the competent person to swear this Affidavit.
2. That as per documents available in the Bank record and information given by the defendants, the defendants are a group of members for Zonun Self Help Group and they are residing at Dawrpui, Aizawl.
3. That the Defendants had applied for Agriculture term loan/loan assistance in the name of their Group namely Zonun Self Help Group)SHGS) amounting to Rs.4,00,000/- for 10 (ten) members of their Group. The defendants were also stated that they had agree to repay the loan amount as per the repayment schedule which may be fixed by the bank with by giving signature of President and Secreary of Zonun Self Help Group (SHGS) Dawrpui, Aizawl . The concern President Village Council/Court Dawrpui had issued acknowledgement letter for that the said ten members are the said group members on dated 10.01.2008.

4. That thereafter, the plaintiff Bank had examined the documents submitted by the defendants and considering the defendants necessity and request, the plaintiff decided to sanction Agriculture term loan/loan assistance under the terms and conditions of State Bank of India. The defendants also agreed the terms and conditions laid by the plaintiff and resolve resolution on dated 14.11.2007 wherein the defendants were appointing President Smt. Lalthankhumi and Secretary Smt.Zosangliani the representative of their group. The defendants group also promised in their resolution that in case if anybody among the members unwilling to repay the loan, the group shall take responsibilities/liability. Moreover, the inter-se agreement was also executed by the defendants and they had subscribed their signature on the same date. Subsequently, the plaintiff bank had sanctioned the loan amount of Rs.4,00,000/- on dated 27.02.2008 with specifying and agreeing to pay 36 month/yearly instalment of Rs.11,111.11/- on the loan will be charge @ 12% pa subject to change from time to time as per RBI directive applicable to SHG.
5. Tha the plaintiff thereafter disbursed the amount through A/c No. 30337247965/- on dated 25.03.3008 by means of debit transfer amounting to Rs.4,00,000/-. Thereby all sums paid by the plaintiff to the defendant.
6. That after disbursement of full loan amount to the defendants by the plaintiff, the plaintiff has been reviewing the performances of the said loan account and observed that the defendants has failed and neglected to perform satisfactorily the loan account whereby the defendants failed to make repayment of the loan amount and as such the said loan account of the defendants become very irregular towards repayment of the loan amount together with interest. Subsequently, the plaintiff had given oral reminder on various dates to the defendants many times and written reminder was given to the defendants on dated 21.01.2012. However, the defendants had not fulfil the reminder gave by the plaintiff which resulted in the irregularity accrued Rs.4,52,326/- as on 23.05.2011 and the balance from the record is Rs.3,88,888.89/-. Therefore, the total outstanding dues till dated 23.05.2011 is Rs.8,41,214.89/- and will plus future interest.
7. That in spite of the consistent effort of the plaintiff to get back the money borrowed by the defendants, no further payment has been received by the plaintiff till date.
8. That the action of the defendants in failing to pay the plaintiff of the loan amounts to cheating. In fact the defendants has no excuse for not repaying the plaintiff and their loan dues amounting to as on 23.05.2011 is Rs.8,41,214.89/- with plus future interest and the defendants is legally bound to pay the plaintiff all their dues with interest.

18. The Defendants No.1 & 6 appeared in person in Court and orally stated to the Court that the loan was applied in the name of Ramhlun Vengthar Self Help Group in which there were eight members.However, the loan money had been shared between the Defendant No.1&6 only and were spent by them for running their own business. The other members of the RVSHG have no responsibility to repay the loan money as they were not given the loan money. The loan money amounting to Rs.2,00,000/- was distributed between the Defendant No.1&6only. The responsibility to repay the loan would be placed between the Defendant

No.1&6 only. The Defendants No.1&6 further admitted that the loan money should be repaid by them and the other members of the RVSHG would be exonerated from the liability of the instant suit. The Defendants No.1&6 further orally prayed the Court to give them sufficient time for repayment of the loan stating that the authority of the State Bank of India orally allowed them to waive the interest in the loan amount.

19. I have heard the Ld.Counsel Mr.TJ.Lalnuntluanga on behalf of the Plaintiff who submits that since the Defendants No.1&6 admitted the liability of the loan excepting the other members of the RVSHG, the Court may be pleased to pass a judgment on the basis of the admission made by the Defendants No.1&6. I have also heard the Defendants No.1&6 in person who both submitted that the Court may be kind enough to pass a lenient order for their repayment of the loan.

20. Perusal of the hand written statement of the Defendants No.1&6 indicate that they do not deny the fact of their taking loan from the State Bank of India, Mission Veng Branch, Aizawl and admitted the liability to repay the loan. Considering the submissions made by the parties, this Court has come to a conclusion to pass a judgment on admission by virtue of the provision contained under Order 12, Rule 6 of the Code of Civil Procedure, 1908 which provides as follows:-

Judgment on Admission:-(1) Where admission of fact have been made either in the pleading or otherwise, whether orally or in writing, the Court may at any stage of the suit, either on the application of any party or of its own motion and without waiting for determination of any other question between the parties, make such order or give such judgment as it may think fit , having regard to such admissions;

(2)Whenever a judgment is pronounced under sub-rule (1) a decree shall be drawn up in accordance with the judgment and the decree shall bear the date on which the judgment was pronounced.

21. In the instant suit, there were 8(eight) Defendants represented by Defendants No.1&6. The said two defendants not only represented the all other defendants, but also claimed the liability of the loan and also took responsibility to repay the loan by them/defendants No.1&6. The two defendants admitted the liability and responsibility arising out of the instant suit. After having heard the parties from both sides and after having considered their submissions, this Court has made the judgment and order on admission as follows:-

ORDER

(1).The Defendants No.1&6 namely Mr.Lalhminglana S/o.Thanseia (L) and Mr.Lalrinchhunga S/o.Lalngurliana respectively, both residents of Ramhlun Vengthar, Aizawl, both members of Ramhlun Vengthar Self Help Group(RVSHG) as Chairman and Secretary respectively shall repay the principal loan amount i,e Rs.2,00,000/-(Rupees Two Lakhs) only within a period of one year counting from the month of March, 2016 by depositing the amount with the Plaintiff bank.

(2).The Defendants No.1&6 are hereby allowed to waive the interest and are therefore, need not to pay the interest mentioned in the loan agreement executed and signed by them with the Plaintiff.

(3). The Parties shall bear their own cost.

With this order, the instant suit stands disposed of.

Given under my hand and Seal of this Court on this 17th day of February,2016.

Sd/-R.VANLALENA
Senior Civil Judge-II
Aizawl District, Aizawl.

Memo.No.....Sr.CJ-II/A/2016 : Dated Aizawl, the 17th February, 2016

Copy to:-

1. The District & Sessions Judge, Aizawl Judicial District, Mizoram,Aizawl.
2. Chief Manager, State Bank of India, Mission Veng Branch, Aizawl C/o Mr.TJ.Lalnuntluang, Advocate.
3. Mr.Lalhminglana residents of Ramhlun Vengthar, Aizawl.
4. Mr.Sanghnuna, H/o.RohluiR/o.Ramhlun Vengthar, Aizawl.
5. Mr.Thangthuama, H/o.Runthangi, R/o.Ramhlun Vengthar,Aizawl,
6. Mr.Vanlalruata, H/o.Lalrawngbawli, R/o.Ramhlun Vengthar, Aizawl.
7. Mr.JC.Hnunliana, H/o.Sanghluani, R/o.Ramhlun Vengthar, Aizawl
8. Mr.Lalrinchhunga, S/o.Lalngurliana, R/o.Ramhlun Vengthar, Aizawl.
9. Mr.Lalkamlova, S/o.Zaduhthanga, R/o.Ramhlun Vengthar, Aizawl.
10. Mr.PC.Laldawngliana, S/o.Lianzama, R/o.Ramhlun Vengthar, Aizawl.
11. Judicial Section.
12. Case Record.
13. Guard File.

PESHKAR