IN THE COURT OF ADDITIONAL DISTRICT MUNSIF, CHIDAMBARAM

Present:Tmt.E.Swetha, B.B.A., L.L.B (Hons)
Additional District Munsif
Chidambaram.

Monday, the 30th day of March 2026

OS.No.124/2024
CNR No.TNCD10-000318-2024

Canara Bank,
Represented by its Chief Manager,
Chidambaram Branch. ..... Plaintiff

/Vs/

Rajaram ….Defendant

This suit is coming on 27.3.2026 for final hearing before me in the presence of Tmt.S.Jagadhathri, Advocate for Plaintiff and Defendant called absent, set exparte and upon hearing the plaintiff side argument and on perusal of case records and having stood over for consideration till this day, this court delivers the following:

JUDGMENT

1. The suit is for recovery of money of Rs.78,042/- from the defendants with subsequent interest at the rate of 12 % per annum and for costs.

THE CASE OF THE PLAINTIFF:

2. The plaintiff is a Banking Company and does business of banking through its Branches at various places, and one such branch is situate at No.15, North Car Street, Chidambaram and Taluk, represented by its Manager. The defendant approached the plaintiff's bank branch and requested Mudra loan. The plaintiff agreed to grant loan and the defendant availed the loan for a sum of Rs.50,000/-. in Account No.2924768000797 and the outstanding

amount is Rs.78,042/-. In evidence thereof and as security the defendant has executed an Agreement cum Deed of Hypothecation agreeing to repay the loan amount with interest at 9.50 % per annum (subject to change as per HO circular) in favour of the plaintiff on 21.12.2019. The defendant executed Letter of Acknowledgement of debt dated 02.02.2022 and acknowledged their debt. Hence this suit filed within 3 years of date of acknowledgement and not barred by limitation. Inspite of repeated demands made by the plaintiff through phone and also met the defendant directly to repay the loan dues but the defendant did not repay the amount due as schedule. Since the defendants failed to clear the above said loan, this suit is filed for recovery of the loan from the defendant. The defendant is not entitled to claim the benefits of any debt relief acts and hence interest is claimed as per contract rate. The plaintiff has filed statement of Account which shows that a sum of Rs.78,042/- is due as on 08.01.2024 Inspite of repeated demands, the said amount has not been paid. The plaintiff is claiming interest at the contract of interest as per the provision of sec 21(a) of the Bank Regulation Act. Hence, this suit.

3. The defendant were set exparte in the suit on 02.01.2026 for his non-appearance before this court.

4. In order to substantiate the plaintiff’s case, Selvamani the Assistant Manager of plaintiff Bank was examined as PW1 and Ex.A1 to Ex.A5 has been marked through PW1.

5.

<u>POINT FOR CONSIDERATION:</u>

6. Although there is no written statement, this court frames the following point for consideration for the sake of discussion,

(i) Whether the plaintiff is entitled to the decree as prayed?

DISCUSSION:

7. Heard the learned counsel for plaintiff. Material records have been perused. The suit is for recovery of money of Rs.78,042/- from the defendant with subsequent interest at the rate of 12% per annum and for costs. It is the case of the Plaintiff that the defendants borrowed a sum of Rs. 50,000/- at the rate of 9.50 % interest. The said loan was sanctioned by the plaintiff bank on 21.12.2019. Furthermore, it is the case of Plaintiff that the defendant has also executed Loan Application, Loan sanction memorandum, Agreement cum deed of Hypothecation and letter of Acknowledgement of Debt and security. Despite of executing all those documents, the defendants has committed wilful default, and failed to repay the amount. Hence the plaintiff is constrained to file the suit.

7. In order to substantiate the Plaintiff's case, the Assistant Manager of plaintiff’s bank named Selvamani was examined as PW-1 and he filed the testimony as stated in the Plaint averments. Ex-A1 to Ex-A5 has been marked through PW1. Ex.A1 is the loan application dated 19.12.2019 executed by the defendant. Ex.A2 is the loan sanction memorandum dated 21.12.2019. Ex.A3 is the Agreement cum Deed of Hypothecation dated 21.12.2019 Ex.A4 is the Acknowledgment of Debt and security dated 02.02.2022. Ex.A5 is the attested copy of Statement of Account of the defendant dated 10.01.2024 for the period of 1.1.2018 to 10.01.2024. It is to be noted that the acknowledgment of debt was made on time as per section 18 of Indian Limitation Act, 1963, and therefore a fresh period of limitation starts to run. Hence, this suit is filed within the period of 3 years.

8. On perusal of Ex.A1, A2 and A3, it is apparent that the defendant

borrowed a sum of Rs.50,000/- as loan from the Plaintiff as against the sanctioned amount of Rs.50,000/-. On perusal of Ex.A5, the Plaintiff also proved the default of loan made by the defendants and the outstanding due as on the date of filing this suit is Rs.78,042/-/-. Ex.A4 proves that the suit is filed within the period of limitation. Further, the plaintiff side documents establishes the default on the side of the defendants to repay the loan.

9. Considering the entire facts and circumstances of the case, this court is of the view that Ex.A1 to Ex.A5 corroborates the claim of PW1, in absence of any evidence to the contrary. No other witness has been examined by the plaintiff. As the defendant failed to come and appear before the court, the testimony of the plaintiff's witness remained obvious, unchallenged and unrebutted and therefore adverse inference is drawn against the defendant. The plaintiff proved his case by adducing oral and documentary evidence from his side. It is also to be noted that the present suit is within limitation. It is also pointed out that the plaintiff bank claims subsequent interest at 12% and on considering suit claim this court is of view that plaintiff is entitled for interest at 9% p.a. from date of suit to date of decree and 6% p.a from date of decree to its realization. Thus, the plaintiff is entitled to recover the sum of Rs.78,042/-along with subsequent interest as discussed above.

In the result, suit stand decreed as follows:

(i) Defendant is hereby directed to pay the plaintiff a sum of Rs. 78,042/-

ii) Defendant is hereby directed to pay the subsequent interest at 9% per annum on the principal amount of Rs. 50,000/- from the date of filing of the suit till the date of decree,

(iii) Defendant is hereby directed to pay the subsequent interest at the rate of 6% per annum on the principal amount of Rs. 50,000/- from the date of decree to the date of realization,

(iv) Defendant is hereby directed to pay the costs of the suit also.

The amount shall be paid within a period of three months from the date of receipt of this judgment.

Dictated to the steno-typist typed by her in computer, corrected and pronounced by me in the open court this the 30th day of March 2026.

(Sd/- E.Swetha)

ADDITIONAL DISTRICT MUNSIF,
CHIDAMBARAM.

List of witness on plaintiff’s side:

PW1- Selvamani (Plaintiff’s Assistant branch manager)

List of exhibits on plaintiff's side:

Ex.A1	19.12.2019	Loan Application - Original
Ex.A2	21.12.2019	Loan sanctioned memorandum -Original
Ex.A3	21.12.2019	Agreement cum Deed of Hypothecation - Original
Ex.A4	02.02.2022	Acknowledgement of Debt and Security - Original
Ex.A5	10.01.2024	Statement of Account – Certified copy

Defendant side witness and exhibits: Nil
List of Court Witnesses and Documents: NIL

(Sd/- E.Swetha)

ADDITIONAL DISTRICT MUNSIF,
CHIDAMBARAM.