

IN THE COURT OF PRINCIPAL DISTRICT JUDGE, DINDIGUL

**Present :Tmt.A.MUTHUSARATHA, B.L., P.G.D.P.M.,
Principal District Judge, Dindigul.**

Friday, the 27th day of March 2026

OS.No. 202/2021
(CNR No. TNDGO1-003327-2021)

Canara Bank, Nehruji Nagar, SME Branch, Dindigul
Thro' its Branch Manager

.... Plaintiff

/ vs /

1. P. Thangavelu
2. T. Arunkumar

... Defendants

This suit came on 12.3.2026 for hearing before me in the presence of Thiru. V.S Gandhimathinathan, V. Satheesh Kumar, A. Sivakumar, S. Manikandan Advocate for plaintiff and of Thiru M. Sivakumar, Advocate for defendants and subsequently the defendants were called absent and set exparte and upon heard the argument of plaintiff and upon perusing entire case records and having stood over for consideration till this date, this Court delivered the following

J U D G E M E N T

The Plaintiff filed this suit prays to pass a Preliminary decree for money by directing the defendants do pay a sum of Rs.16,78,101/- together with subsequent interest from the date of plaint (22.7.2021) till the date of realization and for cost of the suit, in default pass a Final Decree for sale by directing the sale of the Mortgaged suit scheduled property through court in due process of law and the net realisation

there from to be adjusted towards the decree amount and in the event of such sale proceeds be insufficient to satisfy the ensuing decretal amount, pass a Personal Decree as against the defendants personally.

2) **The Plaint averments in a brief:-**

The defendants had applied a loan to the plaintiff Bank on 23.7.2018 under Canara Bank Kisan OD(Priority-Agriculture) and under Kissan Credit Card(Priority Agriculture) vide Account Nos. 4036897000001 and 4036840000001. The plaintiff Bank had sanctioned the said loan under sanction note dated 23.7.2018 for the limit of Rs.7,50,000/- to meet working capital requirements for farm maintenance, repairs, replacement under Canara Kisan OD and under KCC(Kisan Credit Card) No.4036840000001 limit of Rs.5,00,000/- to meet out the crop cultivation expenses. The plaintiff bank under Canara Kisan OD and under KCC(Kisan Credit Card) had sanctioned loan 23.7.2018 to the defendants to improve their agriculture. The repayment of Canara Kisan OD period was fixed as running limit tenable for three years subject to annual review. The total project cost towards the Canara Kisan OD comes to the tune of Rs.9,37,500/- in which the defendants margin is 20% that comes to Rs.1,87,500/- and the remaining amount of Rs.7,50,000/- was funded by the plaintiff bank to the defendants. The rate of interest was fixed as MCLR(lending rate as per prevailing reserve Bank guideline)+2.30% interest to be paid within 90 days from the date of debit. The repayment of Kisan Credit Card was fixed as running limit tenable for 5 years subject to annual review. The rate

of interest was fixed as MCLR(lending rate as per prevailing reserve Bank guideline) +1.40%. As per the sanction of loan, standing crops were hypothecated and taken as security. The above said terms and conditions were accepted by the defendants and executed a loan agreement and deed for Kisan OD in favour of Plaintiff Bank for Rs.7,50,000/- on 24.7.2018 and availed the loan amount from the plaintiff Bank. Thus the defendants got loan for raising crops in their property and the defendants agreed to secure the repayment of the aforesaid amount with interest thereon and costs to the plaintiff. The Defendants agree to repay the loan amount with interest. The defendants jointly in thier individual capacity had also created an equitable mortgage in favour of the plaintiff and deposited the Title deeds and its parent deeds pertaining to the property, comprising of land in S.No.9/1A, 9/2, 19/3A1A, 19/3A1B, 19/3A1C, 623/2B1, 624/8, 623/2C, 623/2A, 621/4, 624/9B, 624/6 and 623/1 of Viralipatty Village, Nilakottai Taluk together with well with an intention to create an equitable mortgate, for the liablities of the defendants with the plaintiff. The defendants had executed orginal memorandum of Deposit of title deeds on 13.9.2013, 11.2.2016, 10.1.2017 and supplementary of memeorandum of deposit of title deeds vide doc Nos. 527/2016, 68/2017, 2383/2018 in favour of the plaintiff Bank regarding the properties mentioned above towards some other loan exposures. The Defendants on their individual capacity had executed a Memorandum of Deposit of Title Deeds on 23.07.2018 vide doc.No.2383/2018.. But as agreed, the Defendants did not repay the instalments of the loan amount and allowed the loan account to become overdue. The Plaintiff bank made many demands and request to the Defendants. But they did not

care to make any repayment. As per the Statement of accounts, on 20.07.2021, the defendants were then liable to pay a sum of Rs.9,68,308/- (Rupees Nine Lakh Sixty Eight Thousand Three Hundred and Eight only) towards Canara Kisan OD and a sum of Rs.7,09,793/- (Seven Lakh Nine Thousand Seven Hundred and Ninety Three only) towards Kisan Credit Card totally Rs.16,78,101/- (Rupees Sixteen Lakh Seventy Eight Thousand One Hundred and One only). Hence, the suit. The defendants are not entitled to the benefits debt relief assets, since the plaintiff is a banking institution. The defedants are jointly and severally liable to pay a total sum of Rs.16,78,101/- as on 20.7.2021 to the plaintiff together with the interst on the principal amount till realisation fromthe date of the suit. Hence the suit.

- 3) The defendants are being called absent and set exparte.
- 4) On the side of plaintiff PW1- Thiru. Jeganath, who is the Branch Manager of the Plaintiff bank was examined and he exhibited 6 documents as Ex.A1 to Ex. A6.
- 5) The issue for determination is whether the plaintiff is entitled to Rs.16,78,101/- with interest as prayed for ?

6) **Answer to the Issue No.1:**

Records perused. The case of the plaintiff is that the defendants offered to give security of their properties belonging to them under Ex.A1 loan sanction memorandum of deposit of title deeds, Ex.A2 and Ex.A3 are the hypothecation agreements and guarantee agreements, under the mortgage deeds and Article of Agreements. Ex.A4 is the Memorandum of Deposit of Title deeds excuted by the defendant in favout of the plaintiff Bank, the defendants agreed to repay the loan

amounts with interest at MCLR(lending rate as per prevailing reserve Bank guideline)+2.30% and MCLR(lending rate as per prevailing reserve Bank guideline)+1.40 for the said loans respectively, after availing the loan amounts, the defendants improved the agricultural operations in the lands, but the defendants did not repay the loan amount as per agreement and the loan account become overdue, the plaintiff bank made many demands and requests to the defendants but they did not care to make any repayment and did not operate the Cash Credit loan account properly and allowed both loan accounts to become overdue, the present outstanding in the loan with interest up to 20.7.2021 is Rs.16,78,101/-, as per Ex. A5 and Ex.A6 account statements respectively and hence the suit may be decreed.

7) The loan facility was sanctioned by Plaintiff Bank for Rs.7,50,000/- and Rs.5,00,000/- for the development of agriculture on condition that the defendants gives security of landed properties in favour of plaintiff bank. The defendant agreed to repay the loan amount with interest at the rate of MCLR(lending rate as per prevailing reserve Bank guideline)+2.30% and MCLR(lending rate as per prevailing reserve Bank guideline)+1.40%. for the above loans respectively. The defendants have not repaid the loan as agreed in installments and the account has become Non Performing Asset. The present outstanding in the loan in total Rs.16,78,101/- upto 20.7.2021.

8) The P.W.1, the Branch Manager of the plaintiff bank clearly deposed about the borrowing of Rs.7,50,000/- and Rs.5,00,000/- from the bank by the defendants on 24.7.2018, The Ex.A1 is the Memorandum of the agreement for

agricultural loan dated 24.7.2018 executed by the defendants in favour of the plaintiff bank. Ex.A2, Ex.A3 and Ex.A4 are the hypothecation agreements and memorandum of deposit of Title deeds, its clearly indicates that the defendants have borrowed the total loan amount of Rs.12,50,000 lakhs under the mortgage deeds and Article of Agreements. The defendants not appeared before this court to rebut the case. Hence, this Court infers that the plaintiff has proved its claim and this point is answered accordingly.

In the result, the preliminary decree of mortgage passed with costs directing the defendants do pay Rs.16,78,101/- to the plaintiff bank with subsequent interest from the date of plaint (22.7.2021) at the rate of 9.65% per annum till the date of decree and thereafter at the rate of 6% p.a. till the realization. Time for payment is three months. In case of default, the plaintiff is permitted to file Final decree for sale proceedings for recovery of due amount.

Dictated to steno-typist, directly computerized by her, corrected, signed and pronounced by me in open Court on this the 27th day of March 2026.

**Principal District Judge
Dindigul**

Annexure :

List of witnesses examined on the side of Plaintiff:

P.W.1 - Thiru. Jeganath (Senior Manager of Plaintiff Bank)

List of documents on the side of Plaintiff:

Ex.A1 24.7.2018 Loan sanction Memorandum - original

Ex.A2	24.7.2018	1 st Hypothecation Agreement for 1 st loan for Rs.5 lakhs executed by the defendants in favour of plaintiff bank - original
Ex.A3	24.7.2018	2 nd Hypothecation Agreement for 1 st loan for Rs.7.5 lakhs executed by the defendants in favour of plaintiff bank - original
Ex.A4	03.10.2005	Supplementary Memorandum of deposit of title deeds executed by the defendants in favour of the plaintiff bank - original
Ex.A5	-----	Certified Copy of Statement of Account copy for Canara Kisan OD Account No. 4036897000001
Ex.A6	-----	Certified Copy of Statement of Account copy for Kisan Credit Card Account No. 4036840000001.

Defendants side oral and documentary evidence : NIL

P D J
Dindigul