IN THE COURT OF ADDITIONAL SUBORDINATE JUDGE AT KANCHIPURAM
Present: Thiru.A.Mohamed Ali, B.Sc,,B.L.,
Additional Subordinate Judge, Kanchipuram
Friday the 19th day of June 2026
O.S.No. 204 of 2017
C.N.R.No.TNKP07000823/2017

Canara Bank
Maduramangalam Branch
Rep. By its Branch Manager …...Plaintiff

//Vs//

Mr. E. Ilayaperumal ...... Defendant

This suit came before me on 09.06.2026 for final hearing in the presence of Mr. J. Kamesh Kumar Learned Counsel for plaintiff and Defendant not appeared and ordered set ex-parte on 23-07-2024 and upon hearing the plaintiff side argument, on perusal the plaint, plaintiff side evidence and documents and having stood over for consideration till this day, this Court delivered the following..

JUDGEMENT

The plaintiff filed this suit for recovery of money Rs.6,49,562/- with subsequent interest at 12.25% per annum from the date of plaint till date of realization from the defendant and costs.

1. Brief averments in the plaint are as follows:-

The Plaintiff submits that the defendant has approached the District Industries Centre, Kancheepuram for a loan regarding a raw materials and equipments required for Manufacturing the Country Brick under the UYEGP SCHEME(unemployed Youth Employment Generation Programme), the estimated costs of the project is Rs.5,00,000/- to sent the proposal by the defendant to the District Industries Centre, Kancheepuram in Vide UYEGP No.4428with at relevant papers, after the due verification by the Chairman, Task Force committee/ General Manager of District Industries Centre, Kancheepuram. The object of the UYEGP scheme is the contribution of the defendant is Rs.25,000/- and balance amount of Rs.4,75,000/- ought to sanctioning the bank, on that basis the District Industries Centre, Kancheepuram have recommended the plaintiff bank for sanctioning the loan to the defendant. The plaintiff submits that the defendant has contributed a sum of Rs.25,000/- the bank also sanctioning the same on 24-01-2014 balance amount have been availed a loan from the plaintiff bank of Rs.4,75,000/- under the PMEGP Scheme after obtaining the permission from the higher authority and the same also disbursed by the plaintiff bank on 24-01-2014 to the defendant account no. 1357-7270-11091 and the same day he executed the pronote for Rs.4,75,000/-in favour of the plaintiff bank agreeing to repay the same together with interest at 12.25% per annum in a monthly installment for a period of 60 months and the interest also compounded quarterly as per RBI rated of Interest. The plaintiff submits that the defendant owe a sum of Rs.6,49,562/- as on 23-01-2017 as per accounts maintained by the plaintiff in the usual course of transaction. The defendant did not pay the amount to due in spite of repeated demands made by the plaintiff to the defendant to repay the same but for some ulterior motive the defendant evade to pay either principal nor interest, hence the plaintiff has no other option except to issue the legal notice to the defendant on 10-06-2015 and the same also received by the defendant. Hence the plaintiff is obliged to file this suit for recovery of Rs.6,49,562/- together with interest 12.25% per annum till date of realization and for costs from the defendant.

2. The defendant not appeared and ordered set ex-parte on 23-07-2024.

3. On the side of the plaintiff, the plaintiff bank manager examined as P.W.1 and Ex.A1 to A 6 were marked.

4. Point for consideration is - Whether the plaintiff bank is entitled for sum of Rs.6,49,562/- with subsequent interest at 12.25 % per annum from the date of plaint to till realization with costs from the defendant as prayed for?

5. Findings-

1. The plaintiff bank filed this suit for recovery money Rs.6,49,562/- with subsequent interest with costs against the defendant. PW-1 is the Branch Manager the plaintiff bank. Pw-1 deposed that the defendant has approached the District Industries Centre, Kancheepuram for a loan regarding a raw materials and

equipments required for Manufacturing the Country Brick under the UYEGP SCHEME, the estimated costs of the project is Rs.5,00,000/- to sent the proposal by the defendant to the District Industries Centre, Kancheepuram in Vide UYEGP No.4428. After the due verification Chairman of District Industries Centre, recommended the plaintiff bank for sanctioning the loan to the defendant and the defendant has contributed a sum of Rs.25,000/- and the bank also sanctioning the loan on 24-01-2014 and balance amount have been availed a loan from the plaintiff bank of Rs.4,75,000/- under the PMEGP Scheme and the same also disbursed by the plaintiff bank on 24-01-2014 to the defendant account no. 1357-7270-11091 and the same day he executed the pronote for Rs.4,75,000/-in favour of the plaintiff bank agreeing to repay the same together with interest at 12.25% per annum in a monthly installment for a period of 60 months and the interest also compounded quarterly as per RBI rated of Interest. The defendant owe a sum of Rs.6,49,562/- as on 23-01-2017 as per accounts maintained by the plaintiff and the defendant did not pay the amount to due in spite of repeated demands made by the plaintiff to the defendant hence the plaintiff issued the legal notice to the defendant on 10-06-2015 and the same also received by the defendant but the defendant not repay the said principal and interest to the plaintiff bank. Hence the defendant is liable to pay the sum of Rs.6,49,562/-with subsequent interest at 12. 25% per annum to till realization and costs of the suit to the plaintiff.

2. The plaintiff side marked documents in Exhibit- A-1 – Letter issued by the District Industries Centre, to the plaintiff bank on 14-11-2013 regarding the UYEGP Scheme 2013-2014- Application selected by the District TFSC and forwarded for sanction and disbursement of loan to the defendant Ilayaperumal for his project cost Rs.5,00,000/- and subsidy amount Rs.75,000/- In Exhibit- A-2- Loan Application submitted by the defendant to the plaintiff bank and Sanction letter issued to the defendant by bankers on 24-01-2014 for sum of Rs.4,75,000/- with repayment condition. In Exhibit- A-3 -Composite Loan Agreement executed by the defendant to the plaintiff’s bank regarding Loan amount of Rs.4,75,000/- on 24.01.2014 with

repayment conditions. In Exhibit – A-4 – Legal notice issued by the plaintiff bankers to the defendant on 10-06-2015 to claim the balance loan amount of Rs. 5,53,811/- with future interest. In Exhibit- A-5- Legal notice received by the defendant in Acknowledgement card. In Exhibit-A-6- the defendant bank statement of Account from 24-01-2014 to 23-6-2017 and closing balance amount is Rs. 6,86,985/-

3. Considering facts and Circumstances of this case and evidence of Pw-1 and Exhibit A-1 to A- 6 documents, the defendant availed loan facility under UYEGP Scheme from the plaintiff bankers on 24-01-2014 for sum of Rs.4.75.000/- and the defendant executed Composite Loan Agreement to the bankers for security of the said loan amount. The defendant has not repaid the said loan amount promptly to the plaintiff hence the bankers issued the legal notice to the defendant on 10-06-2015 and the same was received by the defendant but the defendant has not repaid the balance loan amount with interest to the bank till date. Hence the plaintiff filed this suit and claimed the said loan amount with interest from the defendant. The defendant is not contested in this case and remained ex-parte in condition.

After issuance of legal notice, the defendant has not repaid the loan payment and interest to the bankers till date as per agreed terms and conditions. In these circumstances, this court is accepted the plaintiff evidence and the plaintiff proved the suit claim that the defendant is liable to pay the suit amount Rs.6,49,562/- with subsequent interest at 12. 25% per annum from the date of plaint to till realization and costs of the suit to the plaintiff. Therefore this court is inclined to allow this suit in favour of the plaintiff's bank.

In fine, Suit is decreed with cost. Defendant is directed to pay the suit amount Rs.6,49,562/- with subsequent interest at 12.25% per annum from the date of plaint to till realization with costs of the suit to the plaintiff bank.

Directly dictated to the Steno-typist, typed by her, corrected and pronounced by me in open court, this the 19th day of June 2026. Sd./A.Mohamed Ali

Additional Subordinate Judge,
Kanchipuram.

1. Plaintiff side witness:

1. P.W.1 – Mr.. Bhupathi Srikanth (Branch Manager)

2. Plaintiff side Documents:

S.No.	Date	Description of Document	Exhibit
1.	14-11-2013	Recommendation letter issued by District Industrial Centre, Kancheepuram to the plaintiff bank - Original	Ex.A1
2.	24-01-2014	Loan Sanction Letter to the defendant - Original	Ex.A2
3.	24.01.2014	Composite Loan Agreement executed by defendant to bank - Original	Ex.A3
4.	10-06-2015	Legal Notice issued by bank to defendant- Office copy	Ex.A4
5.		Acknowledgement card by defendant- Original	Ex.A5
6.	30.06.2017	Defendant Accounts Statement Computer copy	Ex.A6.

3. Defendants side Witness and Documents: Nil

Sd./A.Mohamed Ali

Additional Subordinate Judge,
Kanchipuram.