

IN THE COURT OF THE SUBORDINATE JUDGE, ATTUR
SALEM DISTRICT.

PRESENT: **Thiru S.Ganesan, B.Sc., M.A., B.L.,**
Subordinate Judge, Attur.

Monday, dated this 23th day of March 2026

O.S.No.66/2025

(CNR.No.TNSA 12000-177-2025)

Canara Bank, Attur Branch,

Rep. by its Branch Manager

...

Plaintiff

/Versus/

1. V.Arumugam

2.A.Lakshmi

...

Defendants

This suit came before me on 23.03.2026 in the presence of Thiru.Loga.Murugan, Learned Advocate for the Plaintiff and summon served to the Defendants called absent and set ex-parte, and upon perusing the records and Argument of Plaintiff and having stood over for consideration this court delivered the following:

J U D G M E N T

1. This suit is filed by the Plaintiff Bank for the recovery of amount under the veil of agreement for term loan of Rs.6,42,153.46 and for costs.

2. **The Averments of the Plaint:-** The 1st and 2nd defendants are husband and wife. The 1st defendant had availed a budget personal loan of Rs. 6,50,000/- (Rupees Six Lakh Fifty Thousand only) from the Plaintiff Bank as a term loan for his domestic needs. On 04.12.2023, the said amount was debited to the 1st defendant's loan account No. 163003368829. The 1st defendant is the loan applicant, and the 2nd defendant is the joint applicant/guarantor of the loan.

3. The 1st and 2nd defendants jointly executed a Take Delivery Letter to DPN along with the Form of Promissory Note, and the 2nd defendant executed a guarantor form in favour of the Plaintiff Bank. The defendants agreed to repay the loan with interest at 11.65% per annum. The rate of interest is subject to change from time to time as per the directions of the Reserve Bank of India. Presently, the rate of interest stands at 11.65% per annum, and the defendants assured prompt repayment of the loan until it is fully discharged. Accordingly, all the defendants are jointly liable to repay the said loan. The sanction memorandum dated 04.12.2023 and the executed undertakings in respect of the personal loan are produced for the perusal of this Court.

4. The defendants have been highly irregular in repayment. Several demands made by the Plaintiff Bank for regularizing the loan proved futile. Subsequently, the Plaintiff Bank issued a demand notice dated 05.10.2024 to the defendants through Registered Post with Acknowledgment Card. After receiving the said notice on 08.10.2024, the defendants neither complied with the requirements of the Plaintiff Bank nor paid the amounts demanded.

5. As per the regular accounts maintained by the Plaintiff Bank, the defendants owe Rs. 6,42,153.46/- (Rupees Six Lakh Forty-Two Thousand One Hundred Fifty-Three and Forty-Six Paise only) as on 20.11.2024. The printout of the statement of accounts maintained by the Plaintiff Bank in the ordinary course of business is produced for the perusal of this Court. Hence, the suit.

6. Though the summon served to the Defendants called absent and set *ex-parte* on 19.08.2025.

7. Point for Consideration:-

Whether the Plaintiff Bank is entitled to the relief sought for ?

8. Answer:-

9. On the side of the Plaintiff, Bank Manager has examined himself as PW.1. and Ex.A1 to Ex.A11 were marked through PW.1.

10. In order to evince and substantiate the case of the Plaintiff, PW1 had deposed in his Proof Affidavit as stated in the Plaint. Ex.A1 is the Power of Attorney, Ex.A2 is the Authorization letter in favour of the plaintiff, Ex.A3 is the Delivery letter, Ex.A4 is the Hypothecation Agreement executed by the defendant in favour of the plaintiff Bank, Ex.A5 is the Loan Deed, Ex.A6 is the Loan Sanction Memorandum, Ex.A7 is the Guarantee form executed by the defendants in favour of the plaintiff, Ex.A8 is the Demand Letter, Ex.A9 is the Acknowledgment cards of the Defendants, Ex.A10 is the Statement of Accounts maintained by plaintiff, Ex.A11 is the Identification card of Defendants were marked through PW1.

11. On perusal of the records, it is observed that the defendants submitted a loan application to the Plaintiff Bank on 04.12.2023. Under Ex.A4, the Agreement-cum-Deed of Hypothecation was executed by the defendants in favour of the Plaintiff Bank.

12. Subsequently, the Plaintiff Bank made several demands to pay the loan amount. But, the Defendants have not paid the loan amount to the Plaintiff Bank regularly. But, the Defendants not acted accordingly and willfully defaulted the repayments. Under the Ex.A10 Statement of Accounts the Defendants owe for a sum of Rs. 6,42,153.00 to the plaintiff bank.

13. The Plaintiff's Bank has proved its case ***under Section 101 of the Evidence Act*** and discharged the initial burden lies on it. Added to it, the presumption ***under Section 118 of Negotiable Instrument Act*** also would strengthen the case of the Plaintiff's Bank. On the other hand, the Defendant has deliberately failed to appear for contesting the suit. Therefore, this court wants to invoke and draw an adverse inference as against the Defendants ***Section 114 (g) of Evidence Act***. Looking at any angle, the suit is needfully required to be decreed as prayed for. The statement of accounts reveals the defendants have defaulted in repaying the loan amount and stand to the tune of Rs.6,42,153.46. For which, the defendants have not denied the execution of acknowledgment of the debt, has not chosen to come to court

or get into the box for adducing any oral evidence. The defendants not even come to the court in person or through counsel to raise any objection or plea any discharge.

14. The Defendants has agreed to pay interest to the principal amount at the rate of **9.90%** per cent. When the Suit is filed in Court of Law for recovery of money, the interest to be awarded during the pendency of the suit will be governed by Section 34 of CPC and Interest Act. Being the Agricultural loan, the interest would be at the rate of 9 percent per annum from the date of suit till the date of decree and thereafter at the rate of 6 percent per annum on the principal sum till the date of realization for the principal amount from the date of decree.

15. ***In the result, this suit is hereby decreed with cost. That the Defendants are hereby jointly and severally liable to pay to the Plaintiff a sum of Rs.6,42,153/- with subsequent interest at the rate of 9 percent per annum from the date of suit till the date of decree and thereafter at the rate of 6 percent per annum on the principal sum till the date of realization. Time for payment 2 months.***

Dictated by me to the Steno-Typist, computerized by her directly to my dictation, corrected and pronounced by me in the open Court, this the 23th day of March 2026.

Subordinate Judge,
Attur.

Witness on the side of Plaintiff:-

PW.1- Thiru.Karthikeyan, Branch Manager, Canara Bank,Attur.

Exhibits marked on the side of Plaintiff:-

Ex.A1 06.10.2020 Power of Attorney – True Copy

Ex.A2 14.10.2024 Authorization letter in favour of the plaintiff – Photocopy

Ex.A3 04.12.2023 Loan application from executed by 1st and 2nd defendant in

favour of the plaintiff – Original.

Ex.A4 04.12.2023 Delivery Letter. – Original

Ex.A5 04.12.2023 Guarantee form executed by the 2nd defendant in favour of the plaintiff – Original

Ex.A6 04.12.2023 Loan Sanction Memorandum – Original

Ex.A7 04.12.2023 Undertaking regarding personal loans – Original

Ex.A8 05.10.2024 Demand Letter by plaintiff- Bank Copy

Ex.A9 08.10.2024 Acknowledgment cards of the Defendants 1,2 – Original

Ex.A10 13.12.2024 Statement of Accounts – True Copy

Ex.A11 -- Identification card of Defendants – Photocopy

Witness and Exhibits on the side of Defendants:- NIL

Subordinate Judge,
Attur.

Draft/Fair judgment
O.S.No.66/2025
Dated : 23.03.2026
Sub-Court, Attur.