



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

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

Friday, dated this 17<sup>th</sup> day of April 2026

**O.S.No.151/2020**

**(CNR.No.TNSA12-000276-2020)**

The Tamilnad Mercantile Bank Limited,  
Attur Branch, Rep. By its Manager,  
Attur Town, Attur Taluk,  
Salem District

... Plaintiff

// Versus //

1. A.Raja

2. A.Parvathi

3. A. Tamilselvan, Proprietor of Good Luck Seeds

... Defendants

This suit came before me on 17.04.2026 in the presence of Thiru.Loga.Murugan, Learned Advocate for the Plaintiff and the defendants 1 to 3 were called absent and they were 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 agricultural loan and for costs.

2. **The Averments of the Plaintiff:-** The defendants 1 and 2 are agriculturists. The 1st defendant applied for an agricultural loan on

14.03.2018 for a sum of Rs.1,00,000/- in order to raise crops in his fields. The 2nd defendant stood as a guarantor for the 1st defendant. The 3rd defendant is the proprietor of Good Luck Seeds, who is an agricultural coordinator and seeds manufacturer. The 3rd defendant also stood as a guarantor for the loan borrowed by the 1st defendant. The said loan of Rs.1,00,000/- was sanctioned by the plaintiff bank on 16.03.2018. On 16.03.2018 itself, the 1st defendant executed a Memorandum of Agreement for Agricultural Loan in favour of the bank, agreeing to repay the said loan of Rs.1,00,000/- with interest at the rate of 7% p.a. within one year from the date of the Agreement and at the Bank's ruling rate prevailing from time to time, and in default of payment of any one instalment, he shall be liable to pay interest at an overdue rate of 2% p.a., as detailed in the agreement, along with a Promissory Note for a sum of Rs.1,00,000/-.

3. The 3rd defendant has issued a letter dated 03.04.2017, with annexure mentioning the list of farmers, to the plaintiff bank, wherein he recommended his well-known farmers to avail crop loans as per their needs, and he irrevocably undertook the responsibility of repaying the loan with up-to-date closure and stood as guarantor, and has executed a Common Guarantee Agreement on 17.11.2017 for those farmers, and thereby he stood as guarantor for the 1st defendant. The defendants availed the loan amount through account number 317700170950669.

4. As per the regular accounts maintained by the plaintiff bank in its ordinary course of business, the defendants owe a sum of Rs.1,20,325/- in the loan account as on 07.03.2020. The defendants did not keep up their commitments as agreed by them. Several demands were made by the plaintiff bank for repayment of the loan, but they ended in vain. Hence, this suit.

5. The 2<sup>nd</sup> defendant was called absent and was set exparte on 13.07.2022. Paper publication was effected for D3, and the 3<sup>rd</sup> defendant was called absent and set exparte on 19.07.2025. 1<sup>st</sup> defendant did not file a written statement, was called absent, and was set exparte on 10.02.2026. Hence, the judgment is pronounced on merits under Order 8 Rule 10 of CPC.

6. Point for Consideration:-

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

**7. Answer:-**

8. On the side of the Plaintiff Bank, Branch Manager examined as PW.1 and Ex.A1 to Ex.A9 were marked through PW.1.

9. 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 The loan application submitted by the first defendant to the plaintiff bank, Ex.A2 is the Arrangement Letter Cum Sanction Letter, Ex.A3 is the Memorandum of Agreement for Agricultural Loans executed by first defendant, Ex.A4 is the Loan agreement executed and signed by the second defendant in favour of the plaintiff bank, Ex.A5 is the Promissory note executed by the first defendant, Ex.A6 is the Guarantee letter executed by the third defendant in favour of the 1<sup>st</sup> defendant, Ex.A7 is the Loan agreement executed and signed by the 3<sup>rd</sup> defendant in favour of the plaintiff bank, Ex.A8 is the Power of Attorney in favour of Manager Tamilnadu Mercantile Bank Limited, Ex.A9 is the Statement of account, were marked through PW1.

10. On perusal of records, under the Ex.A1 the Defendants had applied loan application to the Plaintiff Bank on 14.03.2018 and the Plaintiff Bank is sanctioned the loan under the Ex.A2. Under the Ex.A3, the Defendants executed a Memorandum of Agreement for the loan amount.

11. Subsequently, the Plaintiff Bank made several demands to pay the loan amount. But the Defendants had not paid the loan amount to the Plaintiff Bank regularly. But the Defendants not acted accordingly and willfully defaulted the repayments. Under the Ex.A9 Statement of Accounts the Defendants owe for a sum of Rs.1,20,325/- to the plaintiff bank. For which, the defendants have not denied the execution of acknowledgment of the revival letter 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. The defendants liability is joint and several one.

12. Since the signatures found in the loan application and revival letter resembles one and the same. There is no contra evidence adduced by the defendants, further not even contradicted the same. The statement of accounts reveals the defendant has defaulted in repaying the loan amount and stand to the tune of Rs.1,20,325/- Hence, this court holds that the suit is filed within period of limitation and the plaintiff is entitled for recovery of suit claim as prayed for.

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 Defendants have deliberately failed to appear for contesting the suit. Therefore, this court wants to invoke and draw an adverse inference as against the Defendants *under Section 114 (g) of Evidence Act*. Looking at any angle, the suit is needfully required to be decreed as prayed for.

14. The defendants' liability are joint and several one. The 3<sup>rd</sup> defendant is the main guarantor. Thereby, the main guarantor has to pay 50% The Defendants have agreed to pay interest to the principle amount at the rate of 9 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. Hence, the rate of interest for the period from date of loan till the filing of the plaint and till the date of passing of decree will be 9% per annum for the period of litigation and at the rate of 6% per annum for the principle amount from the date of decree till the date of realization of the principle amount.

15. *In the result, this suit is hereby decreed with cost. That the defendants are jointly and severally and equally ( 50 percent by 1 & 2 defendants and 50 percent by 3<sup>rd</sup> defendant) liable to pay a sum of Rs.1,20,325.00 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 principle sum till the date of realization. Time for payment 2 months.*

Dictated by me to the Typist, computerized by her directly to my dictation, corrected and pronounced by me in the open Court, this the 17<sup>th</sup> day of April 2026.

Subordinate Judge,  
Attur.

**Witness on the side of Plaintiff:-**

PW.1- Thiru.Sermalingam ... Plaintiff

**Exhibits marked on the side of Plaintiff:-**

- Ex.A1 14.03.2018 The loan application submitted by the 1<sup>st</sup> defendant to the plaintiff bank - Original
- Ex.A2 16.03.2018 Arrangement Letter Cum Sanction Letter - Original
- Ex.A3 16.03.2018 Memorandum of Agreement for Agricultural Loans executed by 1<sup>st</sup> Defendant - Original
- Ex.A4 16.03.2018 Loan agreement executed and signed by the 2<sup>nd</sup> defendant in favour of the plaintiff bank - Photocopy
- Ex.A5 16.03.2018 The Promissory note executed by the 1<sup>st</sup> defendant - Photocopy
- Ex.A6 03.04.2017 Guarantee letter executed by the 3<sup>rd</sup> defendant in favour of the 1<sup>st</sup> defendant - Photocopy
- Ex.A7 17.11.2017 Loan agreement executed and signed by the 3<sup>rd</sup> defendant in favour of the plaintiff bank - Photocopy
- Ex.A8 20.01.2012 Power of Attorney in favour of Manager Tamilnadu Mercantile Bank Limited - Photocopy
- Ex.A9 07.03.2020 Statement of Account - Photocopy

**Witness and Exhibits on the side of Defendants:- NIL**

Subordinate Judge,  
Attur.

*Draft/Fair judgment  
O.S.No. 151/2020  
Dated :17.04.2026  
Sub-Court, Attur*