IN THE COURT OF THE PRINCIPAL DISTRICT JUDGE, THENI

PRESENT: Thiru. A. SARAVANAKUMAR, B.A., B.L.,
Principal District Judge, Theni

Monday, this the 27th day of July - 2026
Original Suit No.02/2026
(C.N.R. No.TNTH01-002515-2025)

Canara Bank,
Gudalur Branch,
represented by its
Branch Manager ...Plaintiff

-Versus-

1. C. Indhurani
2. P. Chokkar ...Defendants

This suit was coming before this court on 23.07.2026 for final hearing in the presence of Thiru. M. Muruga Dhinakaran, Advocate for the Plaintiff and Thiru. Kaja Mydeen, Advocate for the Defendants and upon hearing the argument of both sides and perusing the evidence, documents, the case having stood over for consideration till this day, this Court delivers the following:-

J U D G M E N T

The suit has been filed by the plaintiff against the defendants seeking the reliefs of, (i) directing the defendants to pay the plaintiff bank a sum of Rs.17,72,006/- together with subsequent interest at 12.05% per annum from the date of plaint till the date of realization; (ii) passing a preliminary mortgage decree directing the defendants to pay the decretal amount of Rs.17,72,006/-

together with subsequent interest at 12.05% per annum from the date of decree within the time fixed by the Court; (iii) in default of payment, directing the sale of the mortgaged schedule mentioned properties without attachment and appropriating the sale proceeds towards the decretal amount, and if the sale proceeds are insufficient, permitting the plaintiff bank to proceed personally against the defendants for recovery of the balance amount; and (iv) for cost of the suit.

2. The brief facts stated in the plaint is as follows:-

The plaintiff is Canara Bank, Gudalur Branch, represented by its Branch Manager, a nationalized bank constituted under the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970. The defendants approached the plaintiff bank on 13.03.2014 seeking financial assistance under the ALFD Scheme for laying pipelines for agricultural purposes. Upon appraisal of their request, the plaintiff sanctioned a loan of Rs.5,00,000/- under Loan Account No.1055883017271, subject to the execution of the necessary loan and security documents. The defendants executed the Memorandum of Agreement and other connected loan documents in favour of the plaintiff bank on 13.03.2014, agreeing to repay the loan with interest at 12.95% per annum within

84 months, together with 2% penal interest in the event of default, and thereafter availed the loan amount.

To secure repayment of the loan, the 1st defendant, being the owner of the suit schedule properties acquired under registered sale deeds dated 01.08.1991 (Doc. No.2154/1991) and 11.02.2010 (Doc. No.713/2010), deposited the original title deeds with the plaintiff bank with the intention of creating an equitable mortgage. The 1st defendant also executed a registered Memorandum of Deposit of Title Deeds dated 18.02.2014 as Document No. 793/2014 before the Sub-Registrar, Cumbum, and furnished a letter confirming the creation of the mortgage in favour of the plaintiff bank.

The defendants committed persistent default in repayment of the loan installments, contrary to the terms of the loan agreement. As per the accounts maintained by the plaintiff bank, a sum of Rs.16,66,122/- remained outstanding as on 30.09.2024. Despite repeated demands and issuance of a demand notice calling upon the defendants to discharge their liability, they failed to regularise the loan account or repay the outstanding dues. Consequently, after adding accrued interest, the total amount due as on the date of filing of the suit is Rs.17,72,006/-, exclusive of future interest.

Since the defendants failed to discharge the mortgage debt despite repeated demands, the plaintiff bank has instituted the present mortgage suit seeking recovery of the outstanding sum together with future interest, a preliminary mortgage decree, sale of the mortgaged properties in default of payment, personal decree against the defendants for any balance remaining after such sale, and costs of the suit. The plaintiff has also stated that the defendants are not entitled to claim the benefit of any debt relief enactments, the plaintiff being a nationalised bank exempted from such provisions.

3. Having not filed written statement, the defendants 1 and 2 were called absent and set exparte.

4. Pending the suit, the suit was referred to mediation for settlement and a mediation report received by this court stating that the matter is settled in terms of the settlement agreement dated 12.06.2026.

5. Issues: -

(1) Whether plaintiff is entitled to get the reliefs as prayed for in the plaint ?

6. The suit has been filed by the plaintiff bank for recovery of a sum of Rs.17,72,006/- together with subsequent interest from the defendants. The plaintiff has also sought a preliminary mortgage decree directing the defendants to discharge the mortgage debt within the time fixed by the Court, and in default, for sale of the mortgaged schedule properties and appropriation of the sale proceeds towards the decretal amount. The plaintiff has further sought permission to proceed personally against the defendants for recovery of any balance amount remaining due after such sale, besides claiming the costs of the suit and other consequential reliefs. No oral or documentary evidence has been adduced on both the sides.

7. What it is pertinent to be noted here is that pending the suit the parties requested this court to refer the matter to mediation. Therefore, the case was referred to Mediation Centre attached with District Court Premises, Theni and the learned Mediator after several sitting with parties has arrived at amicable settlement between them. The term of settlement arrived is also written in a agreement dated 12.06.2026 attached with the mediation report. The terms of the mediation run as follows,

"இரு தரப்பினரும் முழு மனதுடன் செய்துகொண்ட ஒப்பந்தம். மேற்படி வழக்கு எண்:M.F.No:129/2026 சமரச தீர்வு மையம் தேனியில் 12/06/2026-ம் தேதி சமரச தீர்வு மையம் முன்பாக மனுதார் மற்றும் எதிர்மனுதாரர்கள் ஆஜர்.

உபயதரப்பு வழக்கறிஞர்கள் ஆஜர். சமரச தீர்வு மையம் முன்பாக மனுதாரரும் எதிர்மனுதாரரும் கீழ்க்கண்டவாறு சம்மதித்துக் கொண்டதின் பேரில்,

வாதி வங்கியில் பிரதிவாதிகள் தங்களது விவசாய அபிவிருத்திக்காக கடந்த 13.03.2014ம் தேதி கணக்கு எண்.1055883017271-ல் ரூ.5,00,000/- கடன் பெற்றுள்ளார்கள். மேற்கண்ட கடனுக்கு ஆதரவாக பிரதிவாதிகள் தங்களது பெயரில் உள்ள அசல் ஆவணங்களை வாதி வங்கியில் வைப்பீடு செய்து ஆவண எண்.793/2014-ன் படி கம்பம் சார் பதிவாளர் அலுவலகத்தில் Memorandum of Deposit of Title Deeds எழுதி 18.02.2014-ல் பதிவு செய்து கொடுத்துள்ளார்கள்.

பிரதிவாதிகள் வாதி வங்கியில் பெற்ற கடன்கள் அசல் வட்டி தொகைகளை சேர்த்து மொத்தம் ரூ.17,72,006/- வாதிக்கு செலுத்த வேண்டியதில் வாதியும் பிரதிவாதிகளும் தங்களுக்குள் பேசி ஒரே தவணையாக ரூ.2,50,000/- மட்டும் கட்டி கடனை முடித்துவிட்டார்கள்.

வாதி வங்கி பிரதிவாதிகள் வைப்பீடு செய்துள்ள ஆவணங்களை நீதிமன்றத்தில் வழக்கு முடிந்த 1 வார காலத்திற்குள் பிரதிவாதிகளிடம் திரும்ப ஒப்படைக்க வாதி உறுதியளிக்கிறார் என்று சமரசமாக பேசி வழக்கு முடித்து கொள்ளப்படுகிறது.

மேற்படி சமரச மைய வழக்கு எண்: M.F.No.129/2026 Mediator முன்னிலையில் தரப்பினர் ஆகிய நாங்கள் செய்து கொண்டுள்ள மேற்படி சமரச

உடன்படிக்கையின்படி The Principal District Court, Theni. O.S.No:2/2026 வழக்கை இருவரும் முழு மனதுடன் முடித்துக் கொள்கிறோம்."

8. Such being the terms agreed between the parties, this court is of the view that nothing remains to be decided between the parties. After the mediation report was received the parties appeared before the court, the terms of compromise were read over and they have agreed for terms. Accordingly, the compromise made through mediation has been recorded. Therefore, it is appropriate to decree the suit as per the terms of compromise.

9. As regard court fee, the Hon'ble Supreme Court recently rendered in ***S.L.P. No.723 of 2023 dated 28.01.2025***, wherein the Hon'ble Supreme Court in Paragraph No.6 was pleased to held that refund of court fees is permissible only if the matter is referred to arbitration, conciliation, judicial settlement including through Lok Adalat or mediation for settlement and the case is decided in terms of such settlement and not otherwise and the judgment of the Hon'ble Supreme Court, ***the High Court of Judicature at Madras by its Registrar General vs. M.C. Subramaniam***, wherein the Hon'ble Supreme Court was pleased to held that Section 89 of CPC and Section 69A of the Tamil Nadu Court Fees and Suit Valuation Act, 1955 has to be interpreted liberally. In view of this broad purposive construction, the benefit of Section 89 of CPC shall cover the benefit of Section 69A of the Tamil Nadu Court Fees and Suit Valuation Act, 1955 and all methods of out-of-court dispute settlement between the parties that the court subsequently finds to have been arrived at. This would thus cover the private settlement arrived and memo to withdraw the appeal was filed before the Hon'ble High Court, the parties would be entitled to refund of full court fee.

10. By keeping in mind of the law laid down in the above judgment, this court finds that the plaintiff is entitled for refund of full court fee. Original documents filed in the suit, if any, ordered to be returned to the plaintiff and to the defendant, after substituting the certified copies.

In the result, the suit is decreed as per the terms of compromise arrived through mediation. The terms of compromise shall form a part and parcel of the decree. The plaintiff is entitled to get to refund of full court fee. No order as to cost.

Dictated to the Stenographer and directly computerized by him, corrected and pronounced by me in Open Court, this the 27^{th} day of July, 2026.

A. SARAVANAKUMAR
Digitally signed by A. SARAVANAKUMAR
Date: 2026.07.27 15:57:11 +0530

Principal District Judge,
Theni.

List of Witness examined on the side of Plaintiff :-

Nil

List of Exhibit marked on the side of the Plaintiff :-

Nil

List of Witness examined on the side of Defendants :-

Nil

List of Exhibit marked on the side of the Defendants :-

Nil

A. SARAVANAKUMAR

Digitally signed by A. SARAVANAKUMAR
Date: 2026.07.27 15:57:16 +0530

Principal District Judge,
Theni.

Principal District Court,
Theni.
Copy of Judgment in
O.S. No.02/2026
Dated : 27.07.2026