TNVR090000862025

In the Court of the Subordinate Judge, Virudhunagar.
Present Thiru. P.Balamurugan,B.Com., B.L.,
Subordinate Judge, Virudhunagar.

Wednesday, the 24th day of June 2026
Original Suit No.34 of 2025

Bank of Baroda, Rosalpatti through
its Branch Manager. .. Plaintiff

/Vs/

1. C.Kannan
2. K.Mullumari .. Defendants

This Suit came before this Court for the final hearing on 22.06.2026 in the presence of Thiru.B.Durairaj, Advocate for the Plaintiff and the defendants though appeared through his counsel Thiru.Prabhakaramoorthy was set exparte for non filing of written statement and on perusing the documents and evidence and having stood over for consideration till this date and this Court delivers the following:-

JUDGMENT

Suit filed by the plaintiff's Bank to direct the defendants to pay a sum of Rs.1,57,067/- to the plaintiff with subsequent interest for the principal sum at the rate of 9.75% per annum from the date of Plaint till the date of realization and for costs.

The averments in the plaint are as follows :-

2. The plaintiff's bank is incorporated under the Banking companies(Acquisition and transfer of undertaking) Act V of 1970 with its Head office at Mandvi Baroda and among other places including Virudhunagar. The 1st defendant has approached the plaintiff bank on 28.11.2017 to grant to him a loan of Rs.1,00,000/- for the purpose of purchase of Mobile accessories under Pradhan Mantri Mudra Yojana Scheme form dated 28.11.2017. The 2nd defendant as guarantor to the 1st defendant the loan availed by him and executed in favour of the Plaintiff Bank. The bank is also accept the same on the basis of it the defendants availed Rs.1,00,000/- on 01.12.2017 in account No.41530600010094 and defendant executed a demand promissory note on 01.12.2017. On very same date the 1st defendant had executed a Letter of installment with acceleration clause and the 1st defendant agreed the terms and conditions through Composite Hypothecation agreement and Power of attorney through that Hypothecate the stocks and book debts.

3. The defendants are agreed and undertake that the terms and conditions of the plaintiff bank during the course of business and agreed the steps for recovery procedure of the bank and as well as with family history both the defendants signed in the draft undertaking. For the above said loan availed by the defendants act as guarantor to him executed a general form of guarantee on 01.12.2017 in favour of the plaintiff bank. As a continuing guarantee the 2nd defendant is also jointly and severally liable to settled liable to settled the loan amount of the 1st defendant availed by him. The general form of guarantee, letter of authority executed on 01.12.2017. The defendants acknowledged the liability in favour of plaintiff bank on 19.03.2019 and 01.02.2022.

4. The defendant agreed to pay rate of interest 8.55% per annum and the present rate of interest is 9.75% per annum. The defendants were not prompt and regular in repaying the loan and committed willful default in repayment of loan arrears. As a debtor the defendants had executed a competent documents in favour of plaintiff bank. Inspite of repeated demands made by the plaintiff the defendants did not come forward to repay the loan amount. For that the plaintiff bank had issued legal notice on 14.05.2020 to the 1st defendant. The plaintiff's Bank is file this suit against the defendant for the recovery of the loan amount due to the bank.

5. The Defendants were written statement not filed set exparte.

6. Whether the plaintiff is entitled to the suit claim?

Point for consideration :-

7. The case of the plaintiff is that the defendant has applied for Application form for loan of Rs.1,00,000/- for the purpose of purchase of Mobile accessories under PMMY Scheme form dated 28.11.2017 and the 1st defendant executed a demand promissory note on 01.12.2017. On very same date the 1st defendant executed the a Letter of installment with acceleration clause, Composite Hypothecation agreement and Power of Attorney, Draft undertaking, General form of guarantee, Letter of authority to make payment directly to the dealers. The defendants agreed to repay the same with interest at the rate of 8.55% per annum and the present rate of interest is 9.75% per annum. The defendants had not paid the loan amount as promised. Further the defendant has acknowledged the debt dated 19.03.2019 and 01.02.2022. For that the plaintiff bank had issued legal notice on 14.05.2020 to the 1st defendant. After several and repeated requests, demands, with the defendants by the Plaintiff bank, the defendants did not repay the said loan and hence the suit for recovery of money.

8. The Plaintiff has examined himself as P.W.1 and has marked Ex.A1 to A11. The plaintiff would contend that through the above evidence he has proved his case in line with the pleadings and has sought to decree the suit.

9. The plaintiff in order to put forth his case has marked the loan application as Ex.A1. A perusal of Ex.A1 would reveal the fact that the 1st defendant has applied for a loan on 28.11.2017 under PMMY scheme. On 01.12.2017 the plaintiff has marked Demand Promissiory Note as Ex.A2. A go through of Ex.A2 would reveal the fact that the plaintiff bank sanctioned loan amount of Rs.1,00,000/- to the defendant and the very same date the defendants has also executed Letter of installment with acceleration clause, Composite Hypothecation Agreement, Draft Undertaking, General form of Guarantee, Letter of Authority to make payment directly to the dealers as Ex.A2 to Ex.A7 and the above documents were executed in pursuance of the loan amount advanced by the bank and borrowed by the defendants. A perusal of the above documents would fortify the contention of the plaintiff that the defendants had borrowed the money from the bank.

10. The plaintiff would contend that the 1st defendant has acknowledged the debt owed by them to the plaintiff and has marked the same as Ex.A8 and Ex.A9. A go through of the above would fortify that the 1st defendant had acknowledged the debt towards the plaintiff. The plaintiff sent a legal notice Ex.A10 to the 1st defendant on 14.05.2020 demanding the loan amount due. Further, the plaintiff has also marked the statement of account as Ex.A11 for the transactions between the plaintiff and the 1st defendant. The plaintiff has also made demands for repayment of the loan and inspite of the same the defendants has not chosen to repay the same. The plaintiff through Ex.A1 to A11 has put forth the fact that the defendants has availed the loan of Rs.1,00,000/-from the plaintiff. The 1st Defendant is borrower and 2nd defendant is guarantor of the loan liable to pay the loan due amount along with interest to the Plaintiff Bank. The defendants has defaulted in payment of loan, steps were taken by the plaintiff seeking repayment of the loan from the defendants, but inspite of the same, they have not chosen to repay it. The plaintiff has adduced oral and documentary evidence coherently in consonance with the pleadings and has put forth his claim. The plaintiff having established his claim through available evidence is entitled to the suit claim.

11. In the result, suit is decreed with costs. The defendants are directed to pay sum of Rs.1,57,067/- to the plaintiff along with interest at the rate of 9% per annum from the date of plaint till the date of decree and at the rate of 6% per annum from the date of decree till the date of realization.

Dictated to the Typist, transcribed and typed by her, corrected and pronounced by me in Open Court, on this the 24th day of June 2026.

Subordinate Judge,
Virudhunagar.

Witness on the side of the Plaintiff:-

P.W.1 : Sharonraj jebamani

Documents on the side of the Plaintiff:-

Ex.A1	:	28.11.2017	Loan Application - Original
Ex.A2	:	01.12.2017	Demand Promissory Note executed by the 1st Defendant - Original
Ex.A3	:	01.12.2017	Letter of Installment with Acceleration Clause executed by the 1st defendant - Original
Ex.A4	:	01.12.2017	Composite Hypothecation Agreement executed by the 1st defendant - Original
Ex.A5	:	01.12.2017	Draft Undertaking executed by the defendants - Original
Ex.A6	:	01.12.2017	General form of Guarantee executed by the 2nd defendant - Original
Ex.A7	:	01.12.2017	Letter of authority to make payment directly to the dealers executed by the 1st defendant - Original
Ex.A8	:	19.03.2019	Acknowledgement of Debt executed by the 1st defendant – Original
Ex.A9	:	01.02.2022	Acknowledgement of Debt executed by the 1st defendant – Original
Ex.A10	:	14.05.2020	The Legal notice issued by the plaintiff's bank - Office copy
Ex.A11	:	--	Statement of Accounts

Witnesses and Documents on the side of the Defendant:- Nil.

Subordinate Judge,
Virudhunagar.

Sub-Court, Virudhunagar.
O.S. No.34 of 2025
FAIR JUDGMENT
Dated: 24.06.2026