IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED 15.06.2017

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THE HONOURABLE Mr.JUSTICE P.KALAIYARASAN

C.S.No.191 of 2002

M/s.Sundaram Finance Ltd.,
Rep. by its Manager [Legal],
21, Pattullos Road,
Chennai-2. ... Plaintiff

Vs

1.Offshore Financial Services Ltd.,
Rep. by Managing Director,
No.32, Seshadri Road,
Bangalore 560 009.

2.Nucor Weld Pvt. Ltd.,
Rep. by Managing Director,
No.312, Copper Arch,
No.83, Infantry Road,
Bangalore 560 001.

3.Kemtrode Pvt. Ltd.,
Rep. by its Managing Director,
7th Mile Chikkabegar Gate,
Hosur Road,
Bangalore 560 068. ... Defendants

Plaint filed under Order IV Rule 1 the Original Side Rules, 1956 read with Order VII Rule 1 of CPC, 1908 praying to pass a judgment and decree:

(a) to direct the defendants to jointly and severally to pay a sum of Rs.52,66,750/- together with interest @ 36% p.a. from the date of plaint till date of realisation and

(b) to direct the defendants to jointly and severally pay costs to the plaintiff.

For Plaintiff : Mr.M.Rathina Asokan

JUDGMENT

The suit is for recovery of a sum of Rs.52,66,750/- with further interest at the rate of 36% p.a. from the date of plaint till the date of realisation.

2. It is averred in the plaint that the plaintiff is a non banking financial institution incorporated under the Companies Act, 1956 and the 1st defendant which is a public limited company also engaged in the business of financial services and other allied activities. The 1st defendant company had availed of a bill discounting facility from October 1998 onwards. The 1st defendant had indorsed the hundi dated 01.12.1998 valued at Rs.52,66,750/- which had been discounted by the 2nd defendant in favour of the plaintiff company. The plaintiff had issued a demand draft for Rs.47,89,400/-. Apart from the above bill, the 1st defendant company has re-discounted three other bills with the plaintiff. The bills that were re-discounted were originally drawn by the 2nd defendant and accepted by the 3rd defendant. The plaintiff is entitled to the overdue interest at the rate of 36% p.a. As on 15.02.2002, the 1st defendant is due and owing a sum of Rs.71,43,468.69 being a sum of Rs.52,66,750/- towards principal and Rs.18,76,718.60/- towards additional finance charges at 36% p.a. from the date of the due date i.e., from 27.02.1999 till 15.02.2002. But, the plaintiff has filed

the suit for recovery of principal amount alone.

3. The Senior Manager of the plaintiff company has been examined as P.W.1. Ex.P1 to E.P9 have been marked. The bill of exchange and the letter issued by the plaintiff to the 1st defendant including statement of accounts has been marked as Ex.P2 and Ex.P4. The legal notice issued by the plaintiff is Ex.P8.

4. Through the evidence of P.W.1 and the above mentioned documents, the plaintiff has made out a case. The plaintiff claims interest at the rate of 36% p.a. from the date of plaint till the date of realisation. Even in the plaint, it has been mentioned that additional finance charges and the hundi is 23%. Therefore, the interest at the rate of 23% p.a. is awarded from the date of plaint.

5. In fine, the suit is decreed directing the defendants to pay jointly and severally a sum of Rs.52,66,750/- together with interest at the rate of 23% p.a. from the date of plaint till the date of realisation with costs.

15.06.2017

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Index : Yes/No
Internet : Yes

<u>P.KALAIYARASAN, J.</u>
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