IN THE HIGH COURT OF JUDICATURE AT MADRAS

RESERVED ON 03.02.2025	PRONOUNCED ON 23.06.2025

CORAM :

THE HON`BLE MR.JUSTICE K.KUMARESH BABU

C.S.No.117 of 2024

M/s.Dhana Capital and Finance Limited,
Rep., by its Director N.R.D. Premkumar
No.11, N.R.D., Towers 100 ft.Road,
Ashok Nagar,
Chennai -600 083 ... Plaintiff

vs.

1.M/s.Vikram Bike Zone Private Limited,
Regd., Office:No.465/1B, 466/1A2, (Aavin Diary Opp.)
Agasipalli Village, Agaharam Post, Krishnagiri,
Tamil Nadu – 635 001,
Rep., by its Managing Director Mrs.M.Shanthi

2.K J V Vikramadhitan
3.M.Shanthi
4.B.Kumar ... Defendants

Prayer : Civil Suit filed under Order IV Rule 1 of Original Side Rules and Order VII Rule 1 CPC for the following reliefs:-

(a) that the Court will order the Defendants to pay to this plaintiff's company the said sum of Rs.1,03,06,946/- as on 30.09.2022 from 01.10.2022 to date of filing of the Plaint i.e., such further interest as may accrue between the filing of the plaint and date of the payment, on some date to be named by this Court and in default that the said property may be sold, and the proceeds (after defraying thereout the expenses of the sale) applied in and towards the payment of the amount of the said principal interest and costs.

(b) that if such proceeds shall not be sufficient for the payment in full of such amount the defendant may be ordered to pay the plaintiff the amount of the deficiency with interest thereon at there rate of six per cent per annum until realization and ;

c) that for that purpose all proper directions may be given and accounts taken by the Court;

d) for the cost of the suit;

e) pass such further or other orders as this Court may deem fit and proper .

For Plaintiffs : Mr.Asokaa

For defendants : Set exparte

J U D G M E N T

The present suit has been filed for the recovery of a loan amount to the tune of Rs. 1,03,06,946/- (Rupees One Crore Three Lakhs Six Thousand Nine

Hundred Forty-Six only) and, in default, to sell the pledged property.

2) The plaintiff's case is that the plaintiff is a financing company that grants various types of loans according to the borrower's needs, including personal loans, business loans, mortgage loans, etc., based on the properties offered as security by the borrower. The first defendant, along with the second and third defendants, approached the plaintiff for a business loan to enhance and expand their business activities. The fourth defendant stood as a guarantor for the loan amount of Rs. 50,00,000/- and offered his immovable property as collateral security. The defendants, however, failed to repay the loan amount. Hence, the plaintiff has filed this suit.

3) On the side of the plaintiff, Mr.N.R.D.Premkumar, the Director of the plaintiff, has been examined as PW1 and marked Ex.P1 to Ex.P9. The defendants were set exparte on 09.12.2024.

4) Heard Mr.M.Asokaa, learned counsel for the plaintiff.

5) Mr. M. Asokaa, learned counsel for the plaintiff, submits that the

plaintiff is a financing company originally incorporated under the name of M/s. Christina Finance & Investments Ltd. in the year 1985. Subsequently, the name was changed as per the approval of the Reserve Bank of India (RBI). He submits that the RBI's approval for the name change is marked as Ex.P1. He further submits that the plaintiff offers loans according to the needs of the borrower, including personal loans, business loans, etc. He also submits that the first defendant is engaged in business under the name VIKRAM BIKE ZONE PRIVATE LIMITED at Krishnagiri.

6) He further submits that the first defendant, along with the second and third defendants, approached the plaintiff for business loans to enhance and expand their business activities. He submits that the plaintiff sanctioned a loan of Rs. 50,00,000/- on certain terms and conditions, and the defendants agreed to repay the said loan amount together with 18% flat interest within a period of 24 months, from 14.07.2018 to 14.06.2020. He further submits that the fourth defendant stood as a guarantor for the loan and offered his immovable property as collateral security. The value of the said property is Rs. 2,49,60,000/-, and the valuation report is marked as Ex.P3. He submits that the second and fourth defendants executed a collateral deed (Document No. 1781 of 2018) on

08.06.2018 to secure the repayment of the loan along with interest and related dues, and the same was marked as Ex.P4. He further contends that the said loan was disbursed through three cheques amounting to Rs. 25,00,000/-, Rs. 10,00,000/-, and Rs. 15,00,000/-, respectively.

7) He further submits that the defendants were irregular in their repayment, having paid only Rs. 10,45,000/- towards the outstanding loan, which barely covers three equated monthly installments. He submits that the current outstanding loan amount is Rs. 1,03,06,946/- as of the present date, whereas the repayment period expired on 14.06.2020. He further submits that despite repeated requests, reminders, and demands from the plaintiff, the defendants failed to repay the loan amount. He submits that the plaintiff issued a legal notice dated 02.08.2022, calling upon the defendants to pay the outstanding amount of Rs. 1,03,06,946/- within 15 days from the date of receipt of the notice. The said notice is marked as Ex.P5. He further submits that even after receiving the notice, the defendants neither replied nor came forward to settle the outstanding loan amount. He contends that the defendants are liable to pay the suit amount as of 30.09.2022, along with accrued interest from the date of the plaint. Furthermore, he submits that this suit is filed within the prescribed time limit, based on the legal notice dated 02.08.2022.

Therefore, he prays to decree the suit as prayed for.

8) I have considered the submission of the learned counsel for the plaintiff and perused the materials available on record.

9) The case of the plaintiff is that it had advanced loans in favour of the defendants 1 to 3 and that the fourth defendant herein had executed a collatoral security in favour of the plaintiff along with the second defendant securing the loan advanced by the plaintiff by the schedule mentioned property in the said document exhibited as Ex.P.4. A perusal of the Ex.P.4, would also indicate that the second and fourth defendants had executed a Collateral deed to secure the loan for a sum of Rs.50,00,000/- from the plaintiff to the second defendant for the commercial venture of the first defendant.

10) Under Ex.P.5, a legal notice also had been issued by the plaintiff calling upon the defendants to pay a sum of Rs.1,00,04,558/- which represents the principal and interest payable by them at that point of time. Under Ex.P.6, proof of receipt of such legal notice had also been placed on record. A statement of account of the outstanding dues from the defendants 1 to 3 had

been placed under Ex.P.7 and Ex.P.8, which indicates that there has been a current outstanding for a sum of Rs.1,03,06,946/-, which represents the Suit claim. The plaintiff had substantiated their claim by asserting their claim in the plaint through Exs.P2 to Ex.P8. Such assertions and evidence placed on record before this Court, have not been disproved it, as the defendants remained absent and they were set *exparte* by order of this Court on 09.12.2024.

11) In fine, the Suit is decreed by directing the defendants to pay a sum of Rs.1,03,06,946/- together with interest @ 12% per annum within a period of 8 weeks from the date of receipt of a copy of this order. In the event of default, the plaintiff is entitled to take appropriate steps to bring the suit schedule property for sale to realize the amount due i.e., Rs.1,03,06,946/- from the sale proceeds, the expenses incurred in bringing the property for sale, along with interest accruals on the principal sum at 12% per annum from the date of decree until realisation and costs. If the amount realized from the sale proceeds is insufficient for such purposes, the plaintiff is entitled to enforce the decree against defendants 1 to 4 until it is fully satisfied.

23.06.2025

Index : Yes / No
Internet :Yes / No
Pbn

List of witnesses examined on the side of the plaintiff:

PW1- Mr.N.R.D.Premkumar

List of documents marked on the side of the plaintiff:

ExP1	The printout of the Approval from RBI for Name Change
ExP2	The photocopy of the Defendant's company Master Data in the name of Vikram Bike Zone Pvt Ltd.,
ExP3	The photocopy of the Valuation Report of Collateral Property dated 22.01.2018
ExP4	The photocopy of the Deed of Collateral Property of the Defendant dated 08.06.2018
ExP5	The photocopy of the Legal Notice issued by Plaintiff's counsel dated 02.08.2022
ExP6	The photocopy of the Acknowledgment card of Legal Notice by the defendant
ExP7	The photocopy of the Account Statement of the Defendant Company
ExP8	The photocopy of the Loan Schedule issued to the Defendant Company by the Plaintiff Company.
ExP9	The photocopy of the Encumbrance Certificate from 01.01.2017 to 24.03.2024 issued by SRO Bargur

List of witnesses examined on the side of the defendant:

NIL

List of documents marked on the side of the defendant:

NIL

23.06.2025

Pbn

K.KUMARESH BABU.J.,

Pbn

Pre-Delivery Judgment in
C.S.No.117 of 2024

23.06.2025