

IN THE HIGH COURT OF JUDICATURE AT BOMBAY  
ORDINARY ORIGINAL CIVIL JURISDICTION

SUIT NO.113 OF 1984

Vijaya Bank ..Plaintiffs.

Vs.

R.M.Chavan ..Defendant.

Mr.A.A.Ajgar for the Plaintiffs.  
None for the Defendant.

CORAM : S.J. VAZIFDAR, J.  
DATED : 30TH JUNE, 2006

P.C. :

This is a usual bank suit for recovery of a sum of Rs.53,017.54 together with interest.

2. No written statement has been filed though the suit was filed 22 years ago.

3. The suit is filed to recover the amounts due under an over draft credit facility to the extent of Rs.1,37,109.79. The terms and conditions of this facility were contained in a writing dated 27.10.1979 which stipulated interest at 7.5% per annum over and above the RBI rate, subject to a minimum of 16.5% per annum on the daily balance of the account. The interest was to be compounded

monthly. In respect of the said facility, the original Defendant also executed a promissory note dated 27.10.1979. The Defendant also executed a letter dated 27.10.1979 authorising the Plaintiff to transfer the balance outstanding in the current account to the over draft account.

4. By a writing dated 7.7.1989, the original Defendant acknowledged his liability in the sum of Rs.1,50,883.64 and stated that the promissory note and other securities will remain in operation. Thereafter, the balance was again acknowledged and confirmed by the Defendant. The suit is filed to recover the balance amounts at the foot of the said account.

5. There is nothing on record that militates against the Plaintiff's claim. This is a fit case to accept the statement and averments contained in the plaint.

6. In the circumstances, the suit is decreed as prayed.