

C.O.S.SR No.938 of 2026

Date: 01.10.2026

The plaintiffs have filed this suit based on two loan agreements dated 23.02.2024 and 09.12.2024 alleged to have been executed by defendant in favour of plaintiffs separately. According to the plaintiffs, the defendant having borrowed a sum of Rs.25,00,000/- from 1st plaintiff has executed a loan agreement dated 23.02.2024.

The plaintiffs have stated that defendant having availed another loan of Rs.10,50,000/- from the 2nd plaintiff has executed a loan agreement dated 09.12.2024 in favour of 2nd plaintiff. Therefore, according to the plaintiffs, cause of action has arisen out of two separate transactions, one for 1st plaintiff and another for 2nd plaintiff. Had the defendant executed several promissory notes in favour of one plaintiff or had a promissory note been executed in favour of plaintiffs jointly, in such a cases, plaintiffs may be joined together in one suit. Several plaintiffs cannot joined together for distinct and

separate transactions against the same defendant. Therefore, the plaintiffs should file separate suits against the defendant.

Simply because of mentioning in the recital of the loan documents that the amount is borrowed for business purpose, such loan documents cannot be termed as mercantile document, unless the loaner is a banker or financier or a money lender. The loan agreements in the suit are not mercantile documents as contemplated in Section 2(1)(c)(i) of Commercial Courts Act.

Therefore this suit does not fall within the ambit of Commercial Dispute. Hence plaint is returned.

Digitally signed
by GANAPATHI
SAMY
Date:
2026.10.01
17:15:12 +0530

Principal Judge
Principal Commercial Court
Egmore, Chennai-08.