IN THE COURT OF SUBORDINATE JUDGE, UTHAMAPALAYAM.

PRESENT : Thiru. M. Shivaji Chelliah, L.L.M
Subordinate Judge, Uthamapalayam.
Tuesday, 11th day of August 2026

ORIGINAL SUIT No. 176 of 2020
(CNR No. TNTH050003712020)

Kannagi ... **Plaintiff**

/Vs/

Selvam ... **Defendant**

This suit posted on 24.07.2026 before this court for final hearing in the presence of **Thiru.K.Rajendran,B.Sc.,B.L.,** Advocate for the Plaintiff and **Thiru.M.Alagarraja,B.A.,B.L.,** Advocate for the Defendant and upon hearing both side counsels and on perusal of the case records which stood over for consideration till today this court delivered the following:-

JUDGMENT

The plaintiff filed the above suit for recovery of money for a sum of Rs.2,43,709-/and the interest on the principal amount of Rs.2,00,000/- at the rate of 12% from the date of the plaint until the date of realization and costs of the suit.

1. The brief averments made in the plaint is as follows:

The Defendant has approached the plaintiff for his urgent family and other expenses, borrowed a sum of Rs.2,00,000/- (Rupees Two Lakhs only) in cash from the Plaintiff on 07.10.2018 at the Plaintiff's house situated at Anumanthanpatti. The Defendant agreed to pay interest on the said principal amount of Rs.2,00,000/- at the rate of Re.1/- per month for every Rs.100/- and further agreed to repay the principal amount together with the accrued interest, whenever demanded by the Plaintiff, either to the Plaintiff or to any person duly authorised by the Plaintiff. In acknowledgment thereof, the Defendant executed and handed over a Promissory Note in favour of the Plaintiff on 07.10.2018. Thereafter, the Plaintiff repeatedly demanded the Defendant, both in person and through other persons, to pay the principal amount covered by the said Promissory Note together with the accrued interest. However, despite such repeated demands, the Defendant failed and neglected to pay any amount to the Plaintiff. Therefore, the Plaintiff, through his Advocate, issued a legal notice to the Defendant on 13.07.2020, demanding payment of the aforesaid principal amount together with interest. The Defendant received the said notice and, through his Advocate, issued a reply notice dated 16.07.2020, containing false and untenable allegations. Hence, the Plaintiff constrained to file the suit for recovery of money with costs based on the promissory note dated 07.10.2018. Hence, the suit.

2. The brief averments made in the written statement filed by the Defendant is as follows:

The defendant denied the all allegations stated in the plaint and contented that the Defendant never approached the Plaintiff on 07.10.2018 and borrowed a sum of Rs.2,00,000/- to meet out his family expenditure at the plaintiff's house. In fact, the Plaintiff and her husband are engaged in the business of lending money on interest and carrying on money-lending transactions. On 05.12.2018, the Defendant borrowed a sum of Rs.1,60,000/- (Rupees One Lakh Sixty Thousand only) from the Plaintiff and agreed to pay interest on the said amount at the rate of Rs.3/- per Rs.100/- per month. At the time of advancing the said loan amount, the Plaintiff obtained only the signature of the Defendant on a blank Promissory Note as security for the said loan. Thereafter, when the Defendant's business condition improved, he repaid the entire loan amount of Rs.1,60,000/- to the Plaintiff on 13.12.2019. After repaying the said amount, the Defendant demanded the return of the Promissory Note from the Plaintiff on the very same day. However, the Plaintiff stated that three months' interest was still due and informed the Defendant that the Promissory Note would be returned only upon payment of the said outstanding interest. Thereafter, with an intention to unlawfully enrich herself by claiming the alleged outstanding three months' interest, the Plaintiff has suppressed the true facts and, by setting up false, fabricated and imaginary facts, has unlawfully created and brought into existence the alleged Promissory Note and has instituted the present suit against the Defendant before this Court. The Plaintiff has instituted the present suit with an intention to make an unlawful gain at the expense of the Defendant by suppressing the material and true facts. There is no valid or subsisting cause of action for the Plaintiff to institute the present suit. The alleged cause of action set out in the plaint is false and untenable. The court-fee paid by the Plaintiff is also incorrect and improper. Therefore, the relief claimed by the Plaintiff is not legally available to her, and the suit is liable to be dismissed. Therefore, the Defendant is not liable to pay any amount to the plaintiff. Hence, the said suit has to be dismissed.

3. Based on the pleadings of both parties this court framed the following issues on 31.07.2024 :-

(i) Whether the Plaintiff is entitled to get a sum of Rs.2,43,709/- with interest as prayed for?

(ii) Whether the signature found in the suit promissory note belonged to the defendant?

(iii) Whether the Plaintiff is entitled to get a costs?

(iv) To what any other relief?

4. Evidence :

In order to substantiate the case of the plaintiff, the plaintiff was examined herself as PW.1 and Ex.A1 to A4 were marked on her side. One Balamurugan, who is the attestor of Ex.A1 Promissory note was examined as PW2 and Ex.A5 was marked. One Maheswari, who is the scribe of Ex.A1 Promissory note was examined as PW.3 and Ex.A6 was marked. On the side of the defendant, the defendant was examined himself as Dw-1 and no documents were marked.

5. Issue Nos.1 to 3 and answer :

In these issues let to be decided that Whether the Plaintiff is entitled to get a sum of Rs.2,43,709/- with interest as prayed for, Whether the signature found in the suit promissory note belonged to the defendant, Whether the Plaintiff is entitled to get a costs.

6. Heard both sides and perused the documents. According to the Plaintiff, the Plaintiff had advanced a loan of Rs.2,00,000/- to the Defendant, who, in turn, executed Ex.A1–Promissory Note dated 07.10.2018 in the presence of PW2 Balamurugan, who is an attestor to Ex.A1–Promissory Note, and PW3 Maheswari, who is the scribe of Ex.A1–Promissory Note, have also, through their oral evidence, corroborated the testimony of PW1 that the Defendant borrowed a sum of Rs.2,00,000/- from the Plaintiff and affixed his signature on the revenue stamps affixed to Ex.A1 in the presence of the witnesses. Thereafter, the Plaintiff repeatedly demanded the Defendant to repay the principal amount covered by the said Promissory Note together with the accrued interest. However, the Defendant failed and neglected to pay any amount to the Plaintiff. Hence, the Defendant is liable to pay a sum of Rs.2,43,709/- and the interest on the principal amount of Rs.2,00,000/- along with interest as on the date of filing of suit at the agreed rate of interest.

7. On the other hand, the Defendant refuted his liability by stating that admittedly the Defendant borrowed only Rs.1,60,000/- from the Plaintiff on 05.12.2018 for that he issued unfilled signed promissory note to her and then after discharging the loan on 13.12.2019 the same were not returned, whereas in order to extract more money the instant suit has been filed. Therefore, the Defendant is not liable to pay any amount to the plaintiff.

8. On considering both sides submissions, it has to be decided whether the defendant executed Ex.A1 promissory note on 07.10.2018 and whether the same was supported by consideration. According to the plaintiff, on 07.10.2018, the defendant borrowed Rs.2,00,000/- and for the same he issued Ex.A1 promissory note. Whereas, the execution and passing of consideration are totally denied by the defendant.

9. It is to be noted that PW1 in her evidence deposed that the loan amount was granted at the residence of her in the presence of PW.2 Balamurugan and his wife Vijayalakshmi and that in order to prove the execution of promissory note, PW.2Balamuruga who is the attestor of Ex.A1 and PW.3 Maheswari who is the scribe of Ex.A1 have also specifically deposed that it was granted at the residence of Plaintiff to the defendant. On perusal of the evidence of PW2 and PW.3 would ambly demonstrate that the Ex.A1 promissory note had been executed by the Defendant who had also received the consideration therein mentioned.

10. On the other hand, in the written statement, the Defendant had categorically pleaded that he had borrowed only a sum of Rs.1,60,000/- from the Plaintiff on 05.12.2018 and, as security for the said loan, had issued a blank signed Promissory Note to the Plaintiff and then he had repaid the entire loan amount of Rs.1,60,000/- to the Plaintiff on 13.12.2019. However, during his cross-examination, DW1 deposed as follows: " இவ்வழக்கை தாக்கல் செய்துள்ள கண்ணகி, அவரது கணவர் மதனகோபால் அவர்களை எனக்கு தெரியும், எங்கள் ஊர்க்காரார்கள்தான். வாதி எனக்கு வழக்கு தாக்கல் செய்வதற்கு முன்னர் வழக்கறிஞர் அறிவிப்பு அனுப்பினார், நான் அதனை பெற்றுக்கொண்டேன். அதற்கு நான் பதில் அறிவிப்பு அனுப்பினேன் என்றால் சரிதான். 13.12.2019 ம் தேதி நான் கடனை அடைத்துவிட்டேன் என எதிர்வாதம் செய்து வரும் நிலையில் அதை நிரூபணம் செய்ய எழுத்துப்பூர்வமாக ஆதரவு வாதியிடமிருந்து எழுதி வாங்கியுள்ளேனா என்றால் இல்லை" On a careful consideration of the evidence of DW1, it is seen that, though the Defendant had specifically pleaded in his written statement that he had repaid the sum of Rs.1,60,000/- borrowed from the Plaintiff on 13.12.2019, whereas he has admitted during cross-examination that he had not obtained any written acknowledgment or other documentary evidence from the Plaintiff evidencing such repayment. Therefore, this Court is of the view that the Defendant had repaid the loan amount to the Plaintiff on 13.12.2019 cannot be accepted, it could be seen that except the Defendant no other independent witness have examined to substantiate his defense, which leads to believe that the defense raised by him is not acceptable one.

11. Therefore, the PW1 to PW3 oral evidence has not rebutted by the Defendant and also nothing elicited from PW1 to PW3 to disprove the execution of promissory note as well as passing of consideration and hence their oral evidence clearly proved that on 07.10.2018 the Defendant had borrowed a sum of Rs.2,00,000/- for the same he has executed the Ex.A1 suit promissory note and hence this court of view that the signature found in the Ex.A1 promissory note belonged to Defendant.

12. At this juncture, it is relevant to read Section 102 of Indian Evidence Act which mandates that the burden of proof in a suit or proceeding lies on that person who would fail if no evidence at all were given on either side.

Illustrations (b) A sues B for money due on a bond. The execution of the bond is admitted, but B says that it was obtained by fraud, which A denies. If no evidence were given on either side. A would succeed as the bond is not disputed and fraud is not proved. Therefore, the burden of proof is on B.

13. Therefore, as per the said Section 102(b) make it clear that since the Defendant specifically taken a defense that when he was borrowed loan of Rs.1,60,000/- 05.12.2018 alone at that time the Plaintiff forcibly obtained his signed unfilled promissory note and then the loan discharged on 13.12.2019, while being so it is the burden heavily upon the Defendant to prove the same. Whereas, in this case Defendant side no reliable evidence let by him to prove that Ex.A1 promissory note was not supported by consideration it was obtained on unfilled manner for his debt. Therefore, as per Section 102(b) the Defendant fails to prove his defense and hence the Plaintiff has proved the Ex.A1 promissory note which was executed by the Defendant for consideration.

14. As observed above, this court of view that it is also contrary to ordinary human conduct that a substantial sum of Rs.1,60,000/- paid on 13.12.2019 would be handed over without the presence of any independent witness to attest such payment. Had the alleged payment actually taken place, the parties would naturally have secured the signatures of witnesses on the receipt to authenticate the transaction. The absence of any witness signatures clearly indicates that no such payment ever took place. In terms of Section 114 of the Indian Evidence Act, the Court is entitled to draw the natural presumption that prudent persons dealing with substantial monetary transactions ordinarily ensure the presence of witnesses to safeguard their interests. The absence of such witnesses in the present case the discharge defense brought into existence solely to defeat the Plaintiffs' lawful claim. Therefore, the oral evidence of PW1 to PW.3 and Exhibits A1 to A6 remains unshaken the defendant failed to establish discharge plea raised by him.

15. Another defence raised by the Defendant is that he had issued only an unfilled promissory note on 05.12.2018 and the same was subsequently filled up by the Plaintiff. At this juncture, this Court takes note of the fact that, while the Defendant has taken a specific defence that he had repaid the loan amount on 13.12.2019, he has categorically admitted in his cross-examination that he had not obtained any written acknowledgment or document from the Plaintiff evidencing such repayment. While so, let us assume what would be the legal consequences that would flow from the admission made by the defendant in the written statement that the signature in the suit promissory note is, his signature, but the rest were filled up by some body else. In this connection on relied upon Sec.20 of the Negotiable Instruments Act and <u>**2002 (2) C.T.C. Page 140**</u> **(Samikannu Naicker Vs Sigamani)**. The said section empowers the person, who is the holder of an inchoate stamped and signed instrument, to fill up the blanks and to negotiate the instrument. The instrument may be wholly blank or incomplete in particular and in either case the holder has the authority to make or complete the instrument as a negotiable one. Thus, on the light of the said judgment this court of view that the said minor discrepancy with regard to the pen or ink is not sufficient to disbelieve the case of the plaintiff.

16. It could be seen that Ex.A1 promissory note was admitted in the written statement and hence presumption under Sec.118 of the Negotiable Instruments Act is that, not only it has been validly executed, but also that it has been executed for consideration. Of course, it is a rebuttable presumption and once it has been rebutted by letting in legally acceptable evidence by the defendants. But, in the present case, the defendant has failed to rebut the said presumption by letting probable evidence that the Ex.A1 was executed for support of an earlier debt dated.05.12.2018.

17. Thus, this court concludes that the defendant has failed to rebut the legal presumption. When the burden is not discharged, the defendant is liable to pay to the Plaintiff the suit amount of Rs.2,43,709/- along with reasonable interest at the rate of 9% per annum for the Principal amount of Rs.2,00,000/- from the date of the suit to the date of the decree and thereafter 6% per annum for the principal amount of Rs.2,00,000/- till realization. Hence, Issue No.1 to 3 are answered in favour of the plaintiff.

18. Issue no.4 and answer:

Considering the nature of the suit, this Court is of the view that the defendant is liable to bear the costs of the plaintiff. Whereas, in view of specific findings given in the issue 1 to 3 the parties are not entitled to get any other relief. Hence, issues no.4 is answered accordingly.

In the result, the suit is decreed with cost and the defendant is directed to pay to the Plaintiff the suit amount of Rs.2,43,709/- along with interest at the rate of 9%

per annum for the Principal amount of Rs.2,00,000/- from the date of the suit to the date of the decree and thereafter 6% per annum for the principal amount of Rs.2,00,000/- till realization.

Dictated to the Steno-Typist and typed by her in computer directly and after correction, pronounced by me in open court on this 11th day of August 2026.

M SHIVAJI CHELLIAH Digitally signed by M SHIVAJI CHELLIAH

Subordinate Judge,
Uthamapalayam.

Plaintiff side witnesses :

PW1	...	Kannagi - Plaintiff
PW2	...	Balamurugan – Attesting witness of Ex.A1 Pronote
PW.3	...	Maheswari - Scribe Witness of Ex.A1 Pronote

Plaintiff side Exhibits :

Ex.A1	...	Promissory note executed by the defendant in favour of Plaintiff dated 07.10.2018 - Original
Ex.A2	...	Legal notice issued by the plaintiff to the defendant with postal receipt dated 13.07.2020 - Office copy
Ex.A3	...	Acknowledgement Card of defendant - Original
Ex.A4	...	Reply Notice issued by the defendant to the plaintiff dated.16.07.2020
Ex.A5	...	Aadhar card of PW.2 – Xerox Copy
Ex.A6	...	Aadhar card of PW.3 – Xerox Copy

Defendant side witnesses : -

DW1	...	Selvam -Defendant

Defendants side Exhibits : - Nil

M SHIVAJI CHELLIAH Digitally signed by M SHIVAJI CHELLIAH

Subordinate Judge,
Uthamapalayam.

Sub Court,UPM
O.S.No.176/2020
Fair Judgment
Dated.11.08.2026