IN THE COURT OF SUBORDINATE JUDGE,
MADURANTAKAM.

Present: Mr. T. GANESH, B.A., B.L.,
Subordinate Judge,
Madurantakam.

Monday, this 29th day of June, 2026

C.O.S. No. 1/2026

(CNR No. TNCG13-000076-2026)

Sarva Seva Dairy Federation Limited,
Pooriyambakkam Village and Post,
Cheyyur Taluk,
Kancheepuram District – 603 313,
Rep.by its Managing Director,
S.Muneeswaran. ...Plaintiff

//Vs//

Rajeev R. N ...Defendant

Originally, this suit was instituted before this court and was taken on file in O.S 116/2017, subsequently the plaint was returned in view of amendment made in Section 2(c) of Commercial Courts Act and then the plaint was submitted to Hon'ble Principal District Court, Chengalpattu, for jurisdiction and there it was taken on file as C.O.S. 415/2019 and thereafter it was transferred to Hon'ble Commercial Court, Senior Civil Judge Level, Chengalpattu and it was numbered as C.O.S. No. 2 of 2026, and finally the said Hon'ble Court transferred the case to this court as this court is designated Commercial Court at Senior Civil Judge Level and again renumbered as

C.O.S 1/2026 before this court and came up on 06.06.2026 before this court for final hearing in the presence of Mrs. Arunamunusamy, counsel for the plaintiff and defendant was called absent and set exparte and after hearing the arguments submitted on behalf of plaintiff side, having perusing the records, having stood over for the consideration of this court till date, this court delivered the following;

JUDGMENT

Suit for recovery of Money, directing the defendant to pay a sum of Rs.5,79,769.50/- along with interest at 24% per annum from the date of plaint till the date of realization and for the costs of the suit to the Plaintiff.

2. Plaint in brief:

Sarva Seva Dairy Federation Limited, Pooriyambakkam Village, has been dealing with supply of Milk and Curd on daily basis. Defendant has been running a canteen, which was named by the Air Force as "Supper Bar Canteen" at Air Force Campus, Air Force Road, East Tambaram, in the business of which, his elder paternal uncle Sri. Surendiran has been assisting the defendant.

At the request of the defendant, the plaintiff had been supplying Milk and Curd from their dairy, Pooriyambakkam Village, on daily basis, and the defendant has promised to pay on daily basis for the cost of such Milk and Curd supplied to him (the defendant) on each day on daily basis to the plaintiff. Such supply of Milk and Curd by the plaintiff to the defendant commenced on 01.10.2015 and stopped by the plaintiff on and from 16-02-2017. However, due to typographical error, it has been mentioned in the plaintiff's legal notice dated 27.02.2017 as the supply of Milk and Curd to the defendant which continues till date.

Since the Milk and Curd being supplied to the defendant is of pure quality and supplied in a competitive price [in the sense that cost of such Milk and Gurd is comparatively low, the defendant had been purchasing Milk and Curd from the plaintiff. Right from the beginning, the defendant had been not regular in paying the amount equalent to the cost of Milk and Curd being supplied on every day by the plaintiff. Therefore, the defendant issued cheques some times once in 15 days and on several occasions irregularly towards the discharge of part of the balance in arrears, that too, after much insistence by the plaintiff. In fact, the plaintiff had, sometimes, collected the payment from the accused by way of cash on his request, for which, cash receipts are properly issued.

The balance in arrears in the above transaction, as on 01.08.2016 was ₹10,59,562.50, which gradually increased to 13,70,836.50 till 01.11.2016, for the discharge of which, the defendant has has issued 7 (seven) cheques of City Union Bank, Thiruvenchery Branch-600 073, bearing his account No. 510909010039778 on various dates for various amounts in favour of the plaintiff towards discharge of part of balance in arrears as detailed hereunder:

S.No.	**Cheque No.**	**Date of Cheque**	**Amount**
1	000230	03-08-2016	50,000.00
2	000114	02-11-2016	50,000.00
3	000055	21-09-2016	68,500.00
4	000063	12-10-2016	42,000.00
5	000062	10-10-2016	42,000.00
6	000064	20-10-2016	42,000.00
7	000115	04-11-2016	50,000.00
		Total	**3,44,500.00**

Unfortunately, criminal complaints in respect of the above-seven cheques were not filed due to lack of knowledge of nuances of The Negotiable Instruments Act, 1881. Thus, the plaintiff has filed this suit seeking recovery of money.

In fact, for the legally enforceable liability [arrears amount], the plaintiff has issued (apart from the seven cheques mentioned in para no.9 of this plaint) thirteen cheques. In fact, of the above thirteen cheques, four cheques were honoured and the remaining nine cheques were dishonoured, for which, the plaintiff herein has filed nine criminal complaints against this defendant by invoking The Negotiable Instruments Act, 1881, (bearing C.C.Nos. 117 to 125 of 2017) on the file of the Judicial Magistrate, Maduranthagam, which are still pending.

The issuance of all cheques by the defendant to this plaintiff is admitted by the defendant (in his reply notice dated 04-04-2017), but, such cheques were alleged to be issued only as a security and not for depositing them in his (the defendant's) account, which is not correct. In fact, all the cheques issued by the defendant to the plaintiff is only intended to put it for collection and not to keep it as security. The total outstanding of arrears by the defendant from the commencement of milk and curd transaction, i.e., 07-10-2012 and closing of such transaction, i.e. on 16.02.2017, the liability of arrears amount of ₹10,29,769.50, which is reflected in the statement of account. Out of the above balance of arrears of 10,29,769.50, nine criminal complaints under the The Negotiable Instruments Act, 1881, for totally covering ₹4,50,000/- has been filed and for the remaining balance of arrears of ₹5,79,769.50/- [₹10,29,769.50 (-) ₹4,50,000/-₹5,79,769.50] the above suit has been filed, in support of which, the seven dishonoured cheques of ₹3,44,500/- mentioned in para no.9 of this plaint (totally amounting to₹5,79,769.50/- have been filed.

1. The total amount of transaction from 01.10.2015 to 16.02.2017			Rs. 28,64,199.50
2. Payment paid by the defendant by cash		(-)	Rs. 11,46,930.00

	Sub – Total		Rs. 17,17,269,50

3. Amount paid by the defendant by Cheques	(-)	Rs. 6,87,500.50

Sub Total		Rs. 10,29,769.50
4. Amount totally coverred in 9 cheques (regarding which section 138 of N.I Act 1881, proceedings pending)	(-)	Rs. 4,50,000.00

Grand Total		Rs. 5,79,769.50

The Articles of Association of Sarva Seva Dairy Federation Limited, Pooriyambakkam Village, Cheyyur Taluk, Kancheepuram District, entrusting the Managing Director of Association of Sarva Seva Dairy Federation Limited with all powers to manage the affairs of the company, the Certificate for commencement of Business of Sarva Seva Dairy Federation Limited issued by the Asst. Registrar of Companies, Tamil Nadu, the Certificate of Registration of Sarva Seva Dairy Federation Limited issued by the Commercial Tax Officer, Royapettah-II, Assessment Circle, Chennai-28, the Minutes of the meeting of the board of directors of Sarva Seva Dairy Federation Limited, relating to appointment of Mr. S. Muneeswaran (i.e., complainant herein) as Managing Director, seven cheques, return memos, legal notices, reply notice, nine complaints under section 138 r/w.142 of The Negotiable Instruments Act, 1881 and statement of account are filed herewith and the same may be read as part and parcel hereof.

3. Inspite of substituted service of summon, the defendant failed to appear and hence he was called absent and set exparte.

4. The plaintiff examined herself as Pw1 and marked Exhibits A1 to A15.

5. Heard the plaintiff, perused the documents and his evidence.

6. Having perused the plaint the following points were raised for consideration:

1. Whether the Plaintiff is entitled to the relief of recovery of money as prayed ?
2. To what other reliefs the plaintiff is entitled to ?

7. Discussions and findings for Points No. 1 and 2:-

The plaintiff has filed this suit against the defendant for recovery of a sum of Rs.5,79,769.50/- together with interest at 24% per annum from the date of plaint till realization. It is the case of the plaintiff that the plaintiff company, namely Sarva Seva Dairy Federation Limited, was engaged in the business of supplying milk and curd and that, at the request of the defendant, who was running a canteen in the Air Force Campus at East Tambaram, milk and curd were supplied on a daily basis and the defendant had agreed to pay the value of such supplies.

It is also the specific case of the plaintiff that the supply of milk and curd commenced on 01.10.2015 and continued till 16.02.2017. Though payments were made by the defendant on certain occasions by cash and cheques, according to the plaintiff, the defendant was irregular in making payments and substantial arrears accumulated over a period of time. The plaintiff would further state that cash receipts were issued for payments received in cash and that the balance amount remained unpaid despite repeated demands.

It is the specific case of the plaintiff that towards discharge of part of the outstanding liability, the defendant had issued seven cheques bearing Nos.000230 dated 03.08.2016 for Rs.50,000/-, 000055 dated 21.09.2016 for Rs.68,500/-, 000062 dated 10.10.2016 for Rs.42,000/-, 000063 dated 12.10.2016 for Rs.42,000/-, 000064 dated 20.10.2016 for Rs.42,000/-, 000114 dated 02.11.2016 for Rs.50,000/- and 000115 dated 04.11.2016 for Rs.50,000/-, totaling Rs.3,44,500/-. The said cheques and their respective return memos have been marked as Ex.A8 to Ex.A14.

It is also the case of the plaintiff that apart from the above seven cheques, the defendant had issued several other cheques towards discharge of his liability. Out of them, proceedings under Section 138 of the Negotiable Instruments Act were initiated in respect of nine dishonoured cheques for a total sum of Rs.4,50,000/- and the said complaints are pending in C.C.Nos.117 to 125 of 2017. The certified copies of the said proceedings have been marked as Ex.A7.

The plaintiff has further relied upon the legal notice dated 27.02.2017 marked as Ex.A5 and the reply notice dated 04.04.2017 marked as Ex.A6. In the reply notice, the defendant has admitted issuance of cheques, though he had contended that they were issued only as security. According to the plaintiff, the said contention is not correct and the cheques were issued only towards discharge of legally enforceable liability.

On careful perusal of the plaint, proof affidavit and documents marked as Ex.A1 to Ex.A15, this Court finds that the plaintiff has established its legal status and authority through Ex.A1 to Ex.A4. The statement of account marked as Ex.A15 reflects the business transactions between the parties and shows the outstanding amount due from the defendant. As per Ex.A15 Statement of Account, the total value of milk and curd supplied by the plaintiff from 01.10.2015 to 16.02.2017 was Rs.28,64,199.50/-. Out of the same, the defendant had paid a sum of Rs.11,46,930/- by cash and a further sum of Rs.6,87,500/- by cheques. After giving credit to the said payments, the balance outstanding is shown as Rs.10,29,769.50/-.

It is the specific case of the plaintiff that out of the said balance of Rs.10,29,769.50/-, proceedings under Section 138 of the Negotiable Instruments Act have already been initiated in respect of nine dishonoured cheques covering a total amount of Rs.4,50,000/-. After deducting the said amount, the balance sum recoverable in the present suit is shown as Rs.5,79,769.50/-. The said calculation is reflected in the plaint as well as in the statement of account marked as Ex.A15. The dishonoured cheques marked as Ex.A8 to Ex.A14 and the corresponding return memos clearly establish that the defendant had issued the cheques towards discharge of liability and that the same were returned unpaid. Further, the defendant has admitted issuance of cheques in his reply notice marked as Ex.A6. Though he has contended that the cheques were issued only as security, there is no evidence available before this Court to substantiate the said contention.

It is pertinent to note that despite service of summons, the defendant failed to appear before the Court and was set ex parte. The oral evidence of P.W.1 and the documentary evidence marked as Ex.A1 to Ex.A15 remain unchallenged. There is absolutely no rebuttal evidence available on the side of the defendant to discredit the case of the plaintiff. Further the suit is also well within the period of limitation as the suit was filed in the year 2017 itself.

Therefore, all the documents placed by the plaintiff clearly establish that milk and curd were supplied to the defendant in the course of business transactions and that a sum of Rs.5,79,769.50/- remains due and payable by the defendant. The plaintiff has proved the outstanding liability through the statement of account, dishonoured cheques, return memos, legal notice and reply notice. In the absence of any contra evidence, this Court finds that the plaintiff has proved his case by placing cogent and satisfactory evidence.

The plaintiff has claimed interest at the rate of 24% per annum. Considering the nature of the transaction and the facts and circumstances of the case, this Court is of the view that the plaintiff is entitled to reasonable future interest at the rate of 6% per annum on the decretal amount from the date of plaint till realization. Accordingly, Points No.1 and 2 are answered in favour of the plaintiff.

8. Result:

In the result the suit is decreed with costs directing the defendant to pay a sum of Rs.5,79,769.50 with subsequent interest from the date of commercial transaction, on the principal amount at the rate of 24% per annum, till date of judgment and thereafter 6% per annum till realization.

Directly typed in my lap-top, corrected and pronounced by me in the open court, this 29th day of June, 2026.

GANESH THIRUNAVUKKARASU

Digitally signed by GANESH THIRUNAVUKKARASU
Location: Subordinate Judge, Madurantakam.
Date: 2026.06.29 17:26:47 +0530

Subordinate Judge,
Madurantakam.

Witnesses examined on the side of the Plaintiff:-

P.W.1: S.Muneeswaran (Managing Director of Plaintiff's Association)

Exhibits marked on the side of Plaintiff:-

Ex.A1	15.09.1997	Articles of Association of Sarva Seva Dairy Federation Limited (Companies Terms and conditions).	True Copy.
Ex.A2	21.10.1997	Certificate for Commencement of Business of Sarva Seva Dairy Federation Limited issued by the Assistant Registrar of Companies, Tamil Nadu.	True Copy.
Ex.A3	29.04.2002	Certificate of Registration of Sarva Seva Dairy Federation Limited issued by the Commercial Tax Officer, Royapettah – II Assessment Circle, Chennai – 280	True Copy.
Ex.A4	26.09.2013	Minutes of the meeting of the board of directors of Sarva Seva Dairy Federation Limited, relating to appointment of S.-Muneeswaran as Managing Director.	Original.
Ex.A5	27.02.2017	Office Copy of Legal Notice issued by plaintiff to defendant.	Office Copy.

Ex.A6	04.04.2017	Office Copy of Reply notice issued by defendant to plaintiff.	Office Copy.
Ex.A7		Complaint in C.C No. 117/2017 to C.C No. 125/2017.	Office Copy.
Ex.A8	03.08.2016	Cheque with returned memo dated: 19.08.2016.	Original.
Ex.A9	21.09.2016	Cheque with returned memo dated: 29.09.2016.	Original.
Ex.A10	10.10.2016	Cheque with returned memo dated: 15.10.2016.	Original.
Ex.A11	12.10.2016	Cheque with returned memo dated: 15.10.2016.	Original.
Ex.A12	20.10.2016	Cheque with returned memo dated: 24.10.2016.	Original.
Ex.A13	02.11.2016	Cheque with returned memo dated: 03.11.2016.	Original.
Ex.A14	04.11.2016	Cheque with returned memo dated: 05.11.2016.	Original.
Ex.A15		Statement of Accounts.	True Copy.

GANESH THIRUNAVUKKARASU

Digitally signed by GANESH THIRUNAVUKKARASU
Location: Subordinate Judge, Madurantakam.
Date: 2026.06.29 17:26:54 +0530

Subordinate Judge,
Madurantakam.

TNCG130000762026

Fair / Draft Judgment
C.O.S No. 1/2026
D.D: 29.06.2026
Sub Court,
Madurantakam.