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**IN THE COURT OF THE SPECIAL SUBORDINATE JUDGE FOR**  
**L.A.O.P. CASES, ARAKKONAM, RANIPET DISTRICT.**

PRESENT : **THIRU. G. YUVARAJ, M.A., M.L.,**  
SPECIAL SUBORDINATE JUDGE,  
SPECIAL SUB COURT FOR L.A.O.P. CASES,  
ARAKKONAM.

Saturday, the 18<sup>th</sup> day of April, Two Thousand Twenty Six

**O.S. No. 37/2026**  
**(CNR. No. TN-RP-07-000-045-2026)**  
**(Arakkonam Sub Court O.S. No. 03/2024)**

M. Arumugam .. Plaintiff

Vs.

Dharani .. Defendant

This suit was originally filed on 02.01.2024 before the Sub Court, Arakkonam and taken on file on 04.01.2024 in O.S. No. 3/2024 of the said court and later on, as per the Proceedings of the Hon'ble Principal District Judge, Ranipet in Dis. No. 6789/2025, dt. 19.12.2025, transferred to this court and taken on file of this court on 28.01.2026 in O.S. No. 37/2026 and came up before me on 09.04.2026 for final hearing in the presence of M/s. G. Hariharan, Advocate for the Plaintiff, M/s. Baskaran and A. Vedamani, Advocates for the Defendant, Defendant called absent, and set ex-parte, and upon perusing the records and arguments on the side of the Plaintiff and having stood over for consideration till date, this Court today deliver the following

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***M. Arumugam Vs. Dharani – O.S. No. 37/2026 – Judgment - Date : 18.04.2026***



: 2 :

## **J U D G M E N T**

Suit for recovery of a sum of Rs.2,58,000/- with subsequent interest at the rate of 24% p.a., on Rs.1,50,000/- from the date of plaint till the date of realisation and 6% p.a., from the date of decree till the date of realisation and for cost.

2. **Brief averments made in the plaint :** On 03.01.2021, the defendant had borrowed a sum of Rs.1,50,000/- from the plaintiff for the purpose of his family needs agreeing to repay the same on demand with the interest at the rate of Rs.24% per annum and executed the suit promissory note for the said sum of Rs.1,50,000/- in favour of the plaintiff. But, inspite of repeated demands made by the plaintiff, the defendant has not repaid the amount. Therefore, on 23.08.2023, the Plaintiff sent a legal notice to the Defendant to repay the said amount with interest. The Defendant wantonly evaded to receive the said legal notice and also failed to issue reply. The Defendant is earning more than Rs.30,000/- per month by way of salary and also having immovable properties worth more several lakhs. Therefore, the Defendant is not entitled to any benefits under law. Hence, the Plaintiff had filed this suit.

3. **Brief averments made in the written statement filed by the Defendant:** The suit is not maintainable either in law or on facts. It is false to state that on 03.01.2021, the defendant borrowed a sum of Rs.1,50,000/- from the Plaintiff for urgent need and the Plaintiff obtained signature in the blank pronote and disbursed only Rs.50,000/-. The Plaintiff is running finance and he had obtained signature in the blank pronote and hence the claim of the Plaintiff is not valid in law. For the said principal sum of Rs.50,000/-, the Defendant paid interest upto December 2023 without default and thereafter, the Plaintiff instead



of claim principal as Rs.50 mentioned as Rs.1,50,000/- and thus the excess amount of Rs.1,00,000/- incorporated in the pronote. The defendant is ready to pay the principal sum of Rs.50,000/- with interest from December 2023 onwards and hence prayed to dismiss the suit.

4. On the basis of the pleadings and documents, the following issues have been framed.

1) Whether the pronote executed by the Defendant is true and genuine?

2) Whether the Plaintiff is entitled for recovery of Rs.2,58,000/- and subsequent interest thereon?

3) To what other relief?

5. On the side of the plaintiff, the Plaintiff was examined in chief as PW1 and through him, Ex.A1 to Ex.A3 were marked.

6. After examination of the Plaintiff in chief as P.W.1., the suit was posted for cross examination of P.W.1. Even after giving sufficient opportunities to the Defendant to cross examine the P.W.1., the Defendant has not turned up and P.W.1 was not cross examined. At this stage, the Defendant was set ex-parte.

7. Perused the entire records. Heard the learned counsel for the Plaintiff.

8. The Plaintiff has filed the above suit for recovery of the suit amount due under the suit promissory note dt. 03.01.2021 executed by the Defendant in favour of the Plaintiff. In order to substantiate the case of the Plaintiff, the Plaintiff had deposed as P.W.1 by filing Proof affidavit in consonance with the



plaint averments and the suit promissory note dt. 03.01.2021 was marked as Ex.A1. From the Ex.A1 promissory note, it reveals that, on 03.01.2021, the Defendant had borrowed a sum of Rs.1,50,000/- from the Plaintiff agreeing to repay the same on demand with interest at the rate of Rs.2/- per Rs.100/- per month, that is, 24% p.a.. Thereafter, since the Defendant had not paid the amount due to the Plaintiff, on 23.08.2023, the Plaintiff had issued Ex.A2 legal notice to the Defendant and the same was returned unclaimed vide Ex.A3. Thereafter, the Plaintiff had filed this suit.

9. In the written statement filed by the Defendant, it has been stated that, the Defendant had borrowed only a sum of Rs.50,000/- and not Rs.1,50,000/- and also signed in the blank promissory note and paid interest upto December 2023. Therefore, as the Defendant had admitted the signature in the suit promissory note, presumption arises in favour of the Plaintiff u/s. 118 of Negotiable Instruments Act. However, the said presumption is rebuttable presumption. In order to rebut the said presumption available in favour of the Plaintiff, the Defendant has not even chosen to cross examine the P.W.1 and discredit his evidence and remained ex-parte. Therefore, from Ex.A1 to A3 and through the evidence of P.W.1, the Plaintiff has proved his case under Section 101 of the Evidence Act and discharged the initial burden lies on him.

10. The Defendant having appeared through Advocate, has deliberately failed to cross examine the Plaintiff side witnesses and rebut the presumption available in favour of the Plaintiff u/s. 118 of the Negotiable Instruments Act. Therefore, this Court invoke and draw adverse inference as against the Defendant under



section 114, illustration (g) of the Indian Evidence Act. As the Plaintiff has proved the execution of the suit promissory note, the presumption under Section 118 of Negotiable Instrument Act also would strengthen the case of the Plaintiff. Looking at any angle, the suit is needfully required to be decreed as prayed for.

11. IN THE RESULT, the suit is partly decreed and thereby, the Defendant is directed to pay the principal amount of Rs.1,50,000/- together with interest at the rate of 18% per annum from the date of promissory note to the date of presentation of plaint, further interest at the rate of 12% p.a., subsequent to the date of presentation of plaint to till date and thereafter at the rate of 6% per annum till date of realization. The Defendant is also directed to pay cost of the suit to the Plaintiff.

Directly typed by me in my Laptop, corrected and pronounced by me in the open court on this the 18<sup>th</sup> day of April 2026.

**Special Subordinate Judge,**  
Special Sub Court for L.A.O.P. Cases,  
Arakkonam.

**Annexure :**

**Plaintiff side witness :**

PW.1 – Thiru. Arumugam (Plaintiff)

**Plaintiff side exhibits :**

Ex. A1	03.01.2021	Suit Promissory note – Original
Ex.A2	23.08.2023	Legal Notice
Ex.A3	30.08.2023	Unserved RPAD cover



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**Defendant side witness :**

Nil

**Defendant side exhibits :**

Nil

**Special Subordinate Judge,**  
Special Sub Court for L.A.O.P. Cases,  
Arakkonam.

S.S.C. (L.A.O.P.), ARAKKONAM,  
DRAFT / FAIR JUDGMENT  
in O.S. No. 37/2026  
Dated : 18.04.2026