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C.S.No.218 of.



IN THE HIGH COURT OF JUDICATURE AT MADRAS

RESERVED ON 07.07.2025	PRONOUNCED ON 23.07.2025
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CORAM :

THE HON'BLE MR.JUSTICE K.KUMARESH BABU

C.S.No.218 of 2023

P.Kannappan

... Plaintiff

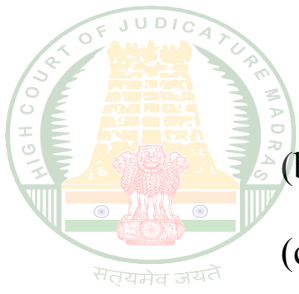
vs.

M/s.Sri Green Productions,
Rep., by its Proprietor
Mr.M.S.Saravanan
Having office at Prameela Towers, 4th Floor,
No.13-B, Puliur First Lane,
II Main road, (Near Trustpuram),
Kodambakkam, Chennai – 600 024.

... Defendants

Prayer : Civil Suit filed under Order VII Rule 1 of Madras High Court Original Side Rules read with Order XXXVII Rule 1 of CPC for the following reliefs:-

- (a) directing the defendant to pay a sum of Rs.2,07,53,425/- together with interest at 24% per annum on Rs.1,00,00,000/- (Rupees One Crore only) from the date of filing of this Suit till the date of realization.



(b) directing the defendant to pay cost of this Suit and

(c) for such other relief or reliefs as this Court may deem fit and

proper in the circumstances of the case.

For Plaintiffs : Mr.M.V.Seshachari

For defendants : Sole respondent set exparte
on 05.06.2024

J U D G M E N T

The present suit has been filed for recovery of a sum of Rs.2,07,53,425/- from the defendant.

2) The case of the plaintiff is that the defendant borrowed a sum of Rs.1,03,00,000/- from the plaintiff on 11.01.2017 and agreed to repay the same with interest at the rate of 24% per annum. In support of the repayment, the defendant issued two cheques for Rs.75,00,000/- and Rs.25,00,000/- respectively. However, both cheques were dishonoured upon presentation. Consequently, the plaintiff initiated proceedings under the Negotiable Instruments Act in S.T.C. No. 9 of 2019. By judgment dated 21.08.2023, the defendant was found guilty and was sentenced to undergo simple imprisonment for one month, in addition to being directed to pay a compensation of Rs.1,10,00,000/-. Hence, the present suit has been instituted for recovery of the



loan amount with interest and other consequential reliefs.

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3) On the side of the plaintiff, the plaintiff has examined himself as PW1 and marked Ex.P1 to Ex.P10. The defendant was set exparte on 05.06.2024.

4) Heard Mr. M.V.Seshadhari, learned counsel appearing for the plaintiff.

5) Mr. M.V.Seshadhari, the learned counsel appearing for the plaintiff, submits that the defendant is a film producer and the plaintiff is running a cinema theatre under the name and style of “Gokulam Cinemas.” He submits that the defendant approached the plaintiff and sought a hand loan of Rs.1,03,00,000/-, agreeing to repay the same with interest at the rate of 24% per annum. The plaintiff accepted the request and disbursed the said amount to the defendant by way of two cheques for Rs.53,00,000/- and Rs.50,00,000/- respectively, dated 11.01.2017. He further submits that the defendant paid interest regularly up to March 2018, and thereafter defaulted on further payments. Despite repeated demands by the plaintiff, the defendant failed to clear the dues and instead issued two cheques—one for Rs.75,00,000/- dated 03.10.2018 and another for Rs.25,00,000/- dated 29.10.2018—towards part repayment of the outstanding amount.



6) However, both cheques were dishonoured and returned with an endorsement “Funds Insufficient” on 05.10.2018 and 31.10.2018 respectively.

The plaintiff thereafter issued a statutory notice dated 01.11.2018 and filed a complaint under Section 138 of the Negotiable Instruments Act in S.T.C. No. 9 of 2019 on the file of the Fast Track Court, Magisterial Level, at Poonamallee. During the pendency of the proceedings, the plaintiff filed Crl.M.P. No. 5413 of 2021 seeking an interim direction for disbursement of 20% of the cheque amount, which was allowed on 26.05.2022. In compliance with the said order, the defendant paid a total sum of Rs.10,00,000/- on two dates—06.12.2022 and 05.01.2023.

7) He submits that in S.T.C. No. 9 of 2019, the learned Magistrate found the defendant guilty of the offence under Section 138 of the Negotiable Instruments Act by judgment dated 21.08.2023. The defendant was sentenced to undergo simple imprisonment for a period of one month and directed to pay a compensation of Rs.1,10,00,000/- to the plaintiff within one month from the date of judgment. He further submits that the defendant’s liability stands confirmed in the said criminal proceedings, and the judgment in S.T.C. No. 9 of 2019 dated 21.08.2023 has been marked as Ex.P10. To substantiate the claim, the certified copies of the dishonoured cheques and return memos have



been marked as Exs. P2 to P5. Therefore, the defendant is liable to pay a sum of Rs.2,07,53,425/- along with interest at the rate of 24% per annum on Rs.1,00,00,000/- from the date of filing of the suit. Hence, he prays that the suit may be decreed as prayed for.

8) I have considered the submissions of the learned counsel for the plaintiff and perused the materials available on record.

9) From the evidence placed on record, it is evident that the defendant had borrowed a substantial sum of Rs.1,03,00,000/- from the plaintiff on 11.01.2017, as corroborated by the cheques issued for Rs.53,00,000/- and Rs.50,00,000/- respectively. The issuance of two subsequent cheques for Rs.75,00,000/- and Rs.25,00,000/-, marked as Ex.P2 and Ex.P4, clearly demonstrates the defendant's acknowledgment of the liability. The dishonour of these cheques, as evidenced by the return memos marked as Ex.P3 and Ex.P5, supports the plaintiff's contention that the defendant failed to repay the loan. Further, the certified copy of the judgment in S.T.C. No. 9 of 2019, marked as Ex.P10, conclusively establishes the criminal liability of the defendant under Section 138 of the Negotiable Instruments Act. The defendant was not only found guilty and sentenced to simple imprisonment but was also directed to



pay compensation of Rs.1,10,00,000/- to the plaintiff, thereby reinforcing the legitimacy of the plaintiff's claim. The exhibits taken together show a clear, consistent, and continuous course of conduct on the part of the defendant in borrowing the amount, failing to repay it, and ultimately facing penal consequences.

10) It is also relevant to note that the defendant was set ex parte on 05.06.2024. In the absence of any defence and in light of the unimpeached oral and documentary evidence filed by the plaintiff, there remains no reason to disbelieve the plaintiff's version. Accordingly, it can be justly inferred that the plaintiff is entitled to recover the suit money.

11) In fine, the suit is decreed with costs and this court directs the defendant to pay a sum of Rs.2,07,53,425/- together with interest @ 24% over annum on Rs.1,00,00,000/- from the date of filing of this suit till the date of realisation within a period of eight weeks from the date of this order.

23.07.2025

Index : Yes / No
Internet : Yes / No
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List of witnesses examined on the side of the Plaintiff:

PW1- Mr.P.Kannappan

List of documents marked on the side of the Plaintiff:

Exp1	The certified copy of the statement of account of complainant for the period from 01.01.2017 to 31.01.2017
Exp2	The certified copy of the cheque No.003136, dated 03.10.2018 for a sum of Rs.75,00,000/- drawn on ICICI Bank, Saligramam Branch, Chennai- 600 093
Exp3	The certified copy of the return memo issued by Indian Bank, Poonamallee Branch to the Complainant dated 05.01.2018
Exp4	The certified copy of the cheque No.003137, dated 29.10.2018 for a sum of Rs.25,00,000/- drawn on ICICI Bank, Saligramam Branch
Exp5	The certified copy of the return memo issued by Indian Bank, Poonamallee Branch to the Complainant
Exp6	The certified copy of the lawyer's notice issued by the complainant to the Accused dated 01.11.2018.
Exp7	The certified copy of the internet tracking of the lawyer's notice to show the date of receipt of notice by the Accused dated 02.11.2018
Exp8	The certified copy of the acknowledgment card from the Accused.
Exp9	The certified copy of the complaint in S.T.C.No.9 of 2019 dated 11.12.2018
Exp10	The certified copy of the Judgment in S.T.C.No.9 of 2019 dated 21.08.2023.

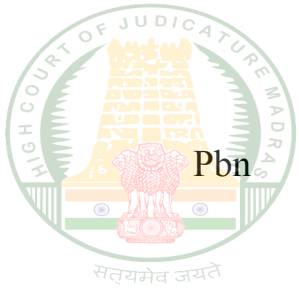
List of witnesses examined on the side of the Defendant:

NIL

List of documents marked on the side of the Defendant:

NIL

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K.KUMARESH BABU.J.,

Pbn

Pre-Delivery Judgment in
C.S.No.218 of 2023

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