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IN THE HIGH COURT OF JUDICATURE AT MADRAS

RESERVED ON : 28.09.2026

PRONOUNCED ON : 16.10.2026

CORAM:

THE HONOURABLE DR. JUSTICE A.D. MARIA CLETE

CS No. 670 of 2019

CNR: {HCMA013298982018}

K.V.Venkatraju aged about 70 years,
Son of Venkataraju
No.25, C-1, Second floor, Manoranjani Apts.
1st Cross Street, United India Colony,
Kodambakkam, Ch-24

..Plaintiff(s)

Vs

M.Koteswara Raju
Son of late M.Balarama Raju,
No.2/12, Maharajapuram Village,
Sai Sakthi Engg. College Campus,
Kanagammachatram Post, A.P.-517 586.

..Defendant(s)

PRAYER: Civil Suit filed under Order IV Rule 1 of Original Side Rules read with Order VII Rule 1 of Code of Civil Procedure directing the defendant to pay a sum of Rs.1,40,75,000/- (Rupees one crore forty lakhs and seventy five thousands only) together with interest at 24% p.a. on the principal amount of Rs.82,00,000/- from the date of plaint till the date of recovery and to award costs of this proceedings.

For Plaintiff(s): Mr.Avinash Wadhwani for
M/s.V.Srimathi
R.Sripriya

For Defendant(s): M/s.K.C.Ramamurthy

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J U D G M E N T

This Civil Suit has been instituted under Order IV Rule 1 of the Original Side Rules read with Order VII Rule 1 of the Code of Civil Procedure, seeking a direction to the defendant to pay a sum of Rs.1,40,75,000/- (Rupees One Crore Forty Lakhs and Seventy-Five Thousand only), together with interest at 24% per annum on the principal amount of Rs.82,00,000/- (Rupees Eighty Two Lakhs only) from the date of the plaint till the date of realisation, along with costs of the suit.

2. The case of the plaintiff, is that the defendant and his wife approached him at his son's residence and sought financial assistance to meet the urgent requirements of running an Engineering College. Believing their representations, the plaintiff advanced various sums on different dates, aggregating to Rs.82,00,000/- (Rupees Eighty Two Lakhs only), which the defendant agreed to repay on demand. In acknowledgment of the borrowings, the defendant allegedly executed nine promissory notes in the presence of his wife, Hema, and another person. According to the plaintiff, the total amount due, including interest, is Rs.1,40,75,000/- (Rupees One Crore, Forty Lakhs and Seventy Five Thousand only). Despite repeated demands, the defendant failed to repay the amount and allegedly informed the plaintiff that several other

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lenders were awaiting repayment and that he would be paid only when his turn arose. The plaintiff further relies upon the exchange of WhatsApp messages between his son and the defendant's wife to substantiate the transactions and subsequent demands. Consequently, the plaintiff issued a legal notice, which was acknowledged on 24.05.2018. Since the defendant failed to repay the outstanding amount, the present suit has been instituted. The plaintiff further contends that, as the loans were advanced for commercial purposes, the dispute falls within the ambit of the Commercial Courts Act, 2015. Accordingly, the plaintiff seeks a decree as prayed for.

3. The defendant, in his written statement, denied having borrowed any amount from the plaintiff and contended that the nine promissory notes relied upon in the plaint were obtained under duress and coercion at his residence in Maharajapuram, Andhra Pradesh. He raised an objection to the territorial jurisdiction of this Court, stating that no part of the cause of action arose in Chennai, that he resides in Andhra Pradesh, and that the alleged repayment was to be made at the plaintiff's village in Tiruttani Taluk, Tiruvallur District. According to him, the promissory notes do not mention the place of execution, and the allegation that he and his wife approached the plaintiff at his son's residence in Chennai is false. He further pointed out that, although the suit was

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filed on 04.06.2018, it was numbered only on 25.11.2019. He disputed the alleged cash advancement of Rs.82,00,000/- (Rupees Eighty Two Lakhs only), particularly Rs.75,00,000/- (Rupees Seventy Five Lakhs only) stated to have been advanced on 25.05.2015, contending that such transactions violated Section 269SS of the Income Tax Act, 1961. He also sought production of the plaintiff's income tax returns for 2015 to establish the falsity of the claim.

4. The defendant further contended that the plaintiff was a professional moneylender charging exorbitant interest. According to him, his father-in-law, Mr. M. Venkata Raju, founded Sri Sai Sakthi Educational Society during 2009–2010 and established Sri Sai Sakthi Engineering College in Andhra Pradesh, with his daughter and the defendant's wife, M. Hema, assisting as Secretary. In September 2010, his father-in-law borrowed Rs.10,00,000/- (Rupees Ten Lakhs only) from the plaintiff for the College at 5% monthly interest, although the promissory note dated 26.09.2010 stipulated interest at 2% per month. Owing to delay in obtaining a bank loan, the amount could not be repaid. When a further sum of Rs.10,00,000/- (Rupees Ten Lakhs only) was required, the plaintiff allegedly insisted upon execution of a fresh promissory note dated 05.10.2011 for Rs.26,00,000/- (Rupees Twenty Lakhs only), comprising the original loan of Rs.10,00,000/- (Rupees Ten Lakhs only), interest of Rs.6,00,000/- (Rupees Six

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Lakhs only) calculated at 5% per month for one year, and the additional loan of Rs.10,00,000/- (Rupees Ten Lakhs only).

5. It is further averred that, owing to changes in the educational policies of the Government of Andhra Pradesh, the Society suffered financial difficulties, its bank account became a non-performing asset, and it was unable to repay its creditors. The defendant, who was then in the United Kingdom, returned to India and assumed charge as President of the institution on 01.03.2013. Thereafter, the plaintiff allegedly demanded repayment of Rs.26,00,000/- (Rupees Twenty Six Lakhs only) with interest at 5% per month, whereas the defendant offered to repay the actual borrowing of Rs.20,00,000/- (Rupees Twenty Lakhs only) with interest at 7.5% per annum. Upon his refusal to meet the plaintiff's demand, the plaintiff allegedly visited the College with his associates, causing harassment and humiliation to the defendant and his family. The defendant claims that he was consequently compelled to execute nine promissory notes at his residence. According to him, the amount of Rs.82,00,000/- (Rupees Eighty Two Lakhs only) claimed in the plaint was not independently advanced to him but was arrived at by adding approximately Rs.55,90,000/- (Rupees Fifty Five Lakhs and Ninety Thousand only) towards interest at 5% per month from November 2011 to May 2015 to the earlier sum

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of Rs.26,00,000/- (Rupees Twenty Six Lakhs only), aggregating to Rs.81,90,000/- (Rupees Eighty One Lakhs and Ninety Thousand only), which the plaintiff treated as Rs.82,00,000/- (Rupees Eighty Two Lakhs only).

6. The defendant further contended that the College was virtually on the verge of closure in 2015 owing to declining student strength and that its loan account with the State Bank of Patiala, Red Hills Branch, had been classified as a non-performing asset. Therefore, the allegation that he borrowed Rs.82,00,000/- (Rupees Eighty Two Lakhs only) in 2015 for running the College was denied. He further stated that the plaintiff's legal notice dated 14.05.2018 was received on 24.05.2018 and that he issued a reply dated 26.05.2018 specifically denying the borrowings. According to him, the plaintiff suppressed the reply notice and instituted the suit on false allegations. He accordingly prayed for dismissal of the suit.

7. During the pendency of the suit, the plaintiff filed A.No.9092 of 2019 seeking attachment before judgment. By order dated 29.01.2020, this Court, taking note of the defendant's admission of liability to the extent of Rs.20,00,000/- (Rupees Twenty Lakhs only) in his reply notice, directed him to furnish security worth Rs.20,00,000/- (Rupees Twenty Lakhs only) on or before

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27.02.2020, failing which attachment before judgment would be ordered. When the application was taken up on 27.02.2020, the defendant sought further time to furnish security. Finding no sufficient or bona fide reason for granting an extension, this Court ordered attachment before judgment.

8. Subsequently, on 12.10.2023, this court framed the following issues.

a) Whether the plaintiff is entitled for the suit claim?

b) Whether the plaintiff is entitled for the costs of the suit?

c) Whether the suit is barred by limitation?

d) Whether this Court has got jurisdiction to entertain the suit?

e) Whether the suit promissory notes are devoid of consideration? And

f) to what other relief?

9. On the side of the plaintiff, the plaintiff examined himself as P.W.1 and marked Exs.P1 to P15. On the side of the defendant, the defendant was examined as D.W.1 and his wife, Mrs. M. Hema, was examined as D.W.2. No documentary evidence was adduced on the side of the defendant.

10. Learned counsel for the plaintiff submitted that the defendant, having admitted his signatures on the nine promissory notes, cannot deny the passing of consideration by merely alleging coercion. Under Section 118(a) of the Negotiable Instruments Act, 1881, a statutory presumption arises in favour of consideration once execution is admitted or proved, and the burden lies upon the

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defendant to rebut the same. It was contended that the defendant had neither lodged any police complaint nor initiated proceedings for cancellation of the promissory notes for nearly three years. On the contrary, the WhatsApp communications disclosed that the defendant had invited the plaintiff to the College for settlement of the dues. The plea of coercion was therefore stated to be an afterthought unsupported by evidence.

11. As regards territorial jurisdiction, learned counsel submitted that the defendant had visited the plaintiff's residence at Kodambakkam, Chennai, where the amounts were advanced and the promissory notes delivered, and therefore, part of the cause of action arose within the jurisdiction of this Court. The plea of limitation was also disputed by invoking Section 4 of the Limitation Act, 1963, contending that the prescribed period expired during the summer vacation and that the suit was presented on 04.06.2018, the reopening day. With regard to Section 269 SS of the Income Tax Act, learned counsel submitted that any violation of the prescribed mode of advancing loans would not, by itself, render the debt legally unenforceable or absolve the defendant of repayment.

12. Learned counsel further submitted that the defendant's explanation attributing the liability to earlier borrowings by his father-in-law was wholly

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unsupported by evidence. Neither the promissory notes allegedly executed in 2010 and 2011 nor any accounts substantiating the calculation of interest at 5% per month were produced. The defendant's father-in-law was also not examined. It was therefore contended that the defendant had failed to discharge the burden of rebutting the statutory presumption arising under Section 118(a) of the Negotiable Instruments Act.

13. Referring to the admissions elicited during cross-examination, learned counsel submitted that the defendant had obtained loans from several private financiers and allegedly diverted funds towards other commercial ventures, including film production relating to Aagam and PSV Garudavega. It was further pointed out that D.W.2 had admitted initiating cheque dishonour proceedings involving Rs.26 crores against a film producer in connection with an alleged friendly loan advanced in 2016, which, according to the plaintiff, contradicted the plea of financial incapacity. Reference was also made to FIR No.431 of 2017 registered by the Jubilee Hills Police Station concerning alleged unauthorised exchange of demonetised currency through M/s. Jyo Star Enterprises. These circumstances were relied upon to question the credibility of the defendant's evidence and the genuineness of his defence.

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14. Learned counsel also relied upon the proceedings in A.No.9092 of 2019, wherein this Court, taking note of the defendant's admission concerning Rs.20,00,000/- (Rupees Twenty lakhs only) in his reply notice, directed him on 29.01.2020 to furnish security for the said amount. As the defendant failed to comply with the direction, attachment before judgment was ordered on 27.02.2020. According to learned counsel, the defendant's failure to furnish security, coupled with the admissions in his reply notice and the absence of documentary evidence supporting his defence, further substantiated the plaintiff's claim.

15. In support of his submissions regarding the presumption of consideration and burden of proof, learned counsel relied upon **Bharat Barrel & Drum Manufacturing Company v. Amin Chand Payrelal, (1993) 3 SCC 35**; **Kundu Lal Rallaram v. Custodian, Evacuee Property, AIR 1961 SC 1316**; and **V.O. Devassy v. Periyar Credits, AIR 1994 Ker 405**. Reliance was also placed on **Neeraj Dutta v. State (Government of NCT of Delhi), (2023) 4 SCC 731; Unikol Bottlers v. Dhillon Kool Drinks, (1994) 28 DRJ 482; Bishundeo Narain v. Seogeni Rai, 1951 SCC 447; and A.C. Ananthasamy v. Boraiah, (2004) 8 SCC 588**, concerning appreciation of evidence and the requirement of specifically pleading and proving coercion, fraud and

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misrepresentation. Further reliance was placed on **Rajaram v. Maruthachalam, (2023) 16 SCC 125; Bir Singh v. Mukesh Kumar, (2019) 4 SCC 197; Rohitbhai Jivanlal Patel v. State of Gujarat, (2019) 18 SCC 106**; and **R. Singaravadivelan v. Durai Senthil A.S.(MD).NO. 126 of 2024** decided on 08.11.2024, to contend that the statutory presumption cannot be displaced by a bare denial and that non-disclosure of a loan in income tax returns does not, by itself, render the debt unenforceable. Learned counsel accordingly prayed for decreeing the suit as prayed for.

16. Learned counsel for the defendant submitted that this Court lacks territorial jurisdiction to entertain the suit, since the defendant resides at Maharajapuram Village, Andhra Pradesh, where the promissory notes were allegedly executed, and the repayment was to be made at the plaintiff's residence in Tiruvallur District. No part of the cause of action arose in Chennai. As regards limitation, learned counsel contended that the two promissory notes dated 21.02.2015 became time-barred on 20.02.2018 and the remaining seven notes dated 25.05.2015 on 24.05.2018. However, the plaint was signed only on 30.05.2018 and presented on 04.06.2018. It was submitted that the plaintiff failed to plead any specific ground for exemption from limitation as required

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under Order VII Rule 6 CPC, and that the benefit of reopening after summer vacation could not cure the defect of territorial jurisdiction. Learned counsel also pointed out that the plaint was numbered only on 25.11.2019, nearly eighteen months after its presentation.

17. Learned counsel further questioned the plaintiff's financial capacity to advance Rs.82,00,000/- (Rupees Eighty Two Lakhs only) in cash, particularly Rs.75,00,000/- (Rupees Seventy Five Lakhs only) on a single day. It was submitted that the plaintiff, a retired school Headmaster drawing a pension, had not established the source of such substantial funds. Though he initially claimed agricultural income of approximately Rs.15,00,000/- (Rupees Fifteen Lakhs only) from the sale of tender coconuts during 2014–2015, he failed to produce supporting income tax records despite agreeing to do so during cross-examination. He subsequently claimed that the amounts represented gifts from his two sons, who were medical practitioners in the United Kingdom and Chennai. According to learned counsel, these inconsistent explanations, coupled with the plaintiff's messages indicating borrowings from friends and relatives, rendered the alleged advancement of cash highly improbable. Reliance was also placed on Section 269SS of the Income Tax Act, 1961, to question the legality and genuineness of the alleged cash transactions.

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18. Learned counsel also pointed out material discrepancies regarding the execution and attestation of the promissory notes. Though the plaintiff deposed that the defendant's father-in-law arrived at the Chennai residence an hour after the defendant, the first promissory note showed the father-in-law as the first witness and the defendant's wife as the second witness. It was further elicited during cross-examination that D. Rajendar, who allegedly witnessed eight of the nine promissory notes, was the plaintiff's sister's son. Despite his material role in the alleged transactions, the plaintiff failed to examine him. According to learned counsel, the unexplained circumstances surrounding the attestation and non-examination of a material witness warranted an adverse inference against the plaintiff. It was further contended that the plaintiff suppressed the defendant's reply notice dated 26.05.2018 while seeking attachment before judgment and obtained an initial ex parte order concerning Rs.1,40,75,000/- (Rupees One Crore, Forty Lakhs and Seventy Five Thousand Only), which was subsequently restricted to security for Rs.20,00,000/- (Rupees Twenty Lakhs only) upon consideration of the defendant's explanation.

19. On the question of consideration, learned counsel submitted that the presumption under Section 118(a) of the Negotiable Instruments Act is

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rebuttable and that the defendant is not required to prove the absence of consideration by direct evidence. It is sufficient to establish a probable defence from the circumstances and evidence on record, whereupon the burden shifts to the plaintiff to prove the transaction. In support, reliance was placed on **G. Vasu v. Syed Yaseen Sifuddin Quadri, AIR 1987 AP 139 (FB); Bharat Barrel & Drum Manufacturing Company v. Amin Chand Payrelal, (1993) 3 SCC 35**; and **M.S. Narayana Menon @ Mani v. State of Kerala, AIR 2006 SC 3366**. Learned counsel contended that the inconsistencies regarding the source of funds, the alleged cash payments, the circumstances of execution and the non-examination of material witnesses sufficiently rebutted the statutory presumption. He accordingly prayed for dismissal of the suit with costs.

20. In reply, learned counsel for the plaintiff submitted that the defendant's plea of coercion was inherently improbable. During cross-examination, the defendant admitted that the College had an entrance gate, security personnel, administrative staff and a separate office. According to learned counsel, it was unbelievable that the plaintiff, a retired school Headmaster, could have forcibly entered the premises and compelled the defendant to execute several promissory notes in the presence of others. It was further pointed out that the defendant had neither lodged a police complaint nor initiated any proceedings challenging the

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promissory notes between their execution in 2015 and the institution of the suit in 2018.

21. Learned counsel further relied upon the WhatsApp communications to contend that the defendant had acknowledged the outstanding liability, proposed repayment in instalments and invited the plaintiff to the College for settlement. It was submitted that D.W.2 had also assured repayment of the amount legitimately due under the promissory notes. According to learned counsel, these communications, considered along with the admitted signatures, contradicted the defendant's plea of coercion and supported the passing of consideration.

22. Learned counsel also disputed the contention that advancement of Rs.82,00,000/- (Rupees Eighty Two Lakhs only) in cash was inherently improbable. Referring to the admissions elicited during cross-examination concerning the defendant's dealings with private financiers, real estate transactions and involvement in film production, including PSV Garuda Vega, learned counsel submitted that the defendant was accustomed to transactions involving substantial sums. Reference was also made to the cheque dishonour proceedings involving Rs.26 crores to challenge the defendant's contention

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regarding the improbability of the transaction.

23. As regards the promissory notes having been written in Telugu and the alleged non-disclosure of the loans in income tax returns, learned counsel submitted that neither circumstance would, by itself, invalidate the transactions. The language of the promissory notes was a matter of convenience, while any non-compliance with income tax requirements was a matter for the competent tax authorities. It was contended that such alleged irregularities would not automatically render an otherwise proved debt unenforceable. Learned counsel therefore reiterated the prayer for decreeing the suit.

ISSUES:

Issue (d):

24. The plaintiff contends that the suit promissory notes were executed at his son's residence in Kodambakkam, Chennai, within the local limits of this Court's ordinary original civil jurisdiction. The defendant disputes this assertion and contends that the promissory notes were signed at his residence, Maharajapuram, Andhrapradesh, outside those limits. The promissory notes do not mention the place of execution, and neither party has adduced sufficient

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evidence establishing that place. Consequently, execution of the promissory notes within this Court's territorial jurisdiction has not been established.

25. In the plaint in cause of action paragraph, the plaintiff stated that he issued the legal notice marked as Ex.P.10 from Chennai and obtained leave to institute the suit under Clause 12 of the Letters Patent in Application No.6328 of 2019. The issuance of the legal notice from Chennai constitutes, and establish that part of the cause of action arose within this Court's territorial jurisdiction. After establishing that part of the cause of action arose within this Court's territorial jurisdiction, leave has been obtained on 29.08.2019. The defendant has not sought revocation of that leave, and the order granting leave remains in force. In the circumstances it is answered that this court has jurisdiction to entertain this suit. Issue (d) is answered accordingly.

Issue (c):

26. The plaintiff has instituted the suit for recovery of Rs.1,40,75,000/- from the defendant on the basis of nine separate promissory notes. Of these, two are dated 21.02.2015, and the remaining seven are dated 25.05.2015. The plaint was presented on 04.06.2018.

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27. The three-year period of limitation for the two promissory notes dated 21.02.2015 expired on 21.02.2018. The suit claims based on those two promissory notes are therefore barred by limitation.

28. In respect of the remaining seven promissory notes dated 25.05.2015, the period of limitation expired on 25.05.2018, when the Court was closed for summer vacation. The Court remained closed from 01.05.2018 to 03.06.2018 and reopened on 04.06.2018. The plaint having been presented on the reopening day, the claims based on those seven promissory notes are within limitation by virtue of Section 4 of the Limitation Act, 1963.

29. Accordingly, the suit is barred by limitation in respect of the two promissory notes dated 21.02.2015 and is within limitation in respect of the seven promissory notes dated 25.05.2015. Issue (c) is answered accordingly.

Issue (e):

30. The plaintiff deposed that the defendant executed the seven promissory notes marked as Exs.P.3 to P.9 on 25.05.2015 and received an aggregate consideration of Rs.75,00,000/- (Rupees Seventy Five Lakhs only). The defendant's wife, examined as D.W.2, signed those promissory notes as a witness. The defendant admits his signatures as executant and those of his wife

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as witness. His defence, however, is that the signatures were obtained under duress and that no consideration passed.

31. According to the defendant, his father-in-law, who was then the President of the Engineering College, borrowed Rs.10,00,000/- (Rupees Ten Lakhs Only) from the plaintiff in 2010 and a further sum of Rs.10,00,000/- (Rupees Ten Lakhs only) thereafter. The defendant alleges that the plaintiff demanded Rs.26,00,000/- (Rupees Twenty Six Lakhs only), claiming interest at 5%. After succeeding his father-in-law as President of the College, the defendant disputed the allegedly exorbitant interest and offered to pay Rs.20,00,000/- (Rupees Twenty Lakhs Only) in full settlement. According to him, the plaintiff rejected that offer, came to the College and indulged in vandalism, and subsequently obtained the signatures of the defendant and his wife on the seven promissory notes at their residence under duress, without advancing any money.

32. Under Section 118(a) of the Negotiable Instruments Act, 1881, a rebuttable presumption arises that a promissory note was made for consideration. The defendant may rebut that presumption on a preponderance of probabilities, either through his own evidence or by relying upon circumstances

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and material emerging from the plaintiff's evidence. Once a probable defence is established, the burden shifts to the plaintiff to prove the passing of consideration. A mere denial of consideration, however, is insufficient.

33. The defendant examined himself as D.W.1 and his wife as D.W.2. Their evidence must be considered notwithstanding the absence of documentary evidence. Nevertheless, the alleged borrowings by the defendant's father-in-law, which form the foundation of the defence, have not been satisfactorily established. No supporting documents were produced, and the alleged borrower was not examined.

34. The allegation that the plaintiff and his men committed vandalism and obtained the signatures under duress is also unsupported by any independent evidence. Apart from D.W.1 and D.W.2, no other witness to the alleged incident was examined. The defendant has admittedly not lodged any police complaint concerning the alleged acts. Although the absence of a complaint is not conclusive, it is a relevant circumstance when assessing the probability of the defence.

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35. On an overall assessment of the evidence and circumstances, the account given by D.W.1 and D.W.2 does not satisfactorily establish either the alleged duress or the non-passing of consideration. The failure to prove duress does not automatically establish consideration; nevertheless, the defendant has also failed to raise a probable defence sufficient to rebut the statutory presumption under Section 118(a).

36. Accordingly, the presumption of consideration remains unrebutted, and Exs.P.3 to P.9 are held to be supported by consideration. Issue (e) is answered in favour of the plaintiff.

Issues (a), (b) & (f):

37. The plaintiff seeks recovery of Rs.1,40,75,000/- (Rupees One Crore, Forty Lakhs and Seventy Five Thousand Only) on the basis of nine promissory notes. In view of the finding on limitation, the claims under the two promissory notes dated 21.02.2015, for Rs.5,00,000/- (Rupees Five Lakhs only) and Rs.2,00,000/- (Rupees Two Lakhs only) respectively, are barred by limitation. The plaintiff is therefore not entitled to recover the aggregate principal of Rs.7,00,000/- (Rupees Seven Lakhs Only) under those notes and the interest claimed thereon.

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38. The portion of the suit claim attributable to those two promissory notes, inclusive of interest, is Rs.11,75,000/- (Rupees Eleven Lakhs and Seventy Five Thousand only). After deducting that amount from Rs.1,40,75,000/- (Rupees One Crore, Forty Lakhs and Seventy Five Thousand Only), the amount recoverable under the seven promissory notes dated 25.05.2015 is Rs.1,29,00,000/- (Rupees One Crore and Twenty Nine Lakhs only), comprising the principal sum of Rs.75,00,000/- (Rupees Seventy Five Lakhs Only) and pre-suit interest of Rs.54,00,000/- (Rupees Fifty Four Lakhs only). In view of the finding that Exs.P.3 to P.9 are supported by consideration, the plaintiff is entitled to recover that amount.

39. As regards pendent lite interest, the plaint was presented on 04.06.2018 and returned on 20.06.2018. It was re-presented only on 05.07.2019, returned again on 19.07.2019, and finally re-presented on 30.07.2019. The delay in re-presentation was condoned in Application No.5719 of 2019 on 09.08.2019, following which the plaint was admitted.

40. Although the delay was condoned for the purpose of receiving the plaint, the plaintiff's prolonged delay in complying with the returns remains relevant to

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the discretionary award of interest under Section 34 CPC. This Court considers it inappropriate to burden the defendant with interest for the period during which prosecution of the suit was delayed by the plaintiff's failure to re-present the plaint promptly. Accordingly, interest is excluded for the period from 20.06.2018 to 29.07.2019, both days inclusive.

41. The liability arose from a commercial transaction, and the contractual rate of interest is 24% per annum. Having regard to the nature of the transaction and the circumstances of the case, this Court considers simple interest at 12% per annum reasonable both during the pendency of the suit and after decree. Such interest shall be calculated only on the principal sum of Rs.75,00,000/- (Rupees Seventy Five Lakhs Only).

42. The plaintiff is therefore entitled to simple interest at 12% per annum on Rs.75,00,000/- (Rupees Seventy Five Lakhs Only) from 04.06.2018 to 19.06.2018 and from 30.07.2019 to the date of decree, and further simple interest at the same rate on that principal sum from the date of decree until realisation. Since the plaintiff succeeds only in part, proportionate costs are awarded. Issues (a) and (b) and (f) are answered accordingly.

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43. The suit is decreed in part, directing the defendant to pay the plaintiff:

(i) Rs.1,29,00,000/- (Rupees One Crore and Twenty Nine Lakhs only;

(ii) Simple interest at 12% per annum on the principal sum of Rs.75,00,000/- (Rupees Seventy Five Lakhs Only) from 04.06.2018 to 19.06.2018 and from 30.07.2019 to the date of decree;

(iii) further simple interest at 12% per annum on the principal sum of Rs.75,00,000/- (Rupees Seventy Five Lakhs Only) from the date of decree until realisation; and

(iv) Proportionate costs.

16-10-2026

AY

List of witnesses examined on the side of the Plaintiffs:

PW1 – K.V.Venkatraju

List of documents marked on the side of the Plaintiffs:

Ex.P1	Original promissory note dated 21.02.2015 for Rs.5,00,000/- along with translated copy.
Ex.P2	Original promissory note dated 21.02.2015 for Rs.2,00,000/- along with translated copy.
Ex.P3	Original promissory note dated 25.05.2015 for Rs.15,00,000/- along with translated copy.
Ex.P4	Original promissory note dated 25.05.2015 for Rs.10,00,000/- along with translated copy.
Ex.P5	Original promissory note dated 25.05.2015 for Rs.10,00,000/- along with translated copy.
Ex.P6	Original promissory note dated 25.05.2015 for Rs.10,00,000/- along

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	with translated copy.
Ex.P7	Original Promissory note dated 25.05.2015 for Rs.10,00,000/- along with translated copy.
Ex.P8	Original Promissory note dated 25.05.2015 for Rs.10,00,000/- along with translated copy.
Ex.P9	Original Promissory note dated 25.05.2015 for Rs.10,00,000/- along with translated copy.
Ex.P.10	Office copy of the legal notice dated 03.05.2018 sent by the plaintiff's counsel to the defendant.
Ex.P.11	Acknowledgement card dated 24.05.2018.
Ex.P.12	Print out of the whatsapp chat messages between the plaintiff and the defendant from 22.01.2018 to 06.04.2018.
Ex.P.13	Print out of the whatsapp chat messages between the plaintiff and the defendant from 08.04.2018.
Ex.P.14	Print out of the whatsapp chat messages between the plaintiff and the defendant from 15.04.2018 to 22.04.2018.
Ex.P.15	Print out of the whatsapp chat messages between the plaintiff and the defendant from 19.03.2018 to 22.04.2018.
Ex.P.16	

List of witnesses examined on the side of the Defendants:

DW1 – M.Koteswara Raju.
DW2 - Hema

List of documents marked on the side of the Defendants: Nil

16.10.2026

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C.S. No. 670 of 2019

DR.A.D.MARIA CLETE, J.

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PRE-DELIVERY JUDGMENT MADE IN
CS No. 670 of 2019

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