IN THE SUPREME COURT OF INDIA
CIVIL APPELLATE JURISDICTION

CIVIL APPEAL NO.11309 OF 2025
(Arising out of SLP(Civil)No.10362 of 2024)

GEORGEKUTTY CHACKO **Appellant(s)**

Vs.

M.N SAJI **Respondent(s)**

O R D E R

Heard the learned counsel appearing for the appellant.

2. Leave granted.

3. The appellant is aggrieved by the fact that though his suit for recovery of an amount pursuant to a promissory note has been upheld but the amount to be recovered amounting to Rs.35,29,680/- (Rupees thirty five lakhs twenty nine thousand six hundred eighty) has been reduced to Rs.22,00,000/- (Rupees twenty two lakhs) only by the High Court. It was submitted that the obligation to pay the amount by the respondent was pursuant to a promissory note in which clearly the respondent had accepted that he had received Rs.30,80,000/- (Rupees thirty lakhs eighty

thousand) from the appellant. The appellant having filed the suit for recovery of the amount, the same was allowed by the Trial Court. The Trial Court decreed the suit for Rs.35,29,680/- (Rupees thirty five lakhs twenty nine thousand six hundred eighty). However, the same upon being challenged by the respondent before the High Court, the order was modified and the decretal amount was reduced to Rs.22,00,000/- (Rupees twenty two lakhs).

4. Learned counsel for the appellant submitted that once the promissory note has been accepted by both the Courts and also by the respondent, the amount clearly specified in such promissory note could not have been unilaterally reduced. It was submitted that the course taken by the High Court with regard to there being proof of only Rs.22,00,000/- (Rupees twenty two lakhs) having been paid by the appellant to the respondent is erroneous for the reason that the clear cut stand was that Rs.22,00,000/- (Rupees twenty two lakhs) was given through various instruments/bank transactions whereas the remaining was given by cash. It was submitted that to reject the cash amount, that too, only on the ground that it was an oral statement, is not correct, for the reason that the document i.e., the promissory note, as a whole has to be taken, especially when there was no complaint by the respondent that the promissory note though

signed by him, contained incorrect fact and/or there was manipulation in the same.

5. Despite being served twice, the respondent has chosen not to enter appearance.

6. Accordingly, having considered the matter and going through the material on record, we find that a case for interference has been made out. There being specific stand by the appellant that he has paid Rs.30,80,000/- (Rupees thirty lakhs eighty thousand) to the respondent pursuant to a promissory note, which incidentally has been upheld and not disbelieved, the onus would be on the respondent to dispel such fact. Further, it is not uncommon that in money transactions, there is a component of cash also involved and just because a person is not able to prove the transfer through official modes i.e., through any negotiable instrument or bank transaction, would not lead to the conclusion that such amount was not paid through cash, especially when there was a categorical statement to this effect by the appellant before the Court concerned. Moreover, the initial presumption of legally enforceable debt comes from the Negotiable Instruments Act, 1881 also and thus the onus is on the respondent to prove that no such amount was given. Only because documentary proof was not available, we find such view taken to be erroneous. A

person who gives cash obviously would not be having any documentary proof *per se*. Sometimes there may be an occasion where even for a cash transaction, a receipt is taken, but absence of the same would not negate and disprove the stand that the cash transaction also took place between the parties. In the present case, the bifurcation made by the High Court is clearly erroneous and therefore, unsustainable.

7. For the reasons aforesaid and taking an overall circumspection of the facts and circumstances of the case, the appeal is allowed. The impugned order is set aside. The order of the Trial Court stands restored.

.....J.
(AHSANUDDIN AMANULLAH)

.....J.
(VIPUL M. PANCHOLI)

NEW DELHI;
September 01, 2025

ITEM NO.52 COURT NO.14 SECTION XI-A

S U P R E M E C O U R T O F I N D I A
RECORD OF PROCEEDINGS

Petition(s) for Special Leave to Appeal (C) No(s). 10362/2024

[Arising out of impugned final judgment and order dated 23-11-2022 in RFA No. 352/2018 passed by the High Court of Kerala at Ernakulam]

GEORGEKUTTY CHACKO Petitioner(s)

VERSUS

M.N SAJI Respondent(s)

Date : 01-09-2025 This petition was called on for hearing today.

CORAM :
HON'BLE MR. JUSTICE AHSANUDDIN AMANULLAH
HON'BLE MR. JUSTICE VIPUL M. PANCHOLI

For Petitioner(s) :
Ms. Usha Nandini V., AOR
Mr. Biju P Raman, Adv.
Mr. John Thomas Arakal, Adv.
Ms. Ashima Gupta, Adv.

For Respondent(s) :

UPON hearing the counsel the Court made the following
O R D E R

Leave granted.

The appeal is allowed in terms of the signed order.

Pending application, if any, also stands disposed of.

(ANITA MALHOTRA) (ANJALI PANWAR)
AR-CUM-PS COURT MASTER
(Signed order is placed on the file.)