



S.A.(MD)No.647 of 2025

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BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

Reserved on : 20.01.2026

Pronounced on : 06.02.2026

CORAM:

THE HON'BLE MR.JUSTICE K.MURALI SHANKAR

S.A.(MD)No.647 of 2025

and

C.M.P.(MD)Nos.20504 and 20506 of 2025

Arumugam

... Appellant/
Respondent/
Defendant

Vs.

Thirumalai

... Respondent/
Appellant/
Plaintiff

PRAYER : Second Appeal filed under Section 100 C.P.C., challenging the judgment and decree dated 16.09.2025 passed in A.S.No.61 of 2024 on the file of the Principal District Judge, Tenkasi which reversed the judgment and decree dated 03.09.2024 passed in O.S.No.152 of 2019 on the file of the Additional Sub Court, Tenkasi.

For Appellant : Mr.C.Saravanakumar



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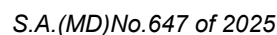
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JUDGMENT

The Second Appeal is directed against the judgment and decree made in A.S.No.61 of 2024 dated 16.09.2025 on the file of the Principal District Court, Tenkasi, reversing the judgment and decree passed in O.S.No.152 of 2019 dated 03.09.2024 on the file of the Additional Subordinate Court, Tenkasi.

2. The appellant is the defendant (hereinafter referred as 'defendant'). The respondent / plaintiff (hereinafter referred as 'plaintiff') filed a suit in O.S.No.152 of 2019 on the file of the Additional Subordinate Court, Tenkasi for recovery of Rs.7,34,097/- due on the promissory note alleged to have been executed by the defendant in favour of the plaintiff.

3. The defendant filed his written statement and contested the suit. The learned Additional Subordinate Judge, Tenkasi, after framing necessary issues and after full trial, passed the judgment and decree dated 03.09.2024 dismissing the suit. Aggrieved by the dismissal of the said suit, the plaintiff filed an appeal in A.S.No.61 of 2024 and the learned



4. At the outset, it is necessary to refer the mandate of Hon'ble Supreme Court for High Courts in deciding the second appeal under Section 100 of the Civil Procedure Code, given in the case of ***Gurnam Singh (dead) by LRs., and others Vs. Lehna Singh (dead) by LRs.***, reported in ***AIR 2019 SC 1441***, that the jurisdiction of the High Court in an appeal under Section 100 of the Code of Civil Procedure is strictly confined to the case involving substantial question of law and the relevant passage is extracted hereunder:

“18. Before parting with the present judgment, we



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remind the High Courts that the jurisdiction of the High Court, in an appeal under Section 100 of the CPC, is strictly confined to the case involving substantial question of law and while deciding the second appeal under Section 100 of the CPC, it is not permissible for the High Court to re-appreciate the evidence on record and interfere with the findings recorded by the Courts below and/or the First Appellate Court and if the First Appellate Court has exercised its discretion in a judicial manner, its decision cannot be recorded as suffering from an error either of law or of procedure requiring interference in Second Appeal. We have noticed and even as repeatedly observed by this Court and even in the case of Narayanan Rajendran v. Lekshmy Sarojini, (2009) 5 SCC 264, despite the catena of decisions of this Court and even the mandate under Section 100 of the CPC, the High Courts under Section 100 CPC are disturbing the concurrent findings of facts and/or even the findings recorded by the First Appellate Court, either without formulating the substantial question of law or on framing erroneous substantial question of law.”

5. The Hon'ble Supreme Court in the case of **Chandrabhan Vs. Saraswati and others** reported in **2022 SCC OnLine SC 1273** has



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specifically held that right of appeal is not automatic and right of appeal is conferred by statute and when statute confers a limited right of appeal restricted only to cases which involve substantial questions of law, it is not open to the High Court to sit in appeal over the factual findings arrived at by the First Appellate Court and the Hon'ble Supreme Court summarized the principles relating to Section 100 C.P.C., which are as follows;

“(i) An inference of fact from the recitals or contents of a document is a question of fact. But the legal effect of the terms of a document is a question of law. Construction of a document involving the application of any principle of law, is also a question of law. Therefore, when there is misconstruction of a document or wrong application of a principle of law in construing a document, it gives rise to a question of law.

(ii) The High Court should be satisfied that the case involves a substantial question of law, and not a mere question of law. A question of law having a material bearing on the decision of the case (that is, a question, answer to which affects the rights of parties to the suit) will be a substantial question of law, if it is not covered by any specific provisions of law or settled legal principle emerging from binding precedents and involves a



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debatable legal issue. A substantial question of law will also arise in a contrary situation, where the legal position is clear, either on account of express provisions of law or binding precedents, but the court below has decided the matter, either ignoring or acting contrary to such legal principle. In the second type of cases, the substantial question of law arises not because the law is still debatable, but because the decision rendered on a material question, violates the settled position of law.

(iii) The general rule is that the High Court will not interfere with findings of facts arrived at by the courts below. But it is not an absolute rule. Some of the well-recognised exceptions are where (i) the courts below have ignored material evidence or acted on no evidence; (ii) the courts have drawn wrong inferences from proved facts by applying the law erroneously; or (iii) the courts have wrongly cast the burden of proof. When we refer to "decision based on no evidence", it not only refers to cases where there is a total dearth of evidence, but also refers to any case, where the evidence, taken as a whole, is not reasonably capable of supporting the finding."

6. Bearing the settled legal position in mind, let us proceed with the present case.



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7. The case of the plaintiff is that the defendant had good acquaintance with the plaintiff for more than five years prior to the filing of the suit. The defendant approached the plaintiff on 17.06.2018 and demanded a loan of Rs.6,70,000/- for his urgent expenses, family expenses and to clear the debts. Accordingly, the plaintiff advanced the loan amount of Rs.6,70,000/- and the defendant received the said loan amount agreeing to repay the same with interest at Rs.1/- per Rs.100/- per month either to the plaintiff or his order of demand and executed a promissory note therefor. Despite the requests made by the plaintiff on several times directly and through his men, the defendant has not chosen to pay the amount. Hence, the plaintiff was constrained to file the above suit for recovery of money.

8. The defence of the defendant is that the defendant never borrowed Rs.6,70,000/- from the plaintiff nor executed any promissory note in his favour. The defendant purchased a property from the plaintiff's wife Iyyammal and plaintiff's wife's sister Thangam on 07.07.2014 and for paying the balance sale price as requested by the plaintiff, the defendant issued a blank promissory note for Rs.70,000/-.



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Subsequently, the defendant paid the said amount of Rs.70,000/- through cheque and the same was encashed by the plaintiff on 23.12.2014. Thereafter, the defendant demanded the plaintiff to return the blank promissory note but the plaintiff, by alleging that the same was misplaced, has been postponing for the return of the same. But the plaintiff, by inserting No.6 before Rs.70,000/- and thereby committing the material alteration, filed the present suit, as if, the defendant borrowed a sum of Rs.6,70,000/- from the plaintiff. Since the suit was filed on the basis of the fraudulent promissory note, the same is not maintainable. Hence, the suit is liable to be dismissed.

9. During trial, the plaintiff examined himself as P.W.1 and examined the scribe-cum-attestor of the suit promissory note Thiru.Velladurai as P.W.2. The defendant examined himself as D.W.1.

10. As already pointed out, the main defence of the defendant is that he purchased a property from the plaintiff's wife Iyyammal and plaintiff's wife's sister Thangam vide sale deed dated 07.07.2014 and for paying the balance sale price of Rs.70,000/- as per the direction of the



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plaintiff, the defendant issued a blank promissory note for Rs.70,000/- and that the same was misused by the plaintiff.

11. Both the plaintiff and the defendant produced copies of the sale deed dated 07.07.2014, which were marked as Ex.A.2 and Ex.B.2 respectively. As rightly observed by the learned first appellate Judge, the sale deed (Ex.A.2 / Ex.B.2) specifically recites that the sale consideration of Rs.1,01,250/- was received by the sellers from the defendant on the date of execution of the sale deed itself, in the presence of witnesses. Moreover, the defendant has not stated what was the sale consideration agreed upon or how much was allegedly paid towards the same. The defendant has merely made a vague allegation that there was a balance sale consideration of Rs.70,000/-, for which he claims to have issued a blank promissory note. As further rightly observed by the learned first appellate Judge, the defendant had purchased the property not only from the plaintiff's wife but also from the plaintiff's wife's sister, and therefore, the contention of the defendant that he issued a promissory note in favour of the plaintiff is wholly unacceptable.



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12. During the trial, the plaintiff deposed that, prior to the suit loan, the defendant had availed another loan of Rs.1,00,000/-, which was repaid by the defendant by paying Rs.30,000/- in cash and the remaining Rs.70,000/- through cheque. It is pertinent to note that, while cross-examining P.W.2, a suggestion was put on behalf of the defendant that the defendant had taken a loan of Rs.1,70,000/- from the plaintiff and that the said loan amount had already been repaid. However, no such plea was raised in the written statement. As rightly observed by the learned first appellate Judge, the defendant has taken inconsistent and contradictory stands at different stages of the proceedings.

13. No doubt, the defendant has taken a stand that Ex.B.1 promissory note is vitiated by material alteration and according to the defendant, the numeral "6" was inserted before Rs.70,000/-. No doubt, the Courts below have observed that there appears to be some change or alteration in the numeral "6"; however, the learned first appellate Judge has rightly relied and referred to the evidence of D.W.2. D.W.2, in his evidence, would say,

“என்னிடம் காட்டப்படும் வா.சா.ஆ.1 புரோதோட்டில்



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எழுதப்பட்டுள்ள ரூ.6,70,000/-ல் 1 என்ற எழுத்தை 6 ஆக மாற்றி எழுதப்பட்டதற்கும், 70 ஆயிரத்திற்கும் வேறுபாடு உள்ளது என்றால், சரியல்ல. 6 போடும்போது எழுத்து சரியாக படாததால், சரியாக அழுத்தி எழுதப்பட்டது. தாவா புரோதோட்டில் உள்ள 1 என்ற எழுத்தை 6 என்ற நம்பராக என்னால் மாற்று இடைச்செருகல் செய்து கூடுதலாக எழுதப்பட்டுள்ளது என்றால், சரியல்ல.”

14. It is pertinent to note that, in the written statement, the defendant took the stand that the numeral “6” was inserted before “70,000/-”. However, during the cross-examination of P.W.2, it was suggested on behalf of the defendant that the numeral “1” was altered into “6”. As rightly observed by the learned first appellate Judge, the defendant was not consistent or clear in his stand with regard to the alleged material alteration.

15. It is pertinent to note that Section 20 of the Negotiable Instruments Act deals with inchoate stamped instruments. When a person signs and delivers a stamped paper, either blank or containing an incomplete negotiable instrument such as a promissory note, to another person, he thereby gives prima facie authority to the holder to complete



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the instrument for any amount not exceeding the amount covered by the stamp. The said provision confers authority on the holder to fill up the blanks, rendering the maker liable for the amount so filled in, provided it does not exceed the stamp value. It is well-settled that filling up blanks in an inchoate instrument, when authorised by the drawer, does not amount to a material alteration so as to render the instrument void. Once the execution and signature on the promissory note are admitted, a statutory presumption arises under Sections 118(a) and 139 of the Negotiable Instruments Act that the instrument was executed for consideration, and the burden shifts to the defendant to rebut the same. The Hon'ble Supreme Court has reiterated the legal position that a person who admits his signature on a promissory note cannot evade liability by contending that a blank document was handed over, as Section 20 of the Negotiable Instruments Act expressly authorises the completion of such an instrument.

16. Moreover, in the present case, the plaintiff, examined as P.W.1, would depose with regard to the borrowal and execution of the promissory note by the defendant. P.W.2, the scribe-cum-attestor of the



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suit promissory note, would depose about the execution of the promissory note and the passing of consideration. The learned first appellate Judge, upon appreciating the evidence adduced on behalf of the plaintiff, including the testimony of P.W.2, has arrived at the conclusion that the plaintiff has proved the execution of the promissory note and the receipt of Rs.6,70,000/- by the defendant. In view of the evidence available on record, the decision of the first appellate Court in reversing the judgment of the trial Court and decreeing the suit as prayed for cannot be faulted.

17. It is pertinent to note that the first appellate Court on appreciating and re-appreciating the evidence and the legal aspects in proper perspective has come to a definite decision that the plaintiff is entitled to get the relief claimed.

18. Considering the judgments of the Courts below, as rightly contended by the learned counsel for the respondent, no question of law much less Substantial Question of Law is made out. As per the dictum laid down by the Hon'ble Supreme Court in **Chandrabhan's** case referred



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supra, it is not open to this Court to sit in appeal over the factual findings arrived at by the first appellate Court. Hence, this Court concludes that since no substantial question of law is made out in the second appeal, the same is liable to be dismissed.

19. In the result, the Second Appeal is dismissed, confirming the judgment of the first appellate Court made in A.S.No.61 of 2024, dated 16.09.2025 on the file of the Principal District Court, Tenkasi, reversing the judgment and decree made in O.S.No.152 of 2019 dated 03.09.2024 on the file of the Additional Subordinate Court, Tenkasi. Consequently, connected Miscellaneous Petitions are closed. No costs.

06.02.2026

NCC : Yes/No

Index : Yes/No

Internet : Yes/ No

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To

1. The Additional Subordinate Judge, Tenkasi.
2. The Principal District Judge, Tenkasi.
3. The Record Keeper,
Vernacular Section,
Madurai Bench of Madras High Court, Madurai.

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K.MURALI SHANKAR, J

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Pre-Delivery Judgment made in
S.A.(MD)No.647 of 2025
and
C.M.P.(MD)Nos.20504 and 20506 of 2025

Dated : 06.02.2026