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Srivastava and Nanavutty, JJ.

appellants of an offence under section 307 of the Indian Penal Code and sentence each of them to rigorous imprisonment for five years. This sentence of imprisonment will run concurrently in the case of Rameshwar and Ganga Sewak with the sentence of transportation for life for the offence under section 302 of the Indian Penal Code. If the sentence of death imposed on Suraj Bali and Sukh Ram is carried out according to law this sentence of five years' rigorous imprisonment will not be carried out.

REVISIONAL CIVIL

Before Mr. Justice G. H. Thomas

1935 January, 25 BABU LAL (PLAINTIFF-APPLICANT v. BUDDHOO AND ANOTHER (DEFENDANT OPPOSITE-PARTY)* Negotiable Instruments Act (XXVII of 1981) sections 16 and 97

Negotiable Instruments Act (XXVI of 1881), sections 16 and 37 —Promissory note—Endorsement of transfer—Specific form of words, whether necessary for transfer—Pronote without consideration—Sule of note for consideration—Purchaser, whether can recover amount from maker.

Section 16, Negotiable Instruments Act, does not lay down any specific form or words which are necessary for an endorsement. Hence, an endorsement to the effect, "I have sold the promissory note for Rs.60 to Babu Lal and I have no future interest left in it", is a perfectly good one, although it does not bear the words that the purchaser will be entitled to realize the amount by bringing a suit against the maker of the note.

Under section 37 of the Negotiable Instruments Act, the maker of a promissory note is liable to its purchaser, who is a holder within the meaning of section 8 of the Act. The holder pays consideration for the note and he can recover the amount due on the note, even if it was originally made without consideration.

Mr. N. Banerji, for the applicant.

Mr. Ganga Prasad Bajpai, for the opposite party.

THOMAS, J.:--This is an application for revision under section 25 of the Small Cause Court Act against

^{*}Section 25 Application No. 106 of 1933, against the order of Babu Shiva Gopal Mathur, 2nd Additional Judge, Small Cause Court, Lucknow, dated the 8th of November, 1933.

Buddhoo executed a promissory note for Rs.100 on the 3rd of February, 1931, in favour of Hublal, defendant No. 2. Hublal sold it on the 12th of April, 1933, to the plaintiff Babu Lal for Rs.60.

The plaintiff brought a suit on the basis of the said promissory note against Buddhoo, defendant No. 1, and Hublal, defendant No. 2 and the learned Second Additional Judge decreed the suit against the defendant No. 2 only. The defence raised by the defendant No. 1 was that the promissory note was without consideration, and the trial Judge accepted that contention.

The plaintiff has come up in revision to this Court, and the contention of the learned Counsel for the applicant is that the learned Judge has erred in law in not passing a decree against the defendant No. 1 also. The plaintiff is undoubtedly, according to the finding of the learned Judge, under the Negotiable Instruments Act (XXVI of 1881), a "holder in due course" of the promissory note in question Section 27 of the Negotiable Instruments Act provides that, "the maker of a promissory note or cheque . . . until acceptance, and the acceptor are, in the absence of a contract to the contrary, respectively liable thereon as principal debtors, and the other parties thereto are liable thereon as sureties for the maker, drawer or acceptor, as the case may be".

It is urged on behalf of the applicant that defendant No. 1 is the maker of the promissory note and is liable as principal debtor to the plaintiff, who is the holder of the promissory note for consideration.

The learned Counsel for the opposite party has contended that there was no legal endorsement trans-

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ferring the promissory note in favour of the plaintiff BABU LAL The endorsement is to the following effect:

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"Hamne Babulal ke hath 60 rupaiya par bench dala, is pronote se hamse koi matlab nahin raha. Tarikh 12 April San 1933, Iswi", i.e.

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"I have sold the promissory note for Rs.60 to Babu Lal and I have no further interest left in it." The contention is that the endorsement does not bear the words that the plaintiff will be entitled to realise the amount by bringing a suit against the defendant. In my opinion, this contention has absolutely no force, and the endorsement is a perfectly good one. Section 16 of the Negotiable Instruments Act does not lay down any specific form or words which are necessary for an endorsement.

Under section 37 of the Negotiable Instruments Act, the maker of a promissory note is liable to its purchaser. who is a holder within the meaning of section 8 of the Act. In this case the learned Judge has found that the holder, viz., the plaintiff, paid consideration for the note, and as such, he can, in my opinion, recover the amount due on it, even if it was originally made without consideration.

It may seem hard that defendant No. 1, Buddhoo, has to pay for a promissory note, for which he received no consideration, but there is no reason why the plaintiff should suffer by the act of Buddhoo. It was he who caused the plaintiff to suffer that loss, and he (Buddhoo) must sustain it himself

I accordingly allow the application and modify the decree of the learned Judge to this extent, that the plaintiff's suit is decreed against defendant No. 1 also, i.e., the plaintiff's suit is decreed against both the defendants. The applicant will get his costs in this Court from defendant No. 1 only.

Application allowed.