

IN THE SUPREME COURT OF INDIA
CIVIL APPELLATE JURISDICTION

CIVIL APPEAL NO. _____ OF 2025
(ARISING OUT OF S.L.P. (CIVIL) NO.5070/2024)

M/S SRI LAKSHMI BALAJI ENTERPRISES & ANR.

APPELLANT(S)

VERSUS

M/S ANGEETHIS RESTAURANT & ANR.

RESPONDENT(S)

O R D E R

1. Leave granted.
2. In a suit preferred by the respondent(s)-plaintiff(s) for recovery of Rs.69,61,547/-, the plaintiff(s) sought to tender his evidence and exhibit the Memorandum of Understanding (MOU) dated 01.08.2015 which was objected by the appellant(s)-defendant(s) on the ground that the subject document is not properly stamped as applicable to a Bond. This objection was sustained by the Trial Court, against which, the respondent(s)-plaintiff(s) preferred a Revision Petition under Article 227 of the Constitution of India which was allowed by the High Court *vide* impugned order setting aside the order of the Trial Court by holding that the document is not a Bond and it is a simple MOU which is admissible in evidence.
3. Learned counsel for the appellant(s), referring to *State of Kerala and others vs. McDowell & Co. Ltd* [1994 Supp(2) SCC 605], would submit that the nomenclature of title used in the document is not final in deciding the nature of the document

and it is the contents of the documents which will decide its nature. Therefore, since the payment of amount is referred in the MOU, it should be treated as a Bond and should be charged with proper stamp duty applicable to a Bond. In the present case, such stamp duty having not been paid, the document is not admissible in evidence.

4. *Per contra*, learned counsel for the respondent(s) submits that the MOU is in addition to an earlier lease deed executed between the parties and there are no trappings of Bond in the subject MOU which is signed by both the parties.

5. Having heard the learned counsel for the parties, we are of the considered view that the High Court has taken a correct view to hold that the subject MOU cannot be treated as Bond because it is signed by both the parties and not by one of the parties binding himself to pay the amount and making the said payment subject to fulfillment of some conditions. It is rightly held by the High Court that the contents of the documents would not attract clauses (a) to (c) of Section 2(5) of the Indian Stamp Act so as to call it a Bond because the obligation to pay the money is not dependent on any condition and that the document is signed by both the parties making it an agreement.

6. In the matter of *McDowell & Co. Ltd* (supra), this Court also observed that an instrument by which a person puts

himself under an obligation to pay a sum of money to another on condition that the obligation shall be void if some specific act is, or is not, performed is a bond. The only question to pose is: Has the executant of the instrument put himself under an obligation, or bound himself, to pay a sum of money to another, the obligation to be void under specified circumstances? If the executant can be sued for that sum of money only upon the strength of the instrument, the instrument is a bond.

7. In the present case, it is not the executor alone who has signed the document but both the parties have signed the document. Therefore, while the law laid down in *McDowell & Co. Ltd* (supra) is settled, it does not apply to the facts of the present case considering the nature, content and recital in the documents signed by both the parties.

8. Accordingly, the Appeal is dismissed.

9. Pending application(s), if any, shall stand disposed of.

.....J.
(PRASHANT KUMAR MISHRA)

.....J.
(PRASANNA B. VARALE)

NEW DELHI;
DECEMBER 17, 2025

ITEM NO.35

COURT NO.17

SECTION XII-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). 5070/2024

[Arising out of impugned final judgment and order dated 06-09-2023 in CRP No. 308/2022 passed by the High Court of Andhra Pradesh at Amravati]

M/S SRI LAKSHMI BALAJI ENTERPRISES & ANR.

Petitioner(s)

VERSUS

M/S ANGEETHIS RESTAURANT & ANR.

Respondent(s)

IA No. 100502/2024 - PERMISSION TO FILE ADDITIONAL DOCUMENTS/ FACTS /ANNEXURES

Date : 17-12-2025 This matter was called on for hearing today.

CORAM : HON'BLE MR. JUSTICE PRASHANT KUMAR MISHRA
HON'BLE MR. JUSTICE PRASANNA B. VARALE

For Petitioner(s) Mr. M Srinivas R Rao, Adv.
Mr. Abid Ali Beeran P, AOR
Mr. Sarath S Janardanan, Adv.
Mr. Saswat Adhyapak, Adv.
Ms. Namita Kumari, Adv.

For Respondent(s) Mr. R. Chandrachud, Adv.
Mr. Ramesh Allanki, Adv.
Ms. Aruna Gupta, AOR
Mr. Syed Ahmad Naqvi, Adv.

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

1. Leave granted.
2. The appeal is dismissed, in terms of the signed order, which is placed on the file.
3. Pending application(s), if any, shall stand disposed of.

(KANCHAN CHOUHAN)
SENIOR PERSONAL ASSISTANT

(CHETNA BALOONI)
COURT MASTER (NSH)

