

1975 Present : Wijayatilake, J., Ismail, J. and Sharvananda, J.

. A. V. RODRIGO, Appellant

and

W. D. A. F. RANASINGHE, Respondent

S. C. 142/70 (F)—D. C. Colombo, 29056/S.

Promissory Note—Document subject to conditions—Effect—Bills of Exchange Ordinance, sections 10 (1), 11 (1), 85, 91—Stamp Ordinance, section 41 and Schedule A, Part 1 thereto—Whether document properly stamped—Can action thereon be maintained.

The plaintiff filed action by way of summary procedure against the defendant for the recovery of a sum of Rs. 20,000 alleged to be due to him on a document filed along with the plaint. The document was drawn in a printed form which is the ordinary form utilized for executing promissory notes. By this document the defendant promised to pay on demand to the plaintiff a sum of Rs. 20,000 with interest at 6% per annum subject to conditions which read as follows :—

The note is given subject to the conditions that (1) The payee shall accept any sum paid by me in reduction of the amount due at any time on this note. (2) The payee will not file any action in Court on the said note at any time during 3 years from the date of this note.

This document carried only a ten cents stamp.

Held : (Wijayatilake, J. *dissenting*)

- (1) That the document sued upon is a promissory note payable at a determinable future time and does not fall into the category of a promissory note payable on demand. Accordingly the note should have been appropriately stamped on the basis of a promissory note for the payment at any time otherwise than on demand, viz. with a Rs. 10 stamp.
- (2) Since the promissory note is not sufficiently stamped it is not admissible in evidence in terms of section 41 of the Stamps Ordinance, and no action based on such a note is maintainable.

Cases referred to :—

Hemp v. Garland, (1843) 4 Q.B. 519 ; 12 L. J. Q.B. 134.

In re Horner, (1896) 65 L. J. Ch. 699.

Matheranayakam v. Chelliah, 29 N.L.R. 394.

Norton v. Ellam, (1837) 2 M & W 461 ; 6 L. J. Ch. 121.

Scott v. Avery, (1896) 5 H. L. Cas. 811 ; 25 L. J. Ex. 308.

A PPEAL from a judgment of the District Court, Colombo.

L. W. Athulathmudali, with Miss R. Morawaka, for the plaintiff-appellant.

Defendant-respondent, absent and unrepresented.

Cur. adv. vult.

May 12, 1975. WIJAYATILAKE, J.

The plaintiff filed this action against the defendant by way of summary procedure for the recovery of a sum of Rs. 20,000 alleged to be due to him on the document filed along with the plaint marked ' A ' dated 26.6.1965 and bearing a 10 cents stamp. In his plaint he has averred that the said document is a promissory note and the defendant had paid him several instalments amounting to Rs. 3,400 out of the interest due on the said note,

namely 6% per annum. The defendant in his answer only admitted the signing of the said document and denied that any consideration passed thereon. He further denied that he paid any instalments as averred and by way of further answer he has alleged that the signature to the said writing was obtained under duress and by the exercise of undue influence. As a matter of law the defendant pleaded that the writing sued upon is not a promissory note within the meaning of the Bills of Exchange Ordinance and/or is defective in law and/or is improperly stamped and therefore the plaintiff is not entitled to maintain this action.

At the trial despite the averment made by the plaintiff he took up the position that the document was not a promissory note and that any defect in stamping was curable under section 41 of the Stamps Ordinance, and curiously the defendant having pleaded that this was not a promissory note turned tables by contending that it was in fact a promissory note not payable on demand but payable at a fixed or determinable future time and that it was not duly stamped and therefore not admissible in evidence. At the trial issues 3, 4, 5 and 6 were tried as preliminary issues. These issues are as follows :

3. (a) Is the document sued upon by the plaintiff a promissory note payable on demand ?
(b) If not, is the said document properly stamped ?
4. If issues 3(a) and (b) are answered in favour of the defendant, is the plaintiff entitled to maintain this action ?
5. Is the document sued upon a promissory note ?
6. If not, is any defect in stamping curable under section 41 of the Stamps Ordinance ?

The learned District Judge held that the document sued upon is not a promissory note payable on demand and that the document is not properly stamped as it is payable at a determinable future time and therefore the plaintiff is not entitled to maintain this action.

The document in question dated 26. 6. 1965 is drawn on a printed form which is ordinarily utilised for the execution of promissory notes. The wording is as follows :

“ June 26, 1965. Rs. 20,000
Rs. 20,000

On demand I the undersigned W. D. A. F. Ranasinghe of 109, Telangapatha Road, Wattala.

Promise to pay to Mr. A. V. Rodrigo of 109 Sri Sangarajah Mawata, Colombo 10. Or order, the sum of Rupees Twenty Thousand only Currency for value received with interest thereon at the rate of six per centum per annum from the date hereof subject to conditions overleaf.

WITNESSES.

Sgd.

W. D. A. F. RANASINGHE.

This note is given subject to the conditions that :

1. The payee shall accept any sum paid by me in reduction of the amount due at any time on this note.
2. The payee will not file any action in Court on the said Note any at time during three years from the date of this Note.

Sgd.

W. D. A. F. RANASINGHE. ”

Conditions 1 and 2 mentioned above are on the rear of the note and the defendant has affixed his signature on both sides of the note. On a scrutiny of this document there can be little doubt that the parties intended this document to be a promissory note. At the stage the plaintiff instituted this action, he based his cause of action on this document as a promissory note and he has sought to file the proceedings by way of summary procedure under Chapter 53 of the Civil Procedure Code. As I have already mentioned the defendant pleaded that this was not a promissory note but later both parties at the trial changed their fronts.

Section 85 (1) of the Bills of Exchange Ordinance defines a promissory note as follows :

“ A promissory note is an unconditional promise in writing made by one person to another signed by the maker, engaging to pay, on demand or at a fixed or determinable future time, a sum certain in money, to, or to the order of, a specified person or to bearer ”.

Item 14 (1) Part 1 Schedule A of the Stamps Ordinance as amended provides :

Bill of Exchange payable on demand or at sight or on presentation or within three days after date or sight should be stamped with a 10 cts. stamp and a Bill of Exchange, promissory note, draft, or order for the payment at any time otherwise than on demand or at sight or on presentation or within three days after the date or sight to the party

named therein, or the bearer or to order, of any sum of money should bear ad valorem duty as mentioned therein. If the document in question falls under this category the stamp duty would be Rs. 10.

The Stamps Ordinance also provides :

“That a promissory note means a promissory note as defined by the Bills of Exchange Ordinance”.

Section 41 of the Stamps Ordinance provides :

“No instrument chargeable with duty shall be admitted in evidence for any purpose by any person having by law or consent of parties authority to receive evidence, or shall be acted upon, registered, or authenticated by any such person or by any public officer, unless such instrument is duly stamped :

Provided that—

- (a) any such instrument not being an instrument chargeable with a duty of ten cents only or a bill of exchange or promissory note shall, subject to all just exceptions and to the provisions of section 42, be admitted in evidence on payment of the duty with which the same is chargeable, or, in case of an instrument insufficiently stamped, of the amount required to make up the duty, together with a penalty”.

Thus the question arises whether the document in question is a promissory note payable on demand and if not whether it is a promissory note payable at any fixed or determinable future time otherwise than on demand and therefore whether this particular document has satisfied the requirements of the provisions I have referred to above.

On the face of this document there can be no doubt whatever that it is a promissory note. The question is whether the conditions on the rear, either one or both, have in any way, changed the character of this document and they have thereby nullified the intentions of the parties to execute a promissory note.

Mr. Athulathmudali, learned counsel for the plaintiff-appellant despite the inconsistent positions taken up by the plaintiff submits as a matter of law that this document is a promissory note payable “on demand” and the fact that there is a condition that the payee will not file action in Court on the said note at any time during three years from the date of this note, merely postpones the date on which Court action can be maintained but does not in

any way detract from the ability of the payee to demand and receive the money and the liability of the debtor to pay. He submits that the first conditions on the rear fortifies this position that the debtor has reserved his right to make payment at any time and the creditor has bound himself to accept the same. It is accordingly submitted that the second condition merely precludes the plaintiff from taking any legal action until the period of three years has lapsed from the date of the note. He, however, submits that these conditions do not prevent the plaintiff from demanding payment or seeking a settlement by way of arbitration or by way of a proceeding in the Conciliation Board. He draws our particular attention to the fact that this condition refers to a filing of an action in Court which would show that although a cause of a charge may have arisen earlier the institution of the action is postponed for a period of three years. On the other hand, it may be submitted that although the obligation is to pay on demand the fulfilment of such obligation would materialise for the benefit of the creditor only after expiry of three years; so that in effect the payment can be enforced only after a period of three years and thereby the legal effect of the words "on demand" which appear on this note has been wiped out. I do not think that the cause of action in this case arose at the time when the debt could first have been recovered by action. I am inclined to the view that the cause of action arose on demand but the institution of the action is postponed for a period of three years after the execution of the note. I do not think the principle set out in *Hemp vs. Garland*, (1843) 4 Q.B. 519 is of any avail to the defendant as the facts can be clearly distinguished and it was a different legal principle that was set out therein. That was an action of *assumpsit* and the defendant had given a warrant of attorney to secure a debt payable by instalments. The plaintiff is at liberty, in case of any default, to have judgment and execution for the whole as if all the periods for payment had expired. So that on a consideration of the terms of the document in the instant case, I am of opinion, that it is a promissory note payable "on demand" and therefore it has been stamped correctly with a 10 cts. stamp as provided for under the Stamps Ordinance.

In coming to this conclusion I have kept in mind the definition of a bill of exchange payable on demand at sections 10 (1) and 11 (1) of the Bills of Exchange Ordinance.

If this document does not satisfy the requirements of a promissory note payable on demand the question does arise whether it is a promissory note at all. The plaintiff's present alternative position in law is that it is not a promissory note as it is not payable at a fixed or determinable future time. On the other

hand, the defendant pleads that the time for payment has been clearly determined by the second condition on the back of the note which provides that the payee will not file any action in Court on the said note at any time during three years from the date of this note ; so that the engagement to pay is only on the expiry of three years and not before. In this context, I have already discussed the first condition and I have expressed my view that it is only the institution of the action that has been postponed for a period of three years although the cause of action may have arisen within that period. Assuming that the amount due on this note is not payable on demand could we say on the terms of this document that the engagement to pay was only on the expiry of the period of three years ? As it strikes me it is quite clear on a consideration of both conditions on the rear of this note that the engagement to pay was within the period of three years.

Learned counsel for the plaintiff has relied very strongly on the judgment of Garvin, J. in *Matherenayakam vs. Chelliah*, 29 N.L.R. 394 where the plaintiff sued the defendant upon a writing expressed in the following terms :

“ We the undersigned agree to pay M the sum of Rs. 5,000 within one year from this date on account of K.V.M. and K.V.S. the late proprietors of the Pennsylvania Oil Co. This sum is due from them to us after our paying to the said M ”.

It was held that the document is not a promissory note as defined by the Bills of Exchange Act of 1882. No doubt, in that case as Garvin, J. observes—the parties did not appear to intend this to be a promissory note with the negotiability which attaches to these notes, but merely as evidence of the agreement between them. It was urged, nevertheless, that a document in this form comes within the definition attached to the term “ promissory note ” in the Bills of Exchange Act. Garvin, J. considered the principle set out in the case of *In re Horner*, (1896) 65 L. J. Ch 699, and observed—that he cannot agree that the requirement of section 83 in the Bills of Exchange Act, that the sum certain in money shall be payable “ at a fixed or ascertainable future time ”, is satisfied when it is expressed to be payable *at a fixed future time or at any time before that date*.

The provisions of that Act relating to payment and the right to discharge upon payment indicates that in the interpretation of this section one must have right not merely to the liability, but to the rights of the maker of the document under consideration. As Garvin, J. observes the signatories had an absolute

right to a discharge of the note and all obligations arising thereunder upon payment to the payee at any time within the year. In my opinion, the principle set out by Garvin, J. could well apply to the facts in the instant case as the defendant had an absolute right to a discharge of the note and obligations arising thereunder upon payment to the payee at any time within the period of three years. In fact the first condition adds to the weight of this view. So that although the intention of the parties may have been to execute a promissory note, by the addition of the conditions on the reverse they would appear to have changed the character of the note they had in mind and the document which purported to be a promissory note would be in the result merely a written agreement and the defect in stamping if any, could be cured by stamping the document under penalty.

I would accordingly set aside the judgment and decree of the learned District Judge and I answer the preliminary issues as follows :

3 (a)—Yes.

(b) —Does not arise.

4—Does not arise.

5—vide answer to issue 3. In the alternative if the note is not recognised as a promissory note payable on demand it only amounts to a written agreement and the defect in stamping is curable under section 41 of the Stamps Ordinance.

I would accordingly send the case back for further trial on the rest of the issues. As the plaintiff has taken inconsistent positions he shall be entitled to only half the costs of the trial up to the entering of the decree on 1.6.70 and half the costs of this appeal. The costs of the further trial to abide the result of this action.

ISMAIL, J.

I have had the advantage of having had with me two able judgments by my brothers Wijayatilake, J. and Sharvananda, J. The facts are sufficiently reflected in these two judgments and it is not necessary for me therefore to recapitulate the facts.

The document marked 'A' which is the note sued upon has on the face of it that a sum of Rs. 20,000 is payable on demand. On the reverse of the note there are two conditions which has given rise to controversy between the parties.

Condition 1 is :—

“That the payee shall accept any sum paid by him in reduction of the amount due at any time on this note.”

Condition 2 :—

“The payee shall not file any action in Court on the said note at any time three years from the date of this note.”

Therefore, it will be seen that although on the face of it the note is payable on demand, nevertheless the effect of condition 2 is to postpone the legal enforceability of the note for a period of three years. In other words, the payee cannot legally be called upon to make payment on the note until three years had expired from the date the note had been drawn up. It, therefore, appears to me that in view of condition 2, this note is not payable on demand and is subject to the condition that the note will be payable only after the three years of its execution and would therefore be subject to that condition. Therefore this bill comes within the definition of section 11 (1) of the Bills of Exchange Ordinance. There can therefore be no doubt that this is a bill that becomes payable at a determinable future time. It therefore appears to me that the promissory note being not one payable on demand should have been appropriately stamped on the basis of a promissory note payable at a specified time, otherwise than on demand. This note is stamped with only a ten cents stamp, whereas it should have, since it is a note subject to a condition, been stamped as provided in item 14(1) of Part I of Schedule A of the Stamps Ordinance, as amended, and should have borne a stamp duty of Rs. 10. Section 41 of the Stamps Ordinance clearly indicates that since this document has not been stamped in accordance with the aforementioned schedule it cannot be admitted in evidence for any purpose, and has to be rejected.

The plaintiff himself had filed this action on the basis that this is a promissory note and not on the basis that although it purports to be a promissory note, it was in fact merely a written agreement. The plaintiff has further filed action by way of summary procedure. The note itself is on the form ordinarily used for promissory notes.

I am, therefore, of the view that the learned District Judge has correctly come to the conclusion in this matter. I find that I am in agreement with the judgment of my brother Sharvananda, J. I would accordingly dismiss the appeal and I agree with my brother Sharvananda, J. that the order for costs contained in the judgment and the decree in the Lower Court should be deleted.

The appeal is accordingly dismissed without costs.

SHARVANANDA, J.

I regret my inability to agree with the judgment of my brother Wijayatilake, J. The plaintiff filed this action by way of summary procedure against the defendant for the recovery of a sum of Rs. 20,200 alleged to be due to him on document filed along with the plaint marked 'A'. He referred to the document as a promissory note and pleaded that the defendant became liable to pay this sum on the said note as the period of 3 years stipulated therein had expired. In his application for leave to defend the defendant averred that the endorsement on the back of the note makes it a conditional note and hence the note was not properly stamped. The defendant was given leave to defend unconditionally. In his answer the defendant averred that the document sued upon is not a promissory note within the meaning of the Bills of Exchange Ordinance and/or is not sufficiently stamped.

At the trial, however, the defendant took up the position that the said document was a promissory note and that it was not duly stamped. The plaintiff on the other hand took up the position that the document was not a promissory note and that any defect in stamping was curable under section 41 of the Stamps Ordinance. The case proceeded to trial on the issues whether the document sued upon was a promissory note and if so whether it was a promissory note payable on demand or at a fixed or determinable period and whether if it was a promissory note it was properly stamped.

The document is drawn in a printed form which is the ordinary form utilised for executing promissory notes. By that document the defendant promised to pay on demand to the plaintiff a sum of Rs. 20,000 with interest at 6% per annum subject to conditions overleaf. The conditions which are on the reverse of the document reads as follows :—

“This note is given subject to the condition that :

- (1) The payee shall accept any sum paid by me in reduction of the amount due at any time on this note.
- (2) *The payee will not file any action in Court on the said note at any time during 3 years from the date of this note”.*

and the document is signed both on its face and its reverse by the defendant the maker.

The document has also complied with the provisions of section 10 of the Money Lending Ordinance. There can be no doubt that the parties intended the document to be treated as a promissory note. In fact, the plaintiff himself pleads in his plaint that the document is a promissory note and has instituted this action under Chapter 53 of the Civil Procedure Code on the basis that the document represented a promissory note.

Section 85 (1) of the Bills of Exchange Ordinance defines a promissory note as follows :

“ A promissory note is an unconditional promise in writing made by one person to another signed by the maker, engaging to pay, on demand or at a fixed or determinable future time, a sum certain in money to or to the order of, a specified person or to bearer ”.

Item 14 (1), Schedule A of the Stamps Ordinance (Chapter 247 as amended) provides that a Bill of Exchange *payable on demand* or at sight should be stamped with a 10 cts. stamp and a bill of exchange or promissory note drawn or ordered for the payment *at any time otherwise than on demand* or at sight should bear ad valorem duty. According to the Stamp Ordinance the promissory note “ means promissory note as defined in the Bills of Exchange Ordinance ”.

Section 41 of the Stamps Ordinance provides that :

“ No instrument chargeable with duty shall be admitted in evidence for any purpose by any person having by law authority to receive evidence or shall be acted upon unless such instrument is duly stamped provided that any such instrument *not being an instrument chargeable with a duty of 10 cts. only or a Bill of Exchange or promissory note* shall, subject to all just exceptions and to the provisions of section 42, be admitted in evidence on payment of the duty with which the same is chargeable, or, in the case of an instrument insufficiently stamped, of the amount required to make up the duty together with a penalty ”.

Thus under the provisions of the Stamps Ordinance a promissory note payable on demand should be stamped with a 10 cts. stamp and a promissory note for the payment at any time otherwise than on demand should be stamped according to the scale provided in item 14 of Part 1, Schedule A of the Stamps Ordinance. In terms of section 41 of the Stamps Ordinance a promissory note of either category not so stamped is not admissible in evidence under whatever circumstances and hence no action based on such a note can be maintained.

It is abundantly clear that the document sued upon is a promissory note. The conditions referred to at the back of the document do not make what is on the face of the document an unconditional promissory note a conditional promise. By that document the maker promises to pay the certain sum of Rs. 20,000 only with interest at the rate of 6% per annum from the date thereof subject to the conditions overleaf. The obligation to pay

the amount arises on the execution of the document. The promise contained in the note creates an obligation to pay. The obligation is not dependent upon the occurrence of any event. Hence there can be no doubt that the document sued upon is a promissory note embodying an unconditional promise to pay.

In view of the conditions on the reverse of the document inserted therein apparently for the benefit of the maker and affecting the present enforceability of the promise, the question arises whether the note is a note payable on demand or at a fixed determinable period of time. The question is relevant to determine the proper stamp duty exigible.

In this context, sections 10 and 11 of the Bills of Exchange Ordinance have a bearing. Section 10 (1) states that a bill is payable on demand—

- (a) which is expressed to be payable on demand, or at sight, or at presentation ; or
- (b) in which no time for payment is expressed.

Section 11 (1) states that “ a bill is payable at a determinable future time, within the meaning of this Ordinance, which is expressed to be payable—

- “ (a) at a fixed period after date or sight ;
- (b) on or at a fixed period after the occurrence of a specified event which is certain to happen though the time of happening may be uncertain ”.

Section 91 of the Bills of Exchange Ordinance makes the provisions of the Ordinance relating to Bills of Exchange applicable with necessary modifications to promissory notes. In the light of the definition contained in the aforesaid sections 10 and 11 of the Bills of Exchange Ordinance, is the present note a promissory note payable on demand or at a determinable future time ?

A promissory note payable on demand is a present debt and is payable forthwith without any demand and prescription begins to run from the date of the instrument. The stipulation for compensation in the shape of interest makes no difference except that thereby the debt is continuously increasing. *De die in diem* (vide *Norton vs. Ellam* (1837) 2 M. & W. 461). But if any interest was paid the running of the period of prescription would be postponed under the rule relating to part payment. The Statute of Limitation runs from the date of the note. The liability comes into existence as soon as the loan is made and the promise to pay on demand adds nothing to it. Ordinarily the words “ on demand ” may be neglected. Demand for payment before action brought is not necessary to enforce payment. But where time for enforcing

payment is postponed, the creditor cannot make any effective demand until after the time has expired. The limitation of the time of payment does not suspend the obligation to pay but only the time of exacting or claiming the fulfilment. As the fixing of the time of payment is stipulated for the benefit of the debtor, he is at liberty to pay before the expiration of that time. The creditor is bound to accept the payment if the debtor insists on it provided it does not appear from surrounding circumstances that the fixing of the time of payment was meant for the benefit of the creditor as well as for the debtor. The cause of action arises at the time when the debt could first have been recovered by action (see *Hemp vs. Garland* (1843) 4 Q.B. 519). In the instant case, the plaintiff could file action on the note sued upon, only after three years from the date of the note. The obligation to pay was incurred at once (*dies credit*) but fulfilment of same could be claimed only after the expiry of three years (*dies venit*). "Payment on demand", on the other hand means payable immediately or forthwith. The payment can be enforced immediately. The performance of the obligation is due from the instant at which the obligation arises, i.e., from the time of the execution of the instrument, and, as stated above, it is neither necessary nor incumbent on the payee to make the demand before institution of action. The word "payable" with reference to time means in relation to a promissory note legally enforceable.

In terms of this note the payee or lender cannot institute an action for the recovery of the amount for a period of 3 years from the date of the note and the note became due on the expiry of the said period of three years (section 6 of the Prescription Ordinance). The debt on the note therefore becomes payable in the sense of, becoming legally enforceable, not on demand or forthwith but only after the expiry of the 3 years from the date of the note. The maker of the note engaged to pay thus not on demand but at a fixed or determinable future time. The loan could not be effectively called in before the period of 3 years and became due, not on demand or forthwith, but only at a determinable future time. In that view of the matter, the note sued upon does not fall into the category of a promissory note payable on demand and should have been appropriately stamped on the basis of a promissory note for the payment at any time otherwise than on demand viz., a Rs. 10 stamp. The note sued upon carries only a ten cents stamp.

The defence that the document is not sufficiently stamped and hence barred from admission by section 41 of the Stamps Ordinance is entitled to succeed. I have not to determine whether the defence here set up is unconscionable or not but whether it is good at law and I am of opinion that it is.

The plaintiff relied on the case of *Matheranayakam vs. Chelliah* 29 N. L. R. 394, in support of his submission that the document sued upon is not a promissory note within the meaning of the Bills of Exchange Ordinance. The tenor of the document pleaded in that case differs in vital respects from the tenor of the document sued upon in the instant case and hence that decision can be distinguished. Counsel for plaintiff-appellant submitted that the fact that the payee could not file action in Court on the note at any time during the 3 years merely postponed the date of recovery but did not in any way detract from the ability of the payee to demand and receive the money and the corresponding liability of the maker to pay. I cannot agree with this submission. The fact that the obligation cannot be enforced within the period of 3 years referred to in the note deflates the value of the note and deprives the note of its character of being payable on demand. Counsel's reference to *Scott vs. Avery* (1856) 5 H. L. 811 is not relevant to this case. In that case the award of the arbitrator was held to be a condition precedent to the accrual of the cause of action. Under a *Scott vs. Avery* clause there is no right of action until an arbitrator has made his award. From the point of prescription the effect of such a clause was that no cause of action arose until the award was made and that consequently time did not run until the making of the award. This citation re-inforces the argument that the note sued upon is not a note payable on demand and that right of action on the note accrues only on the termination of the three years.

The plaintiff-appellant based his claim solely on the promissory note referred to above. He did not prefer any alternative cause of action as for money lent and advanced. His present action has to fail as in terms of section 41 of the Stamps Ordinance the promissory note cannot be admitted in evidence and the default in stamping cannot be cured.

For the reasons set out above, the judgment of the Lower Court dismissing the plaintiff's action is upheld. As the defence set up though efficacious is not commendable I delete the order for costs contained in the judgment and decree of the Lower Court. Subject to the variation regarding payment of costs I will dismiss the appeal without costs.

The case should serve as a warning against accepting promissory notes which are not 'payable on demand'. In such instances, the security may turn out to be illusory if the document is not properly stamped in terms of the provisions of the Stamp Ordinance.

Appeal dismissed.