

IN THE HIGH COURT OF ANDHRA PRADESH AT AMARAVATI

FRIDAY, THE EIGHTEENTH DAY OF OCTOBER,

TWO THOUSAND AND TWENTY FOUR

:PRESENT:

THE HONOURABLE SRI JUSTICE NINALA JAYASURYA

AND

THE HONOURABLE SMT JUSTICE SUMATHI JAGADAM



IA No. 1 OF 2024

IN

AS NO: 549 OF 2024

Between:

Syed Iqbal Alias Pasha, S/o. Syed Hussain, Aged about 65 years. Rep. by his GPA Holder, Smt. Gousia Bhanu, W/o. Syed Iqbal Pasha, Aged about 55 years, R/o. D.No.65-5-473, Gullalapalem, Sriharipuram, Visakhapatnam

...Petitioner/Petitioner

AND

1. Suriseti Bala Bhaskara Satya Srinivasa Rao, S/o. Suriseti Venkata Govinda, aged about 50 years, R/o. D.No.6-14-5/1, Drivers Colony, Chinagantyada, Gajuwaka, Visakhapatnam
2. Suriseti Gowri Parvathi, W/o. Bala Bhaskara Satya Srinivasa Rao, Aged about 42 years, R/o. D.No.6-14-5/1, Drivers Colony, Chinagantyada, Gajuwaka, Visakhapatnam

...Respondents/ Respondents

Counsel for the Petitioner :Sri G RAMESH BABU

Counsel for the Respondents : ---

Petition under Order 41 Rule 5 of CPC praying that in the circumstances stated in the grounds filed in support of the petition, the High Court may be pleased to stay all further proceedings pursuant to the Decree

and Judgement, dt.29.7.2024 passed in O.S.No.8/2022 on the file of Principal District Judge, Visakhapatnam, Pending disposal of AS No.549 of 2024, on the file of the High Court.

The court while directing issue of notice to the Respondents herein to show cause as to why this application should not be complied with, made the following order.(The receipt of this order will be deemed to be the receipt of notice in the case).

ORDER:

“Heard the learned counsel for the petitioner/appellant, who inter alia contends that the respondents filed a suit i.e., O.S. No.8 of 2022 on the file of the Court of the Principal District Judge, Visakhapatnam for recovery of an amount of Rs.68,08,338.35 paise (Rupees sixty eight lakhs eight thousand three hundred and thirty eight and paise thirty five only), wherein the principal amount was Rs.4,00,000/- (Rupees four lakhs only) and on that compounding interest was levied. He submits that the rate of interest as claimed by the respondents is without any valid basis and it is highly exorbitant. He further contends that though a specific plea is raised in the written statement in this regard, the learned Trial Court, merely on the basis of the averments in the plaint, went wrong in granting preliminary decree for the above mentioned amount, without considering the issue that the agreement does not contemplate levy/payment of compounding interest. He also contends that a Civil Court is not empowered to grant compounding interest ordinarily, and in the absence of any clause in the agreement for payment of interest on interest, the same cannot be granted. The learned counsel placed reliance on the decision of the Hon'ble Supreme Court of India in D.Khosla and Company vs. Union of India reported in 2024 SCC OnLine SC 1898.

Considering the submissions made, there shall be interim stay, as prayed for."

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SD/- K. KASIRAO ACHARI
ASSISTANT REGISTRAR
SECTION OFFICER

To,

1. The Principal District Judge, Visakhapatnam
2. Suriseti Bala Bhaskara Satya Srinivasa Rao, S/o. Suriseti Venkata Govinda, aged about 50 years, R/o. D.No.6-14-5/1, Drivers Colony, Chinagantyada, Gajuwaka, Visakhapatnam
3. Suriseti Gowri Parvathi, W/o. Bala Bhaskara Satya Srinivasa Rao, Aged about 42 years, R/o. D.No.6-14-5/1, Drivers Colony, Chinagantyada, Gajuwaka, Visakhapatnam(No's 1 to 2 by RPAD)
4. One CC to SRI. G RAMESH BABU Advocate [OPUC]
5. Two spare copies

HIGH COURT

NJS,J

&

JS,J

DATED:18/10/2024

ORDER

IA No. 1 OF 2024

IN

AS NO: 549 OF 2024

INTERIM STAY

