

IN THE COURT FOR THE STATE OF TELANGANA : HYDERABAD

MAIN CASE NO.S.A.NO.216 OF 2025

PROCEEDING SHEET

SL. NO.	DATE	ORDER	OFFICE NOTE
	05.01.2026	<u>I.A.No.2 of 2025</u> In pursuance of this Court's docket order dated 22.09.2025 directing the appellants/tenants/defendants to pay 50% of arrears of rent to the respondent/landlord/plaintiff within one month of filing of calculation memo, calculation memos were to be filed by 13.10.2025. The appellants/tenants as well as respondent/landlord have filed their respective calculation memo with huge difference in the amounts to be paid as arrears of rent. When the respective calculation memos are perused, it is seen that the calculation memos are filed by interpreting the decrees passed by the learned Trial Court to suit their respective purposes. Primarily, the difference in calculation memos is arising with respect to interest rate to be paid at 18% per annum from the date of filing of the suit till the date of realization. In that context, it is relevant to peruse the findings in the judgment and decree passed by the Trial Court in O.S.No.561 of 2014, wherein, it is held as follows: “(b) That the defendants are hereby directed do pay sum of Rs.40,000/- as the arrears of rents (court fee is paid on Rs.40,000/- and not for	

		Rs.90,000/-). (c) That the defendants are hereby directed do pay sum of Rs.90,000/- as the arrears of mesne profits (Court fee is paid on Rs.90,000/-) till 31.03.2014 with interest at the rate of 18% per annum from the date of filing the suit till the date of realization. (d) That the defendants are hereby directed to pay future mesne profits, which can be assessed in a separate application (no court fee is paid for future mesne profits). That the defendants are hereby directed do pay a sum of Rs.18,020/- to the plaintiff towards costs of the suit.” In the above judgment and decree, the learned Trial Court granted interest at 18% per annum at finding No.(c). This interest rate according to the appellants/tenants is applicable only to arrears of mesne profits but not arrears of rents as no interest rate is mentioned at finding No.(b), wherein, arrears of rents are directed to be paid. According to the appellants/tenants, as per finding No.(b), the learned Trial Court directed them to pay only arrears of rents sans interest whereas according to the respondent/landlord, the interest rate given at finding No.(c) is applicable to both arrears of rents as well as mesne profits. In the Second Appeal, grant of mesne profits without enquiry and proof as to the quantum granted is challenged. Therefore, there is no question of payment of mesne profits until the Second Appeal is disposed of. What remains to be paid to the respondent/landlord is only arrears of rents.	
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		In normal course, even when mesne profits are not granted, whenever arrears of rents are granted, interest is also granted thereon. The contention of the appellants about the interest being applicable only to mesne profits is untenable. In fact it is the rents which are legitimate amounts to be paid for usage of the suit schedule properties by the appellants. Therefore, applicability of interest at 18% per annum to mesne profits and not rents as contended by the appellants is unsustainable. The appellants have to pay arrears of rents as well as interest thereon for using the suit schedule properties from April, 2013 to June, 2021. The entitlement of the respondent for payment of mesne profits and interest thereon shall be decided after disposal of the Second Appeal. The interest rate mentioned by the learned Trial Court at finding No.(c) is meant for both the arrears of rents as well as mesne profits. It is not possible that interest is granted on mesne profits but not on arrears of rents which is legitimate entitlement of the respondent. Therefore, the stand taken by appellants is not sustainable and the appellants are directed to pay arrears of rent together with interest at 18% per annum on said arrears of rents i.e. appellants are directed to pay 50% of the arrears of rents with interest as per calculation memos filed by the respondent within one month from today. In case of failure to pay the said amount, the interim stay granted on 01.05.2025 shall stand vacated	
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automatically.

Accordingly, this application is ordered.

S.A.No.216 of 2025

Post on 16.02.2026 for hearing.

RY,J
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