

HON'BLE SRI JUSTICE R. KANTHA RAO
CIVIL REVISION PETITION NO.1362 OF 2014

Date:10.02.2015

Between:

Vegunta Ravi Shanker ...Petitioner

And

Yellamilli Venkata Satyanarayana and another

...Respondents

HON'BLE SRI JUSTICE R. KANTHA RAO
CIVIL REVISION PETITION NO.1362 OF 2014

ORDER:

This revision is directed against the order dated 01.04.2014 in I.A.No.59 of 2014 in O.S.No.15 of 2014 passed by the I Additional Junior Civil Judge, Eluru.

The respondent No.1 herein filed suit for permanent injunction against the revision petitioner and another from interfering with smooth running of M/s. Y.S.R. Techno Bio Fuels Factory. In the said suit, the respondent No.1 and another tendered document viz. agreement dated 13.09.2012 executed by both parties and sought to mark it as exhibit. The learned trial Court brushing aside the objection raised by the revision petitioner that the document being unregistered cannot be adduced in evidence. The said order is impugned in the present revision.

The revision petitioner, the respondent No.1 and another are the partners of M/s. Y.S.R. Techno Bio Fuels Factory which they had run jointly till 01.10.2011. The respondents 1 and 2 handed over the factory and business to the revision petitioner, in turn the revision petitioner agreed to pay Rs.31,00,000/- to the first respondent, but he failed to pay the same. In that context, both parties entered into an agreement and executed acceptance agreement dated 13.09.2012 whereunder they agreed that the revision petitioner has to run the factory by paying an amount of Rs.62,000/- per month to the first respondent till 31.08.2013. It was further agreed that in case of revision petitioner failing to pay the amount, he is liable to pay penalty of Rs.620/- per day. One of the terms of the agreement mandates that the revision petitioner has to pay Rs.82,000/- per month to the bank towards loan amount and in the event of his failing to pay the same and in case of first respondent receiving any notice from the bank, the first respondent is at liberty to take factory into her possession and the revision petitioner should not raise any objection and file suit or other proceeding.

The contention of the first respondent is that on failure by the revision petitioner to comply with the terms of the agreement, she took the possession of the property and when the revision petitioner interfered with the running of the factory, she filed the suit for permanent injunction and tendered the agreement in question in evidence on her behalf in proof of the fact as to how she came into possession of the factory. The revision petitioner objected for marking the document before the trial Court and the learned trial Court brushing aside the objection, marked the document by admitting it in evidence.

The question, therefore, arises for consideration in the present revision is:

Whether the document being unregistered one, can be admitted in evidence on behalf of the first respondent?

It is contended by the learned counsel appearing for the revision petitioner that the document creates an interest in the first respondent and therefore it has to be registered and in the absence thereof, it cannot be adduced in evidence by the first respondent. The following authorities have been relied upon by the learned counsel appearing for the revision petitioner in support of his contention:

- 1 . **NETHRAMBAKA KRISHNAIAH v. NELLORE
AUDINARAYANA^[1],**
2. **VANAPALLI JAYALAXMI @ VENKATA JAYALAXMI v.
A. KONDALARAO AND OTHERS^[2],**
3. **SAKALABHAKTULA LALITHA AND ANOTHER v. NANDANA
RANGA RAO (DIED) AND OTHERS^[3].**

The facts of the cases relied on by the learned counsel appearing

for the revision petitioner are altogether different and therefore, the principles laid down therein are not applicable to the facts of the present case.

In the instant case, owing to some disputes between the partners in regard to running of the factory of M/s. Y.S.R. Techno Bio Fuels, they executed the impugned agreement by agreeing to certain terms and conditions. One of the terms of the agreement is that in the event of failure by the revision petitioner to repay the bank loan in instalments, the first respondent can take possession of the property. It is the case of the first respondent, that on failure by the revision petitioner to comply with the terms and conditions of the agreement, they took possession of the property. The agreement relates to an arrangement made between the parties and it cannot be said that any right or interest is created in the respondents by virtue of the said agreement. The agreement only states as to under what conditions, the first respondent can take possession of the property. Therefore, as rightly held by the learned trial Court, the document by itself does not create any interest or right or title and it can be received in evidence for the collateral purpose viz. as to how and in what manner the first respondent came into possession of the factory M/s. Y.S.R. Techno Bio Fuels. I do not see any error of law committed by the learned trial Court in admitting the document in evidence and there are no grounds to interfere with the said finding in the present revision.

Consequently, the revision petition is dismissed without any order as to costs. Miscellaneous petitions, if any, filed in this revision shall stand closed.

R.KANTHA RAO,J

Date:10.02.2015

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HON’BLE SRI JUSTICE R. KANTHA RAO

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[\[1\]](#) 2006(1) ALT -76
[\[2\]](#) 2014(1) ALT – 356

[\[3\]](#) 2012 (3) ALT 1