APHC010492062024

IN THE HIGH COURT OF ANDHRA PRADESH
AT AMARAVATI
(Special Original Jurisdiction)

THURSDAY, THE 29th DAY OF OCTOBER 2026

PRESENT

THE HONOURABLE SRI JUSTICE RAVI CHEEMALAPATI

WRIT PETITION NO: 25580 OF 2024

Between:

1. PallapothuManikhanta,, S/o. P. PardhaSaradhi, Aged- 33 years, Oec-Business, R/o. H.No- 16B-14-5, Sivagopalapuram, Near TMUP School, Tangellamudi, Eluru, West Godavari, A.P. - 534005.

...Petitioner

AND

1. The Union of India, Rep. by its Secretary, Ministry of Finance, New Delhi.

2. The Reserve Bank of India, Rep. by its Chief General Manager, 6, Sansad Marg, New Delhi - 110001.

3. The Station House Officer, NarasimharaoPeta Police Station, Eluru, West Godavari, Andhra Pradesh.

4. Axis Bank, Rep. by its Chief Manager, SN 52, CS No. 1331, Nathani Heights, Dalai Estate, Mumbai, Maharashtra - 400008.

5. ICICI Bank, Rep. by its Chief Manager, C-59, BandraKurla Complex, Bandra East, Mumbai, Maharashtra - 400051.

6. Navi Finance, Rep. by its Chief Manager, AMR Tech Park, GF, Hongasandra Village, Hosur Road, Bengaluru, Karnataka - 5600068.

7. Money View, Rep. by its Chief Manager, 3rd Floor, Survey No. 17, lA, Outer Ring Road, Kadubeesanahalli, Bellandur, Bengaluru, Karnataka - 560087.

8. Prefr Credit, Rep. by its Chief Manager, 2nd Floor, Block 2, My Home Hub, Hitech City Road, Patrika Nagar, Hitech City, Hyderabad, Telangana.

9. Kreditbee, Rep. by its Chief Manager, 16/3, AdarshYelavarthy Center, 0pp. To Frank Anthony School, Cambridge Layout, Jogupalya, Bangalore, Karnataka- 560008.

10. L and T Finance, Rep. by its Chief Manager, Brindavan, Plot No. 177, CST Road, Kalina, Santacruz (East), Mumbai, Maharashtra - 400098.

11. Bajaj Finance, Rep. by its Chief Manager, 6rd Floor, Bajaj Finserv Corporate Office, Pune-Ahmednagar Road, Viman Nagar, Pune, Maharashtra - 411014.

12. Fibe, Rep. by its Chief Manager, 404, Samrat Chow, Viman Nagar Road, Pune, Maharashtra - 411014.

...Respondents

Petition under Article 226 of the Constitution of India praying that in the circumstances stated in the affidavit filed therewith, the High Court may be pleased to issue an order, writ or direction, more particularly one in the nature of Writ of Mandamus- 1. Declaring the action of the respondent nos.4 to 12 in high handedly, arbitrarily and illegally trying to recover the amounts from the petitioner emd respondents not following the Circular dated- 12.08.2022 vide RBI/2022-23/108, DOR.ORG.REC.65/21.04.15/2022- 23 issued by respondent no.2 or any due process of law and the inaction of the respondent no.2 to legitimately protect the interest of the petitioner by duly enforcing Circular dated- 12.08.2022 vide RBI/2022-23/108, DOR.ORG.REC.65/21.04.15/2022-23 illegal as arbitrary and unconstitutional for violating Article 14, 19 and 21 of the Constitution of India. 2. Direct the respondent nos.4 to 12 to follow Circular dated- 12.08.2022 vide RBI/2022-23/108, DOR.ORG.REC.65 /21.04.15/2022-23 issued by respondent no.2. 3. Direct the respondent no.2 to duly enforce the Circular dated- 12.08.2022 vide RBI/2022-23/108, DOR.ORG.REC.65/21.04.15/2022-23 to protect the interests of the petitioner against the respondent nos.4 to 12. 4. Direct the respondent no.2 to take stringent action against the errant official of the respondent nos.4 to 12 in unlawfully, illegally and arbitrarily taking to recover the amounts from petitioner without following any due process of law, and pass

IA NO: 1 OF 2024

Petition under Section 151 CPC praying that in the circumstances stated in the affidavit filed in support of the petition, the High Court may be pleased to direct the respondent nos.4 to 12 not to take any coercive measures against the petitioner without following due process of law and mandatorily following Circular dated: 12.08.2022 vide RBI/2022-23/108, DOR.ORG.REC.65/21.04.15/2022-23 issued by respondent no.2 pending disposal of the writ petition and pass

IA NO: 1 OF 2026

Petition under Section 151 CPC praying that in the circumstances stated in the affidavit filed in support of the petition, the High Court may be pleased to grant leave to the Petitioner herein/Respondent No. 12 in the Writ Petition No.25580 of 2024 to file counter affidavit in the above Writ Petition and pass

Counsel for the Petitioner: RAMINENI SATISH BABU

Counsel for the Respondents: S SATYANARAYANA MOORTHY

Counsel for the Respondents: VELIVELA VEERARAGHAVAIAH

Counsel for the Respondents: BOPPUDI ALEKHYA

Counsel for the Respondents: GP FOR HOME

Counsel for the Respondents: SAI SANJAY SURANENI

Counsel for the Respondents: P RAJASEKHAR

Counsel for the Respondents: KUNUKU RAJA SEKHAR

Counsel for the Respondents:

The Court made the following order:

This Writ Petition is filed questioning the action of the respondent Nos.4 to 12 in harassing the petitioner and his family members by sending loan recovery agents to the house of the petitioner, by making continuous phone calls and humiliating him in front of neighbours without following the guidelines issued by Reserve Bank of India vide Memo No.RBI/2022-23/108, dated 12.08.2022.

2. Heard Sri Ramineni Satish Babu, learned counsel for petitioner, Sri Bachina Hanumantharao, learned Central Government Counsel for respondent No.1, Sri S.Satyanarayana Moorthy, learned counsel for respondent No.2, Sri Kunuku Rajasekhar, learned counsel for respondent No.4, Ms Boppudi Alekhya, learned counsel for respondent No.9, Sri Sai Sanjay Surapaneni, learned counsel for respondent No.10, Sri Prabhala Raja Sekhar, learned counsel for respondent No.11 and Sri Velivela Veera Raghavaiah, learned counsel for respondent No.12.

3. Perused the record and considered the submissions made by the learned counsel for the parties.

4. The Hon'ble Apex Court ***in ICICI Bank Ltd. V. Prakash Kaur and others***[1] has categorically held that the practice of hiring recovery agents, who are musclemen, is deprecated and needs to be discouraged. The Bank should resort to procedure recognized by law if the borrower has committed default in payment of the installments instead of taking resort to strong arm tactics. However, as the respondents contend that they never sent agents and they

[1] (2007) 2 SCC 711 n

have an intention to follow law for recovery, there is no purpose in keeping the writ petition pending, as such, this Court is inclined to dispose of the writ petition.

5. In view of the above, respondent Nos.4 and 5 should resort to procedure recognized by law if the borrower has committed default in payment of the installments instead of taking resort to strong arm tactics.

6. So far as respondent Nos.6 to 12 are concerned, in ***S. Shobha v. Muthoot Finance Ltd.***[2], the Hon'ble Supreme Court of India ruled that a writ petition under Article 226 of the Constitution is **not maintainable** against a private non-banking financial company (NBFC) or private commercial entities. Therefore, this writ petition filed against respondent Nos.6 to 12 is not maintainable and the petitioner is at liberty to pursue his remedies by approaching appropriate Forum.

7. Accordingly, the writ petition is ***disposed of.*** However, the respondent Nos.4 and 5 are not precluded to take steps in accordance with law for recovery of money, if any, payable by the petitioner. Further, the petitioner is at liberty to approach appropriate Forum for getting his grievance redressed against respondent Nos.6 to 12. There shall be no order as to costs.

As a sequel, miscellaneous applications, pending if any, shall stand closed.

JUSTICE RAVI CHEEMALAPATI

29.10.2026
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[2].**(2025 INSC 117)**

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THE HONOURABLE SRI JUSTICE RAVI CHEEMALAPATI

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Dated: 29.10.2026

MP