APHC010528222026

IN THE HIGH COURT OF ANDHRA PRADESH
AT AMARAVATI **[3332]**
(Special Original Jurisdiction)

THURSDAY, THE 29th DAY OF OCTOBER 2026

PRESENT

THE HONOURABLE SRI JUSTICE RAVI CHEEMALAPATI

WRIT PETITION NO: 29936/2026

Between:

1. SMT. PULIVARTHI VIJAYA LAKSHMI,, D/O. SRI VENKATAIAH BATHENEY, AGED ABOUT 52 YEARS, OCC BUSINESS PERSON, R/O. DOOR NO. 4-5-27/11/A, 4/2, VIDHYA NAGAR, BACK SIDE OF SBI, KORITEPADU, GUNTUR, GUNTUR DISTRICT, ANDHRA PRADESH - 522 007.

2. SRI PULIVARTHI SURYA TEJA,, S/O. SRI VENKATA RATNAM, AGED ABOUT 31 YEARS, OCC BUSINESSMAN, R/O. DOOR NO. 4-5-27/11/A, 4/2, VIDHYA NAGAR, BACK SIDE OF SBI, KORITEPADU, GUNTUR, GUNTUR DISTRICT, ANDHRA PRADESH - 522 007.

3. MS. PULIVARTHI MEGHANA,, D/O. SRI VENKATA RATNAM, AGED ABOUT 33 YEARS, OCC DOCTOR, R/O. DOOR NO. 4-5-27/11/A, 4/2, VIDHYA NAGAR, BACK SIDE OF SBI, KORITEPADU, GUNTUR, GUNTUR DISTRICT, ANDHRA PRADESH - 522 007.

4. SRI ANNE SIDHAARTH CHOWDARY,, S/O. SRI SURESH, AGED ABOUT 53 YEARS, OCC BUSINESSMAN, R/O. DOOR NO. 4-5-27/11/A, 4/2, VIDHYA NAGAR, BACK SIDE OF SBI, KORITEPADU, GUNTUR, GUNTUR DISTRICT, ANDHRA PRADESH - 522 007.

...PETITIONER(S)

AND

1. RESERVE BANK OF INDIA, REP. BY ITS CHIEF GENERAL MANAGER-IN-CHARGE, DEPT OF SUPERVISION, FRAUD MONITORING GROUP, CENTRAL OFFICE, WORLD TRADE CENTRE, CENTRE-I, CUFFE PARADE, COLABA, MUMBAI, MAHARASHTRA - 400 005.

2. UCO BANK, REP. BY ITS MANAGING DIRECTOR AND CHIEF EXECUTIVE OFFICER, HEAD OFFICE-I, 10, B.T.M. SARANI, KOLKATA, WEST BENGAL -700001.

3. UCO BANK, ZONAL OFFICE, HYDERABAD, REP. BY ITS DEPUTY GENERAL MANAGER AND ZONAL HEAD, 8-2-624, GROUND FLOOR, ROAD NO.10, BANJARA HILLS, HYDERABAD, TELANGANA - 500 034.

4. UCO BANK, REP. BY ITS BRANCH MANAGER, 9/1, ARUNDELPET, GUNTUR, GUNTUR DISTRICT, ANDHRA PRADESH - 522 002.

...RESPONDENT(S):

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 appropriate Writ, Order or Direction, more particularly one in the nature of Writ of Mandamus, a) declaring the action of Respondent Nos.2 to 4 in classifying the Petitioners/the subject accounts as Fraud pursuant to the Intimation dated 18.12.2023, without furnishing the complete relied-upon material and without passing and serving a reasoned person-wise and account-wise order, as illegal, arbitrary and violative of Articles 14 and 21 of the Constitution of India and the applicable RBI Directions, and consequently set aside the said fraud classification and direct withdrawal, correction or updating, as the case may be, of the consequential FMR/CFR entries, if any, made solely pursuant thereto and b) further direct Respondent No.1-Reserve Bank of India to frame and operationalise an appropriate authenticated mechanism enabling affected Persons/Entities to access or obtain certified particulars of their own CFR/FMR regulatory status and CRILC information, wherever applicable, including the relevant classification/reporting dates, status, timestamps and reporting/reference/acknowledgment particulars, consistent with the regulatory framework under the RBI Directions, and pending such mechanism, to provide or facilitate certified borrower-specific CRILC/CFR/FMR particulars upon authenticated request

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 stay the operation and consequential effect of the fraud classification intimation vide letter dated 18.12.2023 and direct the Respondents not to take or continue any adverse action solely on the basis thereof

IA NO: 2 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 direct the Respondents 2-4 to place before this Hci'ble Court the complete Internal Investigation Report, competent-authority decision, proof of service and authenticated FMR/CFR reporting particulars pertaining to the Petitioners, without prejudice to the Bank's independent remedies for recovery in accordance with law

Counsel for the Petitioner(S):

1. VADLAPATLA SAI MALLIK

Counsel for the Respondent(S):

1.

2. SREEDHAR VALIVETI

The Court made the following:

ORDER:

To declare the action of respondent Nos.2 to 4 in classifying the petitioners/the subject accounts as “Fraud”, pursuant to the intimation dated 18.12.2023, without furnishing the complete relied-upon material and without passing and serving a reasoned person-wise and account-wise order, as illegal and arbitrary, the present writ petition has been filed.

2. Heard Sri Vadlapatla Sai Mallik, learned counsel for the petitioners and Sri Sreedhar Valiveti, learned Standing Counsel for respondent Nos.2 to 4.

3. Inasmuch as the order impugned is explicitly illegal, no reasons have been given before declaring the petitioners’ accounts as “Fraud”. It is simply mentioned that the petitioners submitted an explanation. However, the order impugned does not disclose what explanation was submitted by the petitioners, how such explanation was dealt with, or why the explanation was not considered.

4. The Apex Court in ***Raj Kishore Jha v. State of Bihar and Ors.,***[1] held that reason is the heartbeat of every conclusion, and without the same it becomes lifeless.

5. As such, the order is explicitly illegal and arbitrary, as it has been passed without assigning any reasons and in clear violation of the principles of *audi alteram partem*. The same is liable to be set aside.

6. Though the respondent-Bank sought time to file a counter-affidavit, no counter is required to be invited, inasmuch as the respondents cannot improve their case by filing a counter-affidavit beyond what has been stated in the

[1] (2003) 7 Supreme 152

order impugned. Accordingly, the order impugned is set aside, and the matter is remitted back to the authority concerned for passing fresh orders, after providing an opportunity of personal hearing to the petitioners, if required.

7. Accordingly, the Writ Petition is ***disposed of***. There shall be no order as to costs.

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

JUSTICE RAVI CHEEMALAPATI

Date: 29.10.2026.
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