IN THE HIGH COURT FOR THE STATE OF TELANGANA
AT HYDERABAD
(Special Original Jurisdiction)

THURSDAY, THE NINETEENTH DAY OF NOVEMBER
TWO THOUSAND AND TWENTY SIX

PRESENT

THE HONOURABLE JUSTICE MOUSHUMI BHATTACHARYA
AND
THE HONOURABLE SMT JUSTICE RENUKA YARA

WRIT PETITION NO: 39001 OF 2026

Between:

1. Avula Raju Yadav, S/o. A Sudershan Yadav, Aged 56 Years, Occupation Business, R/o H.No. 30-1577,111 Floor, Flat No.9, Sai Karthik Apartments, Road No.2, Chandragiri Colony, Neredmet, Secunderabad - 500056
2. Avula Lavanya, W/o.Avula Raju Yadav, Aged 50 Years, Occupation. Homemaker, R/o. H.No. 30-1577,111 Floor, Flat No.9, Sai Karthik Apartments, Road No.2, Chandragiri Colony, Neredmet, Secunderabad - 500056

...PETITIONERS

AND

1. The Union of India, Rep. by its Secretary, Ministry of Finance, C/o. Jeevan Deep Building, Sansad Marg, New Delhi-110001
2. Reserve Bank of India, Rep. by its Chief General Manager, C/o. Central Office Building, Shahid Bhagat Singh Road, Fort, Mumbai, Maharashtra, India - 400001,
3. Authum Investment and Infrastructure Limited, (As Per Order Of National Company Law Tribunal Mumbai Bench I Order Dt.10.05.2024 In Cp(Caa)/45/Mb/2024, In Ca(Caa)/1/(Mb) 2024) Previously Known As Reliance Commercial Finance Limited, Having It's Registered Office At 707, Raheja Centre, Free Press Journal Road, Nariman Point, Mumbai - 400021. Branch Office 6-3-248/B/1, 3rd Floor, Road No.1, Naveen Nagar, Banjara Hills, Hyderabad-5000034, Represented by authorized Officer, Mr.Dasaradha Ramu S/ o. Venkata Satya Narayana R/o. Hyderabad.

4. KVSS Lakshmi, D/o. Unknown, Age. Unknown, Occupation. Advocate Commissioner, C/o. Premises of The Court of The Hon'ble I Addl.Senior Civil Judge at Neredmet.

...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 pass an order or orders, direction or directions, more particularly in the nature of a Writ of Certiorari or any other appropriate writ, order or direction under Article 226 of the Constitution of India, by calling for the records in Crl.M.P. No.76 of 2025 on the file of the Hon'ble I Additional Senior Civil Judge-Cum-Chief Judicial Magistrate at Neredmet and declare the same as illegal, arbitrary, violative of the fundamental rights guaranteed under Article 14, 300-A of the Constitution of India and as having been passed without following the settled procedural law contemplated under Sections 13(2) and 13(4) of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 consequently set aside the impugned order in Crl.M.P. No.76 of 2025 dated.20-09-2025 on the file of the Hon'ble I Additional Senior Civil Judge-Cum-Chief Judicial Magistrate at Neredmet, in the interest of justice.

I.A. 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 all further proceedings of Respondent No.2, including the operation and implementation of the impugned order Crl.M.P. No.76 of 2025 dated.20-09-2025 on the file of the Hon'ble I Additional Senior Civil Judge-Cum-Chief Judicial Magistrate at Neredmet, in the interest of justice, pending disposal of the above Writ Petition pending disposal of the above writ petition.

Counsel for the Petitioner: SRI PONAMPELLI RAVI
Counsel for the Respondent No.1: Ms.SHRADDHA VEMULA FOR SRI N.BHUJANGA RAO, DEPUTY SOLICITOR GENERAL OF INDIA
Counsel for the Respondent Nos.2 to 4: - - -
The Court made the following: ORDER

IN THE HIGH COURT FOR THE STATE OF TELANGANA
AT HYDERABAD

THE HON'BLE JUSTICE MOUSHUMI BHATTACHARYA
AND
THE HON'BLE SMT JUSTICE RENUKA YARA

WRIT PETITION No.39001 OF 2026
(CNR No.HBHC010804892026)

DATE: 19.11.2026

BETWEEN:

Avula Raju Yadav and another

...Petitioners

AND

The Union of India,
Rep. by its Secretary, Ministry of Finance,
New Delhi and 3 others.

...Respondents

Sri Ponampelli Ravi, learned counsel appearing for the petitioners.

Ms. Shraddha Vemula, learned counsel representing Sri N.Bhujanga Rao, the learned Deputy Solicitor General of India appearing for the respondent No.1.

ORDER : (Per Hon'ble Justice Moushumi Bhattacharya)

1. The writ petitioner is a borrower who has challenged the Extension Warrant passed by the learned I Chief Judicial Magistrate at Neredmet on 16.10.2025.

2. The prayer in the Writ Petition is for a declaration that the steps taken by the learned Chief Judicial Magistrate at

Neredmet is arbitrary and contrary to the Articles 14 and 300-A of the Constitution of India since the proceedings were in contravention of the procedure under section 13(2) and 13(4) of The Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 ("SARFAESI Act").

3. Learned counsel for the petitioners has placed a Sale Notice dated 03.10.2026 for auction of the secured asset. The auction is to be held on 20.11.2026 at 11 A.M.

4. Yesterday i.e. on 18.11.2026, when the matter was taken up, we found that the petitioners had not disclosed the Notice dated 25.02.2025 issued under section 13(4) of the SARFAESI Act. Counsel has placed said Notice by way of a Memo in the Court today.

5. The material placed before us shows that the petitioners received the Notice under section 13(4) of the SARFAESI Act from the respondent No.3/Financial Institution on 25.02.2025. The petitioners however failed to take any steps against the Notice or invoke the statutory remedy available to them.

6. The petitioners have now come before this Court with the present Writ Petition under Article 226 of the Constitution of India assailing the Sale Notice dated 03.10.2026 and the

auction due to be conducted tomorrow i.e., on 20.11.2026. The Writ Petition was filed on 16.11.2026.

7. We have heard the submissions of learned counsel appearing for the petitioners. The Union of India is represented.

8. We do not find any of the exceptions warranting entertainment of the Writ Petition, where the writ petitioners have an efficacious statutory remedy available under the SARFAESI Act.

9. We note the submissions made on behalf of the petitioners that the respondent No.3 declared the account of the petitioners as NPA in an unfair manner without considering the relevant terms of the Loan Agreement. We have also considered the decision of a Division Bench of the erstwhile High Court of Andhra Pradesh at Hyderabad in the case of *Sravan Dall Mill Pvt. Ltd., R.R.District v. Central Bank of India, Corporate Finance Branch, Hyderabad*[1]. That decision however does not help the petitioners' case as the facts in the said case indicate that the Notice under section 13(4) of the SARFAESI Act had not even been issued to the petitioner therein.

10. As stated above, the present writ petitioners received a Notice under section 13(4) of the SARFAESI Act on 25.02.2025.

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[1] 2009 (6) ALD 615 (DB)

11. However, considering that the auction is due to be scheduled tomorrow i.e., on 20.11.2026, we grant limited stay till 01.12.2026 to enable the petitioners to approach the Debt Recovery Tribunal, Hyderabad ('DRT') for appropriate orders. We make it clear that we have not expressed any opinion on the merits of the matter. Needless to say that the DRT shall consider the matter on its own merits and pass appropriate orders in the facts and circumstances of the case and in accordance with law. The respondent – Financial Institution is restrained from conducting the auction due to be held tomorrow i.e. on 20.11.2026 till 01.12.2026.

12. W.P.No.39001 of 2026, along with all connected applications, is accordingly disposed of. There shall be no order as to costs.

Sd/-P.PONNA KRISHNA
ASSISTANT REGISTRAR

//TRUE COPY//

SECTION OFFICER

To,

1. The Secretary, Union of India, Ministry of Finance, C/o. Jeevan Deep Building, Sansad Marg, New Delhi-110001
2. The Chief General Manager, Reserve Bank of India, C/o. Central Office Building, Shahid Bhagat Singh Road, Fort, Mumbai, Maharashtra, India - 400001,
3. One CC to SRI PONAMPELLI RAVI, Advocate [OPUC]
4. One CC to SRI N.BHUJANGA RAO, Deputy Solicitor General of India [OPUC]
5. Two CD Copies

PMK

HIGH COURT

CC TODAY

DATED: 19/11/2026

ORDER

WP.No.39001 of 2026



DISPOSING OF THE WRIT PETITION

WITHOUT COSTS

19/11/26