

APHC010154272026

**IN THE HIGH COURT OF ANDHRA PRADESH
AT AMARAVATI**

Bench Sr.No:-4
[3575]



WRIT PETITION NO: 8238 of 2026

Baluguri Venkateswara Rao,

...Petitioner

Vs.

The Union Bank Of India and Others

...Respondent(s)

**CORAM: THE HON'BLE MRS JUSTICE LISA GILL
THE HON'BLE MR JUSTICE NINALA JAYASURYA**

DATE : 1st APRIL, 2026

Present: Mrs. M.S.V.S. Sudha Rani, Advocate for Petitioner.
Mrs. V. Dyumani, Standing Counsel for Respondent No.2.
Mr. Ranga Surya Prakash Krishna Rao Kola, Advocate
for Respondent No.7.
Mr. J. Dileep Kumar, Government Pleader for Stamps and
Registration, for Respondent Nos.3 to 6.

LISA GILL, J.

Petitioner in this Writ Petition seeks setting aside of sale of subject property, conducted by Respondent Nos.1 and 2, *vide* E-auction dated 13.02.2026.

2. It is submitted by learned counsel for petitioner that loan facility was availed of by petitioner from respondent / bank in the year 2016 and title Deeds were deposited on 11.08.2016. However, due to financial difficulties during the COVID-19 pandemic period, petitioner's account was declared Non Performing Asset (NPA). Proceedings under Securitization and

Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (for short, "SARFAESI Act") were initiated against the petitioner. E-Auction was conducted by Respondent Nos.1 and 2 on 13.02.2026. It is further stated that subject property was ultimately sold by Respondent No.2 / Bank for Rs.66,76,100/- (Rupees Sixty Six Lakhs Seventy Six Thousand One Hundred only) in E-auction held on 13.02.2026. Petitioner, aggrieved by E-auction, challenges sale of property on various grounds including that it violates principles of natural justice. It is further stated by learned counsel for petitioner that property in question was undervalued and value of property is about Rs.1,38,00,000/- and moreover property was in prohibitory list, therefore sale should be set aside.

3. We have heard learned counsel for parties and have perused the file.

4. At the outset, it is pertinent to note that interference by this Court in exercise of jurisdiction under Article 226 of the Constitution of India in such like circumstances has to be minimal and actuated only in exceptional or extraordinary circumstances. It has been held by Hon'ble the Supreme Court in **Union Bank of India v. Satyawati Tandon and others, 2010 (8) SCC 110** as under:-

"18. While expressing the aforesaid view, we are conscious that the powers conferred upon the High Court under Article 226 of the Constitution to issue to any person or authority, including in appropriate cases, any Government, directions, orders or writs including the five prerogative writs for the enforcement of any of the rights conferred by Part III or for any other purpose are very wide and there is no express limitation on exercise of that power but, at the same time, we cannot be oblivious of the rules of self-imposed restraint evolved by this Court, which every High Court is bound to keep in view while exercising power under Article 226 of the Constitution. It is true that the rule of exhaustion of alternative remedy is a rule of discretion and not one of compulsion, but it is difficult to fathom any reason why the High court should entertain a petition filed under Article 226 of the Constitution and pass interim

order ignoring the fact that the petitioner can avail effective alternative remedy by filing application, appeal, revision, etc. and the particular legislation contains a detailed mechanism for redressal of his grievance. It must be remembered that stay of an action initiated by the State and/or its agencies/instrumentalities for recovery of taxes, cess, fees, etc. seriously impedes execution of projects of public importance and disables them from discharging their constitutional and legal obligations towards the citizens. In cases relating to recovery of the dues of banks, financial institutions and secured creditors, stay granted by the High Court would have serious adverse impact on the financial health of such bodies/institutions, which ultimately prove detrimental to the economy of the nation. Therefore, the High Court should be extremely careful and circumspect in exercising its discretion to grant stay in such matters. Of course, if the petitioner is able to show that its case falls within any of the exceptions carved out in **Baburam Prakash Chandra Maheshwari v. Antarim Zila Parishad AIR 1969 SC 556, Whirlpool Corporation v. Registrar of Trade Marks, Mumbai (1998) 8 SCC 1 and Harbanslal Sahnia and another v. Indian Oil Corporation Ltd. and others (2003) 2 SCC 107** and some other judgments, then the High Court may, after considering all the relevant parameters and public interest, pass appropriate interim order.

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25. **In Raj Kumar Shivhare v. Assistant Director, Directorate of Enforcement and another (2010) 4 SCC 772**, the Court was dealing with the issue whether the alternative statutory remedy available under the Foreign Exchange Management Act, 1999 can be bypassed and jurisdiction under Article 226 of the Constitution could be invoked. After examining the scheme of the Act, the Court observed:

"31. When a statutory forum is created by law for redressal of grievance and that too in a fiscal statute, a writ petition should not be entertained ignoring the statutory dispensation. In this case the High Court is a statutory forum of appeal on a question of law. That should

not be abdicated and given a go-by by a litigant for invoking the forum of judicial review of the High Court under writ jurisdiction. The High Court, with great respect, fell into a manifest error by not appreciating this aspect of the matter. It has however dismissed the writ petition on the ground of lack of territorial jurisdiction.”

5. Said decision has been reiterated by Hon’ble the Supreme Court in the case of **M/s. South Indian Bank Ltd. And others v. Naveen Mathew Philip and another, 2023 (2) RCR (Civil) 771** and then in **PHR Invent Educational Society Versus UCO Bank and others, 2024 AIR (SC) 1893** wherein it was held that:-

“29. It could thus clearly be seen that the Court has carved out certain exceptions when a petition under Article 226 of the Constitution could be entertained in spite of availability of an alternative remedy. Some of them are thus:

- (i) where the statutory authority has not acted in accordance with the provisions of the enactment in question;
- (ii) it has acted in defiance of the fundamental principles of judicial procedure;
- (iii) it has resorted to invoke the provisions which are repealed; and
- (iv) when an order has been passed in total violation of the principles of natural justice.

30. It has however been clarified that the High Court will not entertain a petition under Article 226 of the Constitution if an effective alternative remedy is available to the aggrieved person or the statute under which the action complained of has been taken, itself contains a mechanism for redressal of grievance.

31. Undisputedly, the present case would not come under any of the exceptions as carved out by this Court in the case of Chhabil Dass Agarwal (supra).

32. We are therefore of the considered view that the High Court has grossly erred in entertaining and allowing the petition under Article 226 of the Constitution.

33. While dismissing the writ petition, we will have to remind the High Courts of the following words of this Court in the case of Satyawati Tondon (supra) since we have come across various matters wherein the High Courts have been entertaining petitions arising out of the DRT Act and the SARFAESI Act in spite of availability of an effective alternative remedy:

“55. It is a matter of serious concern that despite repeated pronouncement of this Court, the High Courts continue to ignore the availability of statutory remedies under the DRT Act and the SARFAESI Act and exercise jurisdiction under Article 226 for passing orders which have serious adverse impact on the right of banks and other financial institutions to recover their dues. We hope and trust that in future the High Courts will exercise their discretion in such matters with greater caution, care and circumspection.”

6. Gainful reference in this respect can be made to judgment of Hon'ble the Supreme Court in **Varimadugu Obi Reddy v. B.Sreenivasulu & ors., 2023 (1) R.C.R. (Civil) 34.**

7. Learned counsel for petitioner is unable to point out any exceptional or extraordinary circumstance, which calls for interference by this Court at this stage in exercise of jurisdiction under Article 226 of the Constitution of India. Reference by learned counsel for petitioner to judgment of Hon'ble the Supreme Court in **Om Sakthi Sekar vs. V. Sukumar & others, 2026 Supreme(SC) 256**, is of no avail for the purpose of entertaining this writ petition at this stage, bypassing the alternate remedy available to petitioner. Question of undervaluation of property in question can very well be looked into and adjudicated upon by learned Tribunal. All arguments raised before us are very well within the realm of consideration by learned Tribunal.

8. Petitioner is at liberty to avail the remedy available to him and raise all available pleas before the appropriate forum, in accordance with law. No other argument was addressed.

9. Keeping in view the facts and circumstances as above, this writ petition is disposed of with liberty to petitioner to avail alternative remedy(ies) available to him, in accordance with law. There is no expression of opinion on the merits of the matter. No costs. Pending application(s), if any, stand(s) disposed of accordingly.

**(LISA GILL)
JUDGE**

**(NINALA JAYASURYA)
JUDGE**

Date: 01.04.2026
MS

THE HONOURABLE MRS. JUSTICE LISA GILL
THE HONOURABLE Mr. JUSTICE NINALA JAYASURYA

Writ Petition No: 8238 of 2026

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