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APHC010429512026



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

THURSDAY, THE 14th DAY OF AUGUST 2026

PRESENT

THE HONOURABLE SRI JUSTICE BATTU DEVANAND

THE HONOURABLE SMT JUSTICE SUNITHA GANDHAM

WRIT PETITION NO: 23343 OF 2026

Between:

Dalli Naga Malleswari, W/o Ranga Nageswara Rao,
aged 36 years, Occ Home maker,
R/o D.No.9-2, Kothagudem village,
Mylavaram Mandal, NTR District

...Petitioner

AND

- 1.The Debt Recovery Tribunal, Rep. by its Registrar,
D.No.31-32-54, Chitralaya Road,
Near Leelamahal Road, Daba Gardens,
Jagadamba Junction, Visakhapatnam,
Andhra Pradesh -530 020.
2. The State Bank of India,
Rep. by its Authorized Officer,
S.A.R. Branch, Vijayawada,
H.No.54-20-1B/3F/U6, 3rd floor,
Upstairs of KFC, Surya Prakash square,
Guru Nanak Nagar road,
Vijayawada, NTR District. 520008.
3. Smt Pasari (Bondili) Jaya Sree, D/o.Pasari Madan Singh,
W/o Bandali Krishna Singh, Occ: M/s Satyavathi Polymers,
D.No.17-253, Kothapet, Nuzvid, Krishna District.521201

4.S Govardhanamma, Occ Advocate,
Address Machilipatnam Bar Association,
Machilipatnam District Court Complex,
Godugupeta, Machilipatnam-521001.
(Advocate commissioner appointed
through order in CrI.M.P no. 212/2026)

...Respondents

Counsel for the Petitioner: P VIVEK

Counsel for the Respondents:

The Court made the following order:

THE HONOURABLE SRI JUSTICE BATTU DEVANAND
THE HONOURABLE SMT JUSTICE SUNITHA GANDHAM
WRIT PETITION No: 23343 OF 2026

ORDER: (Per Hon'ble Smt. Justice Sunitha Gandham)

This Writ Petition is filed by the lessee of shopping complex consisting of four shops in an extent of 128 Sq.yds out of 471.3 Sq. yds situated in R.S. No.463/2 bearing D.No.11-23, Nuzvid Municipality, Eluru District, which is mortgaged with the respondent No.2 bank by the respondent No.3, challenging the inaction of respondent No.1 Tribunal in adjourning I.A. No.3557 of 2026 in S.A. No.533 of 2026 dt.04.09.2026 without considering the prejudice that would be caused to the petitioner in view of warrant for possession under Section 14 of the SARFAESI Act, 2002

2. It is an admitted fact that respondent No.3 availed loan from respondent No.2 bank and since she committed default in paying the loan amount, respondent No.2 bank declared the account of respondent No.3 as Non-Performing Asset and initiated proceedings by issuing notices under Section 13 (2) and (4) of the SARFAESI Act, 2002. The respondent No.2 filed a petition in Crl.M.P. No.212 of 2026 in C.F. No.401 of 2026 before the Chief Judicial Magistrate, Machilipatnam seeking appointment of advocate commissioner and as per the orders of learned Chief Judicial Magistrate, Machilipatnam, advocate commissioner issued memo for execution of warrant on 17.08.2026 at 12.00 p.m. and instructed the respondent No.3 to hand over the possession of schedule property including the schedule property in which the revision petitioner has been conducting business.

3. Feeling aggrieved by the impugned notice dated 07.08.2026 issued by the learned advocate commissioner, petitioner who is lessee of part of schedule property which is mortgaged with respondent No.2 bank, filed S.A.No.533 of 2026 before the Debts Recovery Tribunal at Visakhapatnam and along with main application, she also filed petition in I.A. No.3557 of 2026

under Section 17 (1) of the SARFAESI Act, 2002 seeking stay of all further proceedings in respect of the subject property.

4. Sri Posani Venkateswarlu, learned Senior counsel submitted that challenging the impugned notice dated 07.08.2026, immediately petitioner filed I.A. No.3557 of 2026 in S.A. No.533 of 2026. But, without passing any orders in the application which is filed for stay of all further proceedings pursuant to the impugned notice, learned Debts Recovery Tribunal adjourned the matter to 04.09.2026 and if further proceedings are not stalled, learned advocate commissioner would take possession of the subject property in which the petitioner has running business and respondent No.2 bank also would proceed further by taking steps in respect of subject property and in such a case, the very purpose of filing S.A. No.533 of 2026 and I.A. No.3557 of 2026 would be frustrated.

5. Per contra, while admitting the pendency of I.A. No.3557 of 2026 in S.A. No.533 of 2026 before the learned Debts Recovery Tribunal, Sri Satyanarayana Moorthy, learned Standing Counsel for respondent No.2 bank submitted that respondent No.3 mortgaged the property in the year 2018 itself and as such, the possessory agreement of sale entered by the respondent No.3 with the petitioner shall not taken into consideration.

6. Admittedly, petitioner being lessee who has been running business in the subject property has filed S.A. No.533 of 2026 and in which she has also filed application in I.A. No.3557 of 2026 seeking stay of all further proceedings pursuant to the impugned notice and the same is adjourned to 04.09.2026. As rightly argued by the learned senior counsel, if interim direction is not given to the petitioner, the very purpose of filing S.A. No.533 of 2026 and I.A. No.3557 of 2026 would be frustrated.

7. Considering the facts and circumstances of the case and in view of the fact that the proceedings are pending before the DRT, Visakhapatnam, without touching the merits of the case, this Court is of the considered view

that direction may be given to the Debts Recovery Tribunal to hear and dispose of the petition in I.A. No.3557 of 2026 in accordance with law so as protect the interest of the petitioner.

8. Accordingly, this Writ Petition is disposed of with a direction to the respondent No.2 bank to maintain status quo with respect to the subject property till disposal of I.A. No.3557 of 2026 in S.A. No.533 of 2026 pending on the file of Debts Recovery Tribunal, Visakhapatnam and the learned Debts Recovery Tribunal, Visakhapatnam, shall dispose of the petition in I.A. No.3557 of 2026 and S.A. No.533 of 2026 in accordance with law within a period of three (3) weeks from the date of receipt of this order. There shall be no order as to costs.

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

JUSTICE BATTU DEVANAND

JUSTICE SUNITHA GANDHAM

14.08.2026
knl

Whether the order is :

Speaking [✓] Yes/No / Reasoned Yes/No

Reportable [✓] Yes/No / Non-Reportable Yes/No