Date of reserved for orders : 31.08.2026
Date of pronouncement : 28.09.2026
Date of uploading : 29.09.2026

APHC010537402022

IN THE HIGH COURT OF ANDHRA PRADESH
AT AMARAVATI [3564]
(Special Original Jurisdiction)

PRESENT

THE HONOURABLE SRI JUSTICE BATTU DEVANAND

THE HONOURABLE SRI JUSTICE TUHIN KUMAR GEDELA

WRIT PETITION NO: 33059/2022

Between:

1. TAMMINENI PRABHAKAR REDDY, S/O. SAMBI REDDY 7-20-283,13TH LINE SARADA COLONY GUNTUR 522002

...PETITIONER

AND

1. UNION BANK OF INDIA, BRODIPET BRANCH REPRESENTED BY THE SENIOR MANAGER 4/13, BRODIPET GUNTUR -520002

...RESPONDENT

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 pleased i) to issue a Writ of mandamus or any other appropriate writ, order or direction, declaring the action of the respondent in not returning the money paid as claimed by the petitioner vide by letter dt.24.09.2022 in pursuant to e-auction notice dated 21.02.2022, published in News Paper Eenadu on 22-02-2022 in respect of the subject property to an extent of 701 Square yards situated at D.No.117/A and 117/B of Agarthavarapaddu village Peddakakani, as illegal, arbitrary and contrary to the provisions of the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act 2002 and also in contravention of Security Interest (Enforcement) Rules, 2002. ii) consequently, direct the respondents to return the money paid by me i.e. Rs.21,65,500/- with interest @18 percent

compounded quarterly from 27-03-2022 iii). quash the letter No.0052/MISC/1, Dt.27.06.2022 issued by the respondent No.2 forfeiting the deposit amount of Rs.21,65,500/- and pass.

Counsel for the Petitioner:

1. HARINARAYANA K

Counsel for the Respondent:

1. V DYUMANI

The Court made the following:

THE HON'BLE SRI JUSTICE BATTU DEVANAND
&

THE HON'BLE SRI JUSTICE TUHIN KUMAR GEDELA

WRIT PETITION No.33059 of 2022

ORDER: *(Per Hon'ble Sri Justice Tuhin Kumar Gedela)*

This Writ Petition is filed under Article 226 of the Constitution of India seeking the following relief:

> *".....pleased i) to issue a Writ of Mandamus or any other appropriate writ, order or direction, declaring the action of the respondent in not returning the money paid as claimed by the petitioner vide by letter dt.24.09.2022 in pursuant to e-auction notice dated 21.02.2022, published in News Paper Eenadu on 22.02.2022 in respect of the subject property to an extent of 701 Square yards situated at D.No.117/A and 117/B of Agarthavarapaddu village Peddakakani, as illegal, arbitrary and contrary to the provisions of the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 and also in contravention of Security Interest (Enforcement) Rules 2002. ii) consequently, direct the respondents to return the money paid by me i.e., Rs.21,65,500/- with interest @18% compounded quarterly from 27.03.2022. iii) quash the letter No 0052/MISC/1 Dt.27.06.2022 issued by the respondent No.2 forfeiting the deposit amount of Rs.21,65,500/- and pass…"*

2. Heard Mr. Harinarayana, learned counsel for the petitioner and Smt. V. Dyumani, learned counsel for respondent-bank.

3. The essential facts to decide the case are capsuled as follows:

The petitioner, in response to e-auction notice, dated 21.02.2022, published in Eenadu News Paper on 22.02.2022, tendered online bid application on 23.03.2022 and made initial deposit of Rs.8,65,200/- and participated in the auction held on 24.03.2022. The petitioner's bid of Rs.86,62,000/- was accepted by respondent No.2 and, in furtherance of such

acceptance, the petitioner further deposited an amount of Rs.13,00,300/- in terms of tender terms/auction notice. In total, the petitioner deposited an amount of Rs.21,65,500/-.

4. The respondent-bank delivered a copy of registered sale deed, dated 30.07.1997, (Document No.1785/1997@ SRO Pedakakani) of the said property and assured the copies of rest of the documents/permissions to be furnished shortly. The bid was confirmed in favour of the petitioner *vide* letter No.0520/Misc/52, dated 28.03.2022, and the respondent requested the petitioner to pay the balance amount of Rs.64,96,500/- within 15 days, as stipulated under the Securitization and Reconstructions of Financial Assets and Enforcement of Security Interest Act, 2002 (for short 'the SARFAESI Act). Thereafter, the petitioner sought extension of time for 40 days *vide* his letter, dated 04.04.2022, and again sought time of 20 days *vide* letter, dated 19.05.2022. The letters addressed by the petitioner were accepted by the respondent-bank. However, despite the petitioner's request for furnishing the relevant documents, the same were not furnished. Instead, the respondent-bank sought further time to furnish the said documents.

5. On 09.06.2022, the petitioner sought a further period of 30 days and reiterated his request to the respondent-bank to furnish copies of the documents relating to the subject property as he had noticed certain discrepancies between the particulars of the subject property and the property described in the auction notice, which did not tally with each other. The respondent-bank agreed and extended/granted time up to 26.06.2022

and assured that the said documents would be provided shortly. The documents required by the petitioner are the Death Certificate of M.Mahalakshamamma, M.Subbareddy, Land conversion certificate and Approved plan issued by the competent authority for construction of the godown and the survey report. The above reports were not furnished despite continuous insistence.

6. The principal contention of the petitioner is that the representation, dated 09.06.2022, was not acted upon by the respondent-bank and would further assert that the very action of the respondent-bank is contrary to Section 13(6) of the SARFAESI Act. He further emphasizes that the bank should indicate the description of the property which is under the hammer of auction and any discrepancy in the description of the property would tantamount to procedural violation. In continuation of his arguments, he relies upon the judgment of the Hon'ble Supreme Court in ***Mandava Krishna Chaitanya v. UCO Bank, Asset Management Bank*** [1] **,** wherein it was observed as follows:

> *"to refund the sale consideration of Rs.4,80,44,000/- paid by the petitioner, with interest thereon at 18% per annum from the date of the deposit till the date of realization, within two weeks from the date of receipt of a copy of this order. As the bank is itself at fault for this entire imbroglio and the petitioner was made to part with his valuable monies with no consequential benefit therefor and the bank enjoyed the custody of these monies all through, the rate of interest as applied by the Supreme Court in like circumstance in Mathew Varghese v. M. Amritha Kumar is adopted".*

[1] 2018 (3) ALD 226

7. Learned counsel for the petitioner further relied upon another judgment of the Hon'ble Supreme Court in ***Mathew Varghese v. M. Amritha Kumar & Others***[2]***.***

8. The petitioner would further contend that, being the auction purchaser, he participated in the auction under the *bona fide* presumption that the property mentioned in the sale notice is clear from all encumbrances. However, the description of the said property is in contravention of the provisions of the SARFAESI Act. Therefore, he urges this Court to direct the respondent to refund the amount of Rs.21,65,000/- paid by him, together with interest at the rate of 18% p.a., compounded.

9. Refuting the said arguments, Smt. V. Dyumani, learned counsel for the respondent-bank, would contend that the respondent-bank granted extension of time whenever sought by the petitioner through various representations. The learned counsel would further submit, as stated in the counter, that the petitioner participated in the auction knowing fully well and now he cannot turn around and agitate questioning the description of the property.

10. Learned counsel for the respondent would further contend that there is no illegality committed on behalf of the Bank in forfeiting the amount which is paid by the petitioner. This Court, upon carefully scrutinizing the entire counter, could not find any averment regarding the description of the property as perfectly indicated. Learned counsel would reiterate her contention by

[2] (2014) 5 SCC 610

relying upon sub-rules (4) and (5) of Rule 9 of the Security Interest (Enforcement) Rules, 2002, which read as follows:

> *"4. The balance amount of purchase price payable shall be paid by the purchaser to the authorized officer on or before the fifteenth day of confirmation of sale of the immovable property or such extended period [as may be agreed upon in writing between the purchaser and the secured creditor, in any case not exceeding three months.*
>
> *5. In default of payment within the period mentioned in sub-rule (4), the deposit shall be forfeited to the secured creditor and the property shall be resold and the defaulting purchaser shall forfeit all claim to the property or to any part of the sum for which it may be subsequently sold".*

11. At paragraph 7 of the counter-affidavit, it is pertinent to note that the respondent-Bank has stated that, in the letters dated 04.04.2022 and 19.05.2022, the petitioner had sought only an extension of time and had neither raised any dispute with regard to the extent of the land nor requested the Bank to furnish any documents. The letter, dated 09.06.2022, said to have been issued by the petitioner, was not received by the respondent-bank on any date and hence, the respondent denies the contents of the said letter. It is further stated in the counter-affidavit that, even after lapse of 90 days when the petitioner failed to deposit the sale price, the respondent-bank forfeited the 25% bid amount and issued the letter, dated 27.06.2022.

12. As could be seen from the said arguments and the averments made in the counter-affidavit, the attitude of the bank clearly unfolds the illegality and irregularity committed and the same establishes that there is blatant contravention of the provisions of the SARFAESI Act. It is clear from the documents filed by the petitioner that the letter which was addressed on 09.06.2022 to the Authorized Officer of the respondent-bank by the petitioner

was endorsed with the stamp of the bank and the same cannot be agitated in the counter by the Bank as the same is not received.

13. Be that as it is, when it is the contention of the petitioner that the description of the property was not correctly mentioned and when sought for documents or explanation, it is obligated on the bank to clarify the doubts raised by the auction purchaser, being the custodian of the secured asset.

14. It is beyond cavil of doubt that the provisions of SARFAESI Act will apply with its entire rigour to the borrower, auction purchaser and the bank equally. This Principle is laid down by the Hon'ble Supreme Court in ***M.R. Vasumathi v. The Authorized Officer and Others***[3], and again in ***S. Karthik and Others v. N. Subhash Chand Jain and Others***[4]**,** wherein the Hon'ble Supreme Court has categorically pronounced that the secured creditor acts as a trustee of the secured assets and cannot deal with it as though it were its absolute property.

15. Alongside the Writ Petition, the petitioner has filed a representation, dated 24.09.2022 addressed to the Senior Manager, Brodipet Branch, Union Bank of India, Guntur, reiterating his earlier representation, dated 09.06.2022. In paragraphs 3 & 4 of the said representation, the petitioner has clearly stated as follows:

> *"..Since I was not furnished with the required documents (like copies of death certificates of M. Mahalashmma, M. Subbareddy, Land conversion certificate, and Approved plan by competent authority for construction the gowdon and Survey report), I could not get my advocate advise over the property and also could not get the property measured by an engineer before the said date 26-6-22 to make*

[3] 2026 INSC 633
[4](2022) 10 SCC 641

> *payment of balance 75%. Even in my letter dated 09-06-2022 also I have specifically requested for furnishing copies of the said documents and also informed that on receipt of survey report, I have to get the subject land measured.*
>
> *To my utter shock, instead of providing them in time, you have sent a letter 27-06-2022, informing that my bid amount was forfeited, which is not valid and against your promise and understanding. To find out truth further, I have got the subject property measured now by an engineer (O.Sreedhar -Teja Associates) at my cost and it was reported by him that the extent of land/property is not 651 Square years(701 sq yards - road widening), but only 605 approximately sq yards. Thus the property which was sold in the auction is not as per your auction notice and 46 square yards is less and in absence of non furnishing the above documents, it also apparent and clear that the title of the property is defective and contains several flaws. Under these circumstances, please refund my said deposit amount /BID amount of Rs. 21,65,000/- with interest at 18% compounded quarterly from 27-03-2022".*

16. In the above representation, the petitioner has made it clear that the documents requested by him were not furnished even though sought through the representation, dated 09.06.2022. Further, the illegality allegedly committed by the respondent-bank has also been specifically projected in the said representation. The petitioner detailed as follows:

> *"I have got the subject property measured now by an engineer (O.Sreedhar-Teja Associates) at my cost and it was reported by him that the extent of land/property is not 651 Square years(701 sq yards-road widening), but only 605 approximately sq yards. Thus the property which was sold in the auction is not as per your auction notice and 46 square yards is less and in absence of non furnishing the above documents, it also apparent and clear that the title of the property is defective and contains several flaws. Under these circumstances, please refund my said deposit amount/BID amount of Rs. 21,65,000/- with interest at 18% compounded quarterly from 27-03-2022".*

17. This representation was admittedly received by the bank and not specifically denied in the counter-affidavit and the bank cannot reprobate its liability which is legitimate and, in such rebuttal, it amounts to deemed admission.

18. Now, coming to the relevant provisions, sub-rules (5) and (6) of Rule 8 of the Security Interest (Enforcement) Rules, 2002 read as follows:

> *"5. Before effecting sale of the immovable property referred to in sub-rule (1) of rule 9, the authorized officer shall obtain valuation of the property from an approved valuer and in consultation with the secured creditor, fix the reserve price of the property and may sell the whole or any part of such immovable secured asset by any of the following methods:-*
>
> *(a) by obtaining quotations from the persons dealing with similar secured assets or otherwise interested in buying the such assets; or*
>
> *(b) by inviting tenders from the public;*
>
> *(c) by holding public auction including through e-auction mode; or*
>
> *(d) by private treaty.*
>
> *6. the authorized officer shall serve to the borrower a notice of thirty days for sale of the immovable secured assets, under sub-rule (5):*
>
> *[Provided that if the sale of such secured asset is being effected by either inviting tenders from the public or by holding public auction, the secured creditor shall cause a public notice in the Form given in Appendix IV-A to be published in two leading newspapers including one in vernacular language having wide circulation in the locality."*

19. As stated supra, the provisions of the SARFAESI Act, 2002 are equally applicable to the parties, including the respondent-bank, and the bank cannot invoke the principle of waiver and thereby escape its liability. A co-ordinate Bench of this Court, comprising one of us (Hon'ble Sri Justice Battu Devanand) in W.P.No.14989 of 2025, *vide* order, dated 10.07.2026, while considering the concept of waiver, held as follows:

> *"There cannot be implied waiver on the part of the purchasers that they have purchased property with knowledge of clouds over the title and that they have to prosecute their remedies by way of litigation against all the litigating parties and that they cannot ask for refund of Sale consideration paid. If that principle is accepted, the same will amount to encouraging dishonesty. Therefore, the contention of the Bank that the writ petitioner is not*

entitled for the remedy of refund found not acceptable from the admitted fact situation in this case.

13. Generally, auction conducted by the Bank will give a general impression that the Bank might have verified the title with all clarity and certainty after having legal opinion. The public will opt for purchasing the same with the confidence and trust on the bank, but when they experience the litigation after investing all their life time savings, the sufferance, they experience is inexplicable and they deserve redressal. The Bank ought to have verified the title more thoroughly or ought to have put the property to sale after clearing all clouds over the title".

20. Even otherwise, Article 300(A) of the Constitution of India embraces the petitioner over his property and it is trite in law that the right to property is now considered as a constitutional right and stands above all rights, including the rights enumerated in Part-III of the Constitution. It is also considered as a basic human right.

21. Learned Counsel for the petitioner relied upon the judgment of the composite High Court in ***Mr.Mandava Krishna Chaitanya v. UCO Bank, Asset Management Branch***[5], wherein, when a similar issue has come up before the Hon'ble Division Bench, the Hon'ble Division Bench, after considering several judgments of the Hon'ble Supreme Court, has finally held as follows:

"21. In terms of the statutory scheme of the SARFAESI Act and the Rules of 2002 and given the weighty preponderance of judicial wisdom, as set out supra, a secured creditor who is empowered under the SARFAESI Act to enforce any secured interest created in its favour, without the intervention of a Court or a Tribunal, but in accordance with the procedure prescribed therefor, cannot take the responsibility resting upon it lightly. Such a secured creditor not only

[5] 2018 3 ALD 266

owes a duty to protect the interest of the borrower by raising the best possible price while selling his mortgaged properties, but also owes a duty to the auction purchaser to verify the encumbrances that attach to the mortgaged property proposed to be sold, so as to inform all intending bidders of the same. Clauses (a) and (f) in the proviso to Rule 8(6) of the Rules of 2002 bear out this responsibility explicitly, as the secured creditor is mandated thereunder to include the details of the encumbrances known to it and also any other thing which may be considered material for a purchaser to know in order to judge the nature and value of the property. These clauses therefore visit a duty upon the secured creditor to undertake due diligence at least at the stage of putting the secured asset to sale, if not at the time of taking the said property as security while granting loans, so that the bidders in the auction can rest assured that the bank has taken necessary measures in this regard and proceed to participate in the auction sale. Ignorance of the secured creditor as to the encumbrances on the property sold by it is no longer an acceptable argument in the light of the decisions of various Courts rejecting the plea that a sale on as is where is basis constitutes a shield of protection.

22. Further, the concept of as is where is and as is what is basis has lost its significance in the current commercial milieu and the principle of caveat venditor is more on the rise as compared to the outdated principle of caveat emptor. The Transfer of Property Act, 1882, requires the seller to own up to certain duties and it is not open to a responsible bank to take an innocent auction purchaser for a ride by selling to him a tainted property and thereafter claim protection under the principles of buyer beware. The counter- affidavit filed by the bank clearly demonstrates that the bank undertook no exercise whatsoever to verify and ascertain as to what encumbrances attached to the subject property at any stage. No details are forthcoming of any efforts having been made by the bank, be it before the registration authorities or any other authority at any stage. Now, it has come to light that the property in question is tainted on grounds more than one. It falls within the full tank level of a lake and, surprisingly, it is also treated as a ceiling surplus land. That apart, the possession of the property cannot even be handed over by the bank to the petitioner as the sale was effected without the bank securing actual physical possession thereof and the bank does not deny the factum of a lease having been created by the borrower in relation thereto. The bank therefore cannot comply with the statutory mandate of delivering actual possession of the property sold under the sale certificate. The decisions of various Courts referred to supra would come to the aid of the petitioner in this regard. That apart, the registration authorities already indicated to the petitioner that the subject land is noted as a ceiling surplus land. Therefore, even if they do entertain the sale certificate issued by the bank for registration, it would be subject to this cloud and would not amount to clear conveyance of title. It is therefore manifest that the bank made the innocent petitioner a victim by failing to exercise due diligence, not only in terms of the statutory scheme of the SARFAESI Act *and the Rules of 2002, but also in its own commercial interest, let alone public interest, when it accepted this property as security for the loan sanctioned by it. This utter carelessness on the part of the bank in sanctioning loans, by use of public monies, on the strength of secured assets which are not even*

> *worthy of being mortgaged, requires to be deprecated in the strongest terms. Banks necessarily have to exercise more care and caution while using public monies available with them, be it through deposits by customers or otherwise, when sanctioning loans without caution or worse and cannot be permitted to claim protection under outdated legal principles so as to victimize innocent auction purchasers, such as the petitioner. This Court therefore has no hesitation in holding that the auction sale held by the bank, without even exercising minimum care to ascertain the encumbrances attaching to the subject property and without informing the petitioner or other bidders of the same, vitiates the sale proceedings, culminating in issuance of the sale certificate which is yet to be registered".*

22. In the above judgment, the Hon'ble Division Bench allowed the Writ Petition, directing the bank to refund the amount paid by the petitioner with interest thereon at 18% per annum from the date of deposit till the date of realization.

23. The ratio in the above judgment squarely applies to the present case. The judgments relied on by the learned Counsel for the respondent, Smt. V.Dyumani, are distinguishable. The learned Counsel relied upon the judgment of the Hon'ble Supreme Court reported in ***Authorised Officer, State Bank of India v.C.Natarajan and others***[6]. In the said case, the point falling for consideration is: "whether the bank has enriched the money unjustly by receiving 25% from the auction purchaser".

24. Answering the said issue, the Hon'ble Supreme Court, at paragraph Nos.35 and 37, observed as follows:

> *"35. In the light of guidance provided by the above decisions, what needs to be ascertained first is whether the Bank received or derived any benefit or advantage by forfeiture of 25% of the sale price. We do not think that the Bank has been enriched, much less unjustly enriched, by reason of the impugned forfeiture. Receipt of 25% of the*

[6] Manu/SC/0477/2023

sale price by the Bank from the contesting respondent was not the outcome of any private negotiation or arrangement between them. It was pursuant to a public auction, involving a process of offer and acceptance, and it was in terms of statutory provisions contained in the Rules, (2011) 8 SCC 161 particularly rule 9(3), that money changed hands for a definite purpose. Receipt of 25% of the sale price does not constitute a benefit, a fortiori, retention thereof by forfeiture cannot be termed unjust or inequitable, so as to attract the doctrine of unjust enrichment. The Bank, as a secured creditor, is entitled in law to enforce the security interest and in the process to initiate all such steps and take all such measures for protection of public interest by recovering the public money, lent to a borrower and who has squandered it, in a manner authorized by law. The contesting respondent participated in the auction well and truly aware of the risk of having 25% of the sale price forfeited in case of any default or failure on his part to make payment of the balance amount of the sale price. Question of the Bank being enriched by a forfeiture, which is in the nature of a statutory penalty, does not and cannot therefore arise in the circumstances.

37. The question under consideration can also be addressed from a different perspective. In the present case, the Authorized Officer had adhered to the statutory rules. If by such adherence any amount is required to be forfeited as a consequence, the same cannot be scrutinized wearing the glasses of misplaced sympathy. Law is well settled that a result flowing from a statutory provision is never an evil and that a court has no power to ignore that provision to relieve what it considers a distress resulting from its operation. The statute must, of course, be given effect to whether a court likes the result or not. This is the statement of law in the decision of this Court in Martin Burn Ltd vs The Corporation of Calcutta".

25. Law is well settled that a result flowing from a statutory provision is never an evil and that a Court has no power to ignore that provision to relieve what it considers a distress resulting from its operation. The statute must, of course, be given effect to whether a Court likes the result or not. This is the statement of law in the decision of the Court in ***Martin Burn Ltd., v. The Corporation of Calcutta***[7]***,*** in which case the Hon'ble Supreme Court has drawn the conclusion that there is no fault on the part of the bank and the fault was on the auction purchaser. But, in the present case, the bank intentionally described the subject property wrongfully in the sale notice, which is issued under Rule 8 (6) of the Security Interest (Enforcement) Rules, 2002 and

[7] (1966) 1 SCR 543

induced the auction purchaser to participate in the auction.

26. The Hon'ble Supreme Court effectuated **the word enrich** and , in ***Mahabir Kishore & Others v. State of Madhya Pradesh***[8]***,*** traced various English decisions and ultimately laid down the requirements of unjust enrichment as follows:

> *"…The principle of unjust enrichment requires: first, that the defendants has been 'enriched' by the receipt of a 'benefit'; secondly, that this enrichment is 'at the expense of the plaintiffs'; and thirdly, that the retention of the enrichment be unjust. This justifies restitution. Enrichment may take the form of direct advantage to the recipient wealth such as by the receipt of money or indirect one for instance where inevitable expense has been saved."*

27. In ***Sahakari Khand Udyog Mandal Limited v. Commissioner of Central Excise and another***[9]***,*** the Hon'ble Supreme Court, at paragraph Nos.32, 33 and 34, observed as follows:

> *32. The doctrine of `unjust enrichment', therefore, is that no person can be allowed to enrich inequitably at the expense of another. A right of recovery under the doctrine of `unjust enrichment' arises where retention of a benefit is considered contrary to justice or against equity.*
>
> *33. The juristic basis of the obligation is not founded upon any contract or tort but upon a third category of law, namely, quasi-contract or the doctrine of restitution.*
>
> *34. In the leading case of Fibrosa v. Fairbairn, Lord Wright stated the principle thus: (All ER* p.135 H*)*
>
> > *"....Any civilized system of law is bound to provide remedies for cases of what has been called unjust enrichment or unjust benefit, that is, to prevent a man from retaining the money of, or some benefit derived from another which it is against conscience that he should keep. Such remedies in English law are generically different from*

[8] (1989) 4 SCC 1
[9] (2005) 3 SCC 738

> *remedies in contract or in tort, and are now recognized to fall within a third category of the common law which has been called quasi-contract or restitution."*

28. Per contra, Rule 6 of the SARFAESI Rules categorically states that the description of the property should also include the encumbrances, if any. In the present case, petitioner did, in fact, after conducting a survey through an Authorized Surveyor, brought to the notice of the bank that the description of the property was wrong and the extent of the land indicated in the sale notice is not the same, when it is surveyed. The representation, which is filed by the petitioner, was not answered and, on the other hand, the bank has forfeited the amount, which unnecessarily need to be construed as an act of clandestine and intentional, attracting enrichment. The law applies to all equally and the bank cannot claim any immunity.

29. In W.P.21587 of 2017, dated 23.02.2018, the erstwhile Common High Court of Andhra Pradesh, held as follows:

> *“the Writ petition is accordingly allowed. The bank shall refund the sum of Rs.1,02,31,000/- paid by the petitioners along with interest at 18% per annum, from the date of deposit by the petitioners till the dated of repayment to them, within three weeks from today. This rate of interest is adopted by taking a cue from Mathew Varghese v. M.Amritha Kumar, as the bank is itself responsible for this imbroglio and the petitioners are entitled to be reimbursed with a higher rate of interest for the inconvenience and loss suffered by them”.*

30. Considering the cumulative reasons aforementioned and the ratio laid down by the Hon’ble Supreme Court, referred to above, the Writ Petition No.33059 of 2022 deserves to be allowed, directing the respondents to refund

Rs.21,65,500/- paid towards 25% of the sale consideration along with interest @ 18%, from the date of the deposit and till the date of realization, within a period of two weeks from the date of receipt of a copy of this order.

It is appropriate to set aside the sale confirmation letter, *vide* Lr.No.0520/MISC 52, dated 28.03.2022, issued to the petitioner in view of the direction aforesaid.

31. Resultantly, the Writ Petition is allowed. However, there shall be no order as to costs.

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

_____

JUSTICE BATTU DEVANAND

_____

JUSTICE TUHIN KUMAR GEDELA

Dated:28.09.2026
KNN/Tsy