APHC010428142026

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

WEDNESDAY, THE 30th DAY OF SEPTEMBER 2026

PRESENT

THE HONOURABLE SRI JUSTICE BATTU DEVANAND

THE HONOURABLE SRI JUSTICE TUHIN KUMAR GEDELA

WRIT PETITION NO: 23516 OF 2026

Between:

1. M/s. Kalasimha Hospitals Pvt Limited,, Represented by Its Managing Directors, Dr. KVSS Geetanand , S/o. Sri, K,N, Moorthy, aged 54 Years, Residing at D.No 19-478/1,. Prineappl Colony, Visakhapatnam -538828.

2. Dr. Kaslimahanty Venkta Srinivasa Srikrishna Geetanand, S/o. Sri, K,N, Moorthy, aged 54 Years, Residing at D.No. 19-478/1, Prineapple Colony, Visakhapatnam -538828

...Petitioners

AND

1. M/s Pegasus Asset Reconstruction Pvt Ltd, Represented by Its Authorized Officer, Regd. Office 507, Dalamal House, Jamnaal Bajaj Marg Nariman Point, Mumbai, Maharashtra-400021.

...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 toissue a Writ of Mandamus or any other appropriate Writ Order or direction declaring the impugner order in Mise. Appl No. 22 of 2026 dated 14-

05-2026 on the file of DRAI at Kolkata as illegal, arbitrary and vitiated as the same is malafide

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 suspend the impugned order in Mise. Appl No. 22 of 2026 dated 14-05- 2026 on the file of DRAI at Kolkata passed by the debt recovery appellate tribunal Kolkata

Counsel for the Petitioners: MALLELA NARASIMHA RAO

Counsel for the Respondent DHANUNJAYA BARU

The Court made the following order:

THE HONOURABLE SRI JUSTICE BATTU DEVANAND

THE HONOURABLE SRI JUSTICE TUHIN KUMAR GEDELA

WRIT PETITION NO: 23516 OF 2026

ORDER: *(Per Hon'ble Sri Justice Battu Devanand)*

This writ petition is filed against the order dated 14.05.2026 passed by Debts Recovery Appellate Tribunal at Kolkata, in Misc.Appl.No.22 of 2026.

2. The 1st petitioner availed loan to an amount of Rs.13,15,00,000/- (Rupees Thirteen Crores Fifteen Lakhs only) from the Allahabad Bank, Dab Gardens, Visakhapatnam. While availing the said loan, the petitioner had mortgaged several movable and immovable properties. Subsequently, the petitioner committed default in repayment of said loan and account was classified as Non-Performing Asset (NPA) on 30.07.2011.

3. On 08.08.2011, the Allahabad Bank issued notice under Section 13(2) of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002, to repay the claim of Rs.15,13,54,303/- within a statutory period of sixty days. The petitioner sought three (03) months time to repay the claim *vide* letter dated 09.10.2011. The petitioner failed to repay the said amount within the said stipulated time of sixty days. Possession notice was issued on 11.10.2011. In the meanwhile, the bank has assigned the said

loan to the respondent-i.e., Pegasus Assets Reconstruction Private Limited through assignment agreement dated 27.09.2013 along with all its rights, title, interest and benefits in respect of the debts due and payable by the petitioners. By virtue of the said assignment agreement, the respondent is entitled to initiate, continue, prosecute and enforce all applications, appeals and legal proceedings of whatsoever nature by or against which are pending on the date of the said assignment agreement**.** By virtue of the said agreement, the Asset Reconstruction Company has issued sale notice dated 05.8.2015 under Rule 9(1) of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002, in respect of property B. Sale took place on 14.9.2015. On 19.07.2021, the Chief Metropolitan Magistrate passed an order appointing the Advocate Commissioner under Section 14 of the Act. The Advocate Commissioner took possession of 90% of the said property. At that stage, the petitioner filed Securitisation Application i.e., S.A.No.293 of 2021 under Section 17 of the SARFAESI Act, 2002 on 01.09.2021, before the Debts Recovery Tribunal, Visakhapatnam. In the said S.A.No.293 of 2021, the petitioner filed interlocutory application *vide* I.A.No.22 of 2025 seeking to direct the secured creditor i.e., respondent herein to produce certain documents prescribed in I.A.No.22 of 2025.

4. The DRT, Visakhapatnam on 07.01.2025 allowed I.A.No.22 of 2025 in S.A.No.293 of 2021 with a direction to the respondent to produce the documents prescribed in I.A.No.22 of 2025. Aggrieved by the said order, the respondents approached DRAT, Kolkata by filing Misc.Appl.No.22 of 2026. In spite of service of notice, there is no representation for the learned counsel for the petitioner in the said appeal. Having heard the appellant counsel and on perusal of the record, the appellate tribunal by order dated 14.5.2026 allowed the appeal filed by the respondents and the order impugned therein dated 07.01.2025 passed by the DRT is set aside. Aggrieved by the said order, the petitioner approached this Court by filing this writ petition.

5. Heard both sides and perused the material available on record.

6. While setting aside the order dated 07.1.2025 passed by the DRT and allowing the appeal filed by the respondent, the appellate tribunal has held as follows:

> *"Any person including borrower aggrieved by any of the measures preferred under Section 13(4) of the Act may challenge the same by preferring an application under Section 17 of the Act. The Debt Recovery Tribunal shall consider, as to whether any of the measures preferred under Section 13(4) of the Act are in accordance with the provisions of the Act and Rules or*

> *not? The scope of adjudication of the DRT in an application under Section 17 of the Act is limited to this extent only. Jurisdiction of DRT does not empower it to make a roving enquiry regarding other facts which are not connected with the measures undertaken by the secured creditor under Section 13(4) of the Act. But in the present case learned DRT, without applying its mind on the issue as to whether the documents sought for by the securitization applicant are required for adjudication in Section 17 application or not, passed an order without assigning any reason, which could not be sustained."*

7. On careful perusal of the documents sought to be produced as prescribed in I.A.No.22 of 2025 in S.A.No.293 of 2021 on the file of the DRT, Visakhapatnam, and the reasons recorded by the appellate tribunal while setting aside the order dated 07.01.2025 passed by the DRT, Visakhapatanam, we are of the view that there is no infirmity or irregularity in the order passed by the Appellate Tribunal while allowing the appeal filed by the respondent herein. Thus, we are not inclined to interfere into the reasoned order dated 14.10.2026 passed by DRAT, Kolkata in Misc.Appl.No.22 of 2026.

8. However, considering the fact that the securitisation application filed by the petitioner in S.A.No.293 of 2021 is still pending before the DRT, Visakhapatnam, in our considered view, it is appropriate and desirable to direct the DRT, Visakhapatnam, to dispose of the I.A.No.22 of 2025 in

S.A.No.293 of 2021, pending on its file, as early as possible preferably within four (04) weeks by following due process of law to meet the interest of justice.

9. Accordingly, this writ petition is disposed of with a direction to the DRT, Visakhapatnam to dispose of the S.A.No.293 of 2021 pending on its file as early as possible preferably within four (04) weeks by following due process of law.

Pending miscellaneous applications, if any, shall stand closed.

BATTU DEVANAND, J

TUHIN KUMAR GEDELA, J

Dated:30.09.2026

TJN

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THE HONOURABLE SRI JUSTICE BATTU DEVANAND

THE HONOURABLE SRI JUSTICE TUHIN KUMAR GEDELA

WRIT PETITION NO: 23516 OF 2026

Dated: 30.9.2026

TJN

HIGH COURT OF ANDHRA PRADESH::AT AMARAVATI

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PROCEEDING SHEET

Sl. No	DATE	ORDER	OFFICE NOTE
03	30.9.2026	**DEV,J & GTK,J** This writ petition is disposed of. (Vide Separate Order) **DEV, J** **GTK,J** TJN	