

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

THURSDAY, THE SIXTH DAY OF JUNE  
TWO THOUSAND AND TWENTY FOUR

**PRESENT**

**THE HONOURABLE THE CHIEF JUSTICE ALOK ARADHE  
AND  
THE HONOURABLE SHRI JUSTICE ANIL KUMAR JUKANTI**

**WRIT PETITION NO: 6913 OF 2015**

**Between:**

A.P. State Civil Supplies Corpn. Ltd, Telangana Unit, rep.by its Commissioner  
and Managing Director, Civil Supplies Bhavan, Somajiguda, Hyderabad

**...PETITIONER**

**AND**

1. State Bank of Hyderabad, Gunfoundry Hyderabad Rep.by its Chairman,
2. State Bank of Hyderabad Rampur Branch, 8-6-447/1, Kothi Rampur,  
Karimnagar 505 001, Rep.by its Branch Manager,
3. Authorised Officer, State Bank of Hyderabad M.S.M.E, Rampur Branch,  
Karimnagar
4. M/s Vasudeva Industries, Chall-ur(V) of Veenavanka Mandal, Karimnagar  
District, Rep.by its Proprietor Ch. Adi. Reddy S/o. Malla Reddy,  
Mamidalapally(V) of Veenavanka(M), Karimnagar District. Aged 70 years, Occ  
Business

**...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 issue an appropriate Writ, order or direction more particularly one in the nature of Writ of Mandamus declaring the action of the 3rd Respondent in issuing the proclamation of Sale Notice dt. 16.2.2015 under Securitisation and Reconstruction of Financial Assets and Enforced of Security Interest Act, 2002 of the immovable properties of the 4th Respondent, is illegal, arbitrary, unreasonable and violative of Article 14 of the Constitution of India and the provisions of A.P.Revenue Recovery Act, 1864 and consequently set aside the

Public Auction notice dated in The New Indian Express English daily news paper  
dt. 1.3.2015.

**I.A. NO: 1 OF 2015(WPMP. NO: 9193 OF 2015)**

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 to suspend the proceedings under the public auction notice dated 16.2.2015 issued in the New Indian Express English Daily News paper on 1.3.2015 under Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act 2002.

**Counsel for the Petitioner: SRI T. P ACHARYA (NOT PRESENT)**

**Counsel for the Respondent Nos.1 & 3: SRI A. KRISHNAM RAJU**

**Counsel for the Respondent No.2 & 4: - - - -**

**The Court made the following: ORDER**

THE HON'BLE THE CHIEF JUSTICE ALOK ARADHE

AND

THE HON'BLE SHRI JUSTICE ANIL KUMAR JUKANTI

Writ Petition No.6913 of 2015

ORDER: *(Per the Hon'ble the Chief Justice Alok Aradhe)*

None for the petitioner even when the matter is called in the second round.

Perused the record.

2. In this writ petition, the petitioner has assailed the validity of e-auction sale notice dated 16.02.2015 issued under Section 13(4) of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (hereinafter referred to as 'the SARFAESI Act').

3. Admittedly, against the aforesaid e-auction sale notice, the petitioner has the remedy of approaching the Debts Recovery Tribunal. However, instead of approaching the Debts Recovery Tribunal, the petitioner has filed the writ petition.

4. This Court, by an order dated 09.01.2024 passed in W.P.No.33239 of 2023, has held that if any person is aggrieved by the steps taken under Section 13(4) of the SARFAESI Act or the

order passed under Section 14 thereof, then the aggrieved person has to approach the Debts Recovery Tribunal by way of appeal/application under Section 17 of the SARFAESI Act.

4. The Supreme Court in **United Bank of India v. Satyawati Tondon**<sup>1</sup> has deprecated the practice of the High Courts in entertaining the writ petitions despite availability of an alternative remedy. The aforesaid view has also been reiterated by the Supreme Court in **Varimadugu Obi Reddy v. B.Sreenivasulu**<sup>2</sup>.

The relevant extract of para 36 reads as under:

“36. In the instant case, although the respondent borrowers initially approached the Debts Recovery Tribunal by filing an application under Section 17 of the SARFAESI Act, 2002, but the order of the Tribunal indeed was appealable under Section 18 of the Act subject to the compliance of condition of pre-deposit and without exhausting the statutory remedy of appeal, the respondent borrowers approached the High Court by filing the writ application under Article 226 of the Constitution. We deprecate such practice of entertaining the writ application by the High Court in exercise of

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<sup>1</sup> (2010) 8 SCC 110

<sup>2</sup> (2023) 2 SCC 168

jurisdiction under Article 226 of the Constitution without exhausting the alternative statutory remedy available under the law. This circuitous route appears to have been adopted to avoid the condition of pre-deposit contemplated under 2<sup>nd</sup> proviso to Section 18 of the 2002 Act.”

5. The view taken in **Satyawati Tondon** (supra) has been reaffirmed by a three-Judge Bench of the Supreme Court in **PHR Invent Educational Society v. UCO Bank**<sup>3</sup>.

6. In view of aforesaid enunciation of law, we are not inclined to entertain the writ petition. However, liberty is granted to the petitioner to assail the e-auction sale notice dated 16.02.2015 before the Debts Recovery Tribunal, if so advised. It is directed that in case the petitioner files an appeal within a period of six weeks from today, the Debts Recovery Tribunal shall extend the benefit of Section 14 of the Limitation Act, 1963, to the petitioner.

8. With the aforesaid liberty, the Writ Petition is disposed of.

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<sup>3</sup> 2024 SCC OnLine SC 528

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Miscellaneous applications pending, if any, shall stand closed.

However, there shall be no order as to costs.

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SD/-MOHD. ISMAIL  
ASSISTANT REGISTRAR  
SECTION OFFICER

To,

1. The Chairman, State Bank of Hyderabad, Gunfoundry Hyderabad
2. The Branch Manager, State Bank of Hyderabad Rampur Branch, 8-6-447/1, Kothi Rampur, Karimnagar 505 001;
3. Authorised Officer, State Bank of Hyderabad M.S.M.E, Rampur Branch, Karimnagar
4. One CC to SRI T.P. ACHARYA, Advocate [OPUC]
5. One CC to SRI A. KRISHNAM RAJU, Advocate [OPUC]
6. Two CD Copies

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**HIGH COURT**

**DATED:06/06/2024**

**ORDER**

**WP.No.6913 of 2015**



**DISPOSING OF THE WRIT PETITION  
WITHOUT COSTS**

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