



**HIGH COURT OF ANDHRA PRADESH**  
FRIDAY ,THE TWENTY FIRST DAY OF JANUARY  
TWO THOUSAND AND TWENTY TWO

**PRESENT**

**THE HONOURABLE SRI JUSTICE AHSANUDDIN AMANULLAH**

**THE HONOURABLE MS JUSTICE B S BHANUMATHI**

**WRIT PETITION NO: 24991 OF 2020**

**Between:**

1. Challa Anjaneya Prasad, S/o.Guruvaiah, Aged 34 years,  
Business, 18-41-30,1Line, Vaddera Street,  
Sangadigunta, Guntur-522003.

**...PETITIONER(S)**

**AND:**

1. Tamilnadu Merchantile Bank Limited, represented by its Branch Manager.  
Chebrolu Branch, D.NO.6-30, Block No.6,  
Beside Sub-registrar Office, Guntur main road,  
Chebrolu-522212, Guntur District
2. The Authorised Officer, Tamilnadu Merchantile Bank,  
Chebrolu Branch, D.No.6-30,  
Block No.6, Beside Sub-registrar office,  
Guntur Main road, Chebrolu - 522212.

**...RESPONDENTS**

**Counsel for the Petitioner(s): T SREEDHAR**

**Counsel for the Respondents: HARINARAYANA K**

**The Court made the following: ORDER**



**\* THE HON'BLE Mr. JUSTICE AHSANUDDIN AMANULLAH  
&  
THE HON'BLE Ms. JUSTICE B. S. BHANUMATHI**

+ WRIT PETITION No. 24991 OF 2020

% 21.01.2022

# Challa Anjaneya Prasad  
.... Petitioner

**Versus**

\$ Tamilnadu Merchantile Bank Limited & another.  
.....Respondents

! Counsel for the Petitioner: Mr. N. Vijay

^ Counsel for the respondents: Mr. Harinarayana K.,

< Gist :

> Head Note:

? Cases Referred:

1. (1997) 9 SCC 377



## HIGH COURT OF ANDHRA PRADESH

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### WRIT PETITION No. 24491 of 2020

Between:

Challa Anjaneya Prasad

.... Petitioner

**Versus**

Tamilnadu Merchantile Bank Limited & another.

.....Respondents

DATE OF JUDGMENT PRONOUNCED: **21.01.2022**

SUBMITTED FOR APPROVAL:

**THE HON'BLE Mr. JUSTICE AHSANUDDIN AMANULLAH  
&  
THE HON'BLE Ms. JUSTICE B. S. BHANUMATHI**

1. Whether Reporters of Local newspapers may be allowed to see the Judgments? Yes/No
2. Whether the copies of judgment may be marked to Law Reporters/Journals Yes/No
3. Whether Your Lordships wish to see the fair copy of the Judgment? Yes/No

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**AHSANUDDIN AMANULLAH, J**

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**B. S. BHANUMATHI, J**



**HIGH COURT OF ANDHRA PRADESH AT AMARAVATI**  
**THE HON'BLE Mr. JUSTICE AHSANUDDIN AMANULLAH**

**AND**

**THE HON'BLE Ms. JUSTICE B. S. BHANUMATHI**

**WRIT PETITION No.24991 OF 2020**

Challa Anjaneya Prasad,  
S/o.Guruvaiah, Aged 34 years,  
Business, 18-41-30, 1 Line,  
Vaddera Street, Sangadigunta,  
Guntur-522003. ... Petitioner

Versus

1. Tamilnadu Merchantile Bank Limited,  
Rep. by its Branch Manager,  
Chebrolu Branch, D.No.6-30, Block No.6,  
Beside Sub-Registrar Office, Guntur Main Road,  
Chebrolu-522212, Guntur District.
2. The Authorized Officer,  
Tamilnadu Merchantile Bank,  
Chebrolu Branch, D.No.6-30,  
Block No.6, Beside Sub-Registrar Office,  
Guntur Main Road,  
Chebrolu – 522212. ... Respondents

Counsel for the petitioner : Mr. N. Vijay, Advocate,  
on behalf of  
Mr. T. Sreedhar,  
Advocate

Counsel for the respondents : Mr. Harinarayana K.,  
Advocate

**ORAL JUDGMENT**

**Date: 21.01.2022**

**(Per Hon'ble Mr. Justice Ahsanuddin Amanullah)**

Heard Mr. N. Vijay, learned counsel, representing  
Mr. T. Sreedhar, learned counsel for the petitioner and  
Mr. K. Harinarayana, learned counsel for the respondents.

2. The petitioner has moved the Court for the following relief:



*“..... to issue a writ of Mandamus declaring the action of the respondent No.1 and 2 in forfeiting the amounts paid by the petitioner, pursuant to auction notice dt.17.02.2020 regarding vacant residential site at plot No.8, nearest D.No.19-14-95, D.No.1132/A1, A2, A3 of Guntur Bypass road, Guntur near Khamma Seshaiyah ground of extent of 164 5/9 sq. Yards within the boundaries viz., East: Road, South: site belonging to Gude Rama Rao bearing Plot No.7, West: site of Syed Usman and North: site of Ragi Subbaiah Karishma, as arbitrary, illegal and violative of Art.14 & 300 A of Constitution of India R/w. SARFAESI Rules, 2002 and consequently to direct the Respondents No.1 and 2 to issue sale certificate for the above said auctioned property and to register the same in favour of the Petitioner and pass such other orders as this Hon’ble Court may deem fit and proper in the circumstances of the case.”*

3. The dispute lies in a narrow compass. The petitioner was the successful bidder of the property which was sold for Rs.11,45,000/- on 06.03.2020 and paid the requisite amount on the same day i.e., 25%. The balance 75%, which was supposed to be paid within the next 15 days thereafter, the petitioner was unable so to do.

4. Learned counsel for the petitioner submitted that, due to the lockdown on account of the COVID pandemic in the very first phase, though he had not made the payment in time, but subsequently all payments were made in 9 instalments, which the Tamilnad Mercantile Bank Limited (hereinafter referred to as the ‘Bank’) accepted and the total amount was finally paid on 13.10.2020. Thus, learned counsel submitted that the Bank, by accepting the payments at various intervals, acquiesced and extended the time which could otherwise also have been extended by three months viz. up to 20.06.2020. However, it was submitted that the Bank by the impugned action has forfeited the entire



amount deposited by the petitioner and no sale certificate has been issued.

5. Learned counsel for the petitioner submitted that, though as per the requirement of the terms of auction, he was required to clear the entire amount by 20.06.2020 *i.e.*, the extended period but ultimately he did clear the amount on 13.10.2020 and the same was readily accepted by the Bank and never objected to. Thus, it was prayed that the Court may interfere.

6. Learned counsel for the petitioner submitted that the Hon'ble Supreme Court in ***Air India Statutory Corporation v United Labour Union, (1997) 9 SCC 377***, at paragraph no. 59 thereof, has clearly indicated that the High Court, under Article 226 of the Constitution, has the power to mould the relief and the same has no limitation or fetter, except self-imposed limitation(s). Thus, learned counsel submitted that the Court may exercise its jurisdiction and direct the Bank to issue sale certificate and also order that the document of sale be registered, and possession of the property in question be handed over to the petitioner.

7. Learned counsel for the respondents submitted that on account of the default committed by the petitioner, the Bank rightly forfeited the amount deposited, and therefore, the sale itself did not fructify and the Bank is under no obligation to issue the sale certificate.

8. At this juncture, the Court indicated that *prima facie*, a case for interference had been made out, as the Bank had, admittedly, accepted payments made beyond the stipulated period, without any objection. The Court requested the learned counsel for



the Bank to, in the given facts, adopt a reasonable stand given that it had received payments.

9. Learned counsel for the Bank submitted that the Court may then direct the petitioner to pay 12% interest on the amount for which the sale was made for the period of default.

10. In the opinion of the Court, such stand on behalf of the Bank is reasonable.

11. Accordingly, the writ petition stands disposed of with the following directions:

a. The Bank will intimate to the petitioner the actual amount which he would be required to pay in terms of the additional burden calculated at 12% simple interest per annum on the amount which was to be paid from 20.03.2020 till actual payment was made, within one week.

b. Upon the same being done, the petitioner would deposit the amount so computed by the Bank within two weeks from the date of intimation to him.

c. Thereafter, the Bank shall issue sale certificate in favour of the petitioner and also execute the sale certificate before the registering authority within one month therefrom.

d. The actual physical possession of the property shall also be handed over to the petitioner thereupon.

12. No order as to costs. Pending Miscellaneous Applications, if any, stand consigned to records.

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**(AHSANUDDIN AMANULLAH, J)**

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**(B. S. BHANUMATHI, J)**

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LR copy to be marked.



**THE HON'BLE Mr. JUSTICE AHSANUDDIN AMANULLAH**

**AND**

**THE HON'BLE Ms. JUSTICE B. S. BHANUMATHI**

**WRIT PETITION No.24991 OF 2020**

**21.01.2022**

DSH