IN THE HIGH COURT OF ANDHRA PRADESH AT AMARAVATI

THURSDAY, THE TWENTY SIXTH DAY OF FEBRUARY

TWO THOUSAND AND TWENTY SIX

:PRESENT:

THE HONOURABLE SRI JUSTICE CHEEKATI MANAVENDRANATH ROY

AND

THE HONOURABLE SRI JUSTICE TUHIN KUMAR GEDELA

IA No. 1 OF 2026

IN

WP NO: 5621 OF 2026

Between:

M/s. Sri Srinivasa Spintex (India) Ltd, rep.by its Managing Director E. Konda Babu S/o. Satyanarayana Door No.104, K.N. Road, Pedatadepalli Village Tadepalligudem, West Godavari District

...Petitioner(s)

(Petitioner in WP 5621 OF 2026

on the file of High Court)

Union Bank of India, Rep. by its Authorized Officer, Asset Recovery Branch, Door No.26-15-150 Andhra Bank Building, Changal Rao Peta, Visakhapatnam.

...Respondent(s)

(Respondent in-do-)

Counsel for the Petitioner :Sri V V Satish

Counsel for the Respondent : Smt V.Dyumani, Standing Counsel

Petition under Section 151 of CPC is filed praying that in the circumstances stated in the affidavit filed in support of the petition, the High Court may be pleased to stay all further proceedings in pursuance of sale notice dated 05-02-2026 issued by the respondent, Pending disposal of WP No. 5621 of 2026, on the file of the High Court.

The court while directing issue of notice to the Respondents herein to show cause as to why this application should not be complied with, made the following order.(The receipt of this order will be deemed to be the receipt of notice in the case).

ORDER:

Heard the learned counsel for the petitioner and the learned Standing Counsel for the respondent-Bank.

The writ petition has been filed challenging the Sale Notice that was issued on 05.02.2026 by the respondent Bank for sale of the other secured asset. The Sale Notice was challenged on various grounds and one ground among the said grounds is that the Bank has reduced the reserve price that was fixed by 10% unilaterally. There is no provision in the SARFAESI Act or the Rules to enable the Bank to reduce the reserve price by 10%.

Therefore, the said controversy relating to right of the Bank to reduce the reserve price by 10% is to be resolved and adjudicated after a counter is filed explaining the reasons for reducing the reserve price and the provision enabling the Bank to reduce the reserve price. In fact, Rule 8 of the Rules prescribes the procedure for fixing the reserve price and there is nothing to indicate in the said Rules that the Bank is authorized to reduce the reserve price.

Therefore, in the said facts and circumstances of the case, there shall be stay of further proceedings pursuant to the sale notice dated 05.02.2026 till the next date of hearing.

SD/-K.V.RAGHAVULU
ASSISTANT REGISTRAR

//TRUE COPY//

SECTION OFFICER

To,

1. The Authorized Officer, Union Bank of India, Asset Recovery Branch, Door No.26-15-150 Andhra Bank Building, Changal Rao Peta, Visakhapatnam.**(By RPAD)**
2. One CC to Sri V V Satish, Advocate [OPUC]
3. One CC to Smt V. Dyumani, Standing Counsel [OPUC]
4. **Two spare copies**

PSR

HIGH COURT

CMR,J
&
GTK,J

DATED:26/02/2026

NOTE: LIST THE MATTER ON 30.03.2026.

ORDER

IA No. 1 OF 2026
IN
WP NO: 5621 OF 2026

INTERIM STAY

HIGH COURT OF ANDHRA PRADESH
27 FEB 2026
DESPATCHED