APHC010323772025

IN THE HIGH COURT OF ANDHRA PRADESH AT AMARAVATI

Bench Sr.No:-9
[3575]

WRIT PETITION NO: 16238 of 2025

Vijaya Durga Vegetables Merchants and others ...Petitioner(s)

Vs.

The Authorized Officer and others ...Respondent(s)

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CORAM: HON'BLE MRS JUSTICE LISA GILL
HON'BLE MR JUSTICE NINALA JAYASURYA

DATE : 24th APRIL, 2026

Present: Mr. Ravi Teja Gude, Advocate for Petitioners.
Mr.Vipin Viswar, Advocate for Respondents.

LISA GILL,J.

1. Prayer in this Writ Petition is for setting aside demand notice dated 13.10.2023 under Section 13(2) Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (for short, the "SARFAESI Act"), Sale Notice dated 18.03.2025 and E-auction Sale Notice dated 20.06.2025 issued by Respondent No.2.

2. It is the case of petitioners that borrower Smt. Ramana Mekapothula had passed away on 22.05.2021. Proper notice had never been issued to her legal heirs. Loan in question has taken jointly by Smt. Ramana Mekapothula and her husband-Prasad Mekapothula. Property in question is in the name of Smt. Ramana Mekapothula. It is the case of petitioners that upon issuance of notice under Section 13(2) SARFAESI Act, it was informed to bank that Ramana Mekapothula had since passed away.

3. Learned counsel for Respondent-Bank while referring to communication, stated to have been received on 23.04.2026, submits that factum of death of Ramana Mekapothula, co-applicant of the loan, came to its

knowledge only upon receipt of notice in the present proceedings and when enquiries were made by borrower Mr. Prasad Mekapothula about one week prior to filing of this communication regarding insurance coverage pertaining to loan account. Upon verification, it was found that Life Insurance policy was obtained only in the name of borrower, Mr. Prasad Mekapothula, and not in respect to co-applicant late Smt. Ramana Mekapothula. Health Insurance policy taken by the borrower and co-applicant was valid for one year and has also since expired. No insurance cover had been taken in the name of deceased/co-applicant.

4. It is, however submitted that in order to ensure strict compliance with due process of law, Respondent-Bank may be permitted to initiate fresh proceedings under SARFAESI Act, as against legal heirs of deceased/ co-applicant, as well. Such concession, it is further submitted has been made in the interest of justice and without prejudice to the rights of Respondent-Bank and should not be treated to be a precedent.

5. Learned counsel for Petitioners submits that, at this stage, he would not press this petition, in case fresh proceedings under SARFAESI Act, are undertaken by Respondent-Bank, in accordance with law, but, without prejudice to rights of petitioners to challenge the same in accordance with law, as well as to pursue the claim regarding insurance coverage taken in respect to deceased-Ramana Mekapothula, as well.

6. Writ Petition is dismissed, as not pressed, with liberty as aforementioned. No costs. Pending application(s), if any, stand(s) disposed of, accordingly.

(LISA GILL)
JUDGE

(NINALA JAYASURYA)
JUDGE

Date: 24.04.2026
MS

HON'BLE MRS JUSTICE LISA GILL

HON'BLE MR JUSTICE NINALA JAYASURYA

Writ PetitionNo.16238 of 2025

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MS