HIGH COURT OF ANDHRA PRADESH::AT AMARAVATI

MAIN CASE No.W.P.No.18295 of 2026

PROCEEDING SHEET

Sl. No	DATE	ORDER	OFFICE NOTE
1.	09.07.2026	**<u>DEV,J & SUN,J</u>** **<u>W.P.No.18295 of 2026</u>** Notice before admission. Issue notice to the respondents. Learned counsel for the petitioner is permitted to take out personal notice to the respondents and file proof of service within three weeks. Post the matter on 06.08.2026, to enable the respondents to file their counters. ____________ **DEV, J** ____________ **SUN, J** **<u>I.A.No.1 of 2026</u>** As per the learned counsel for the petitioner, petitioner's husband is an employee of APEPDCL and availed housing loan for an amount of Rs.14,02,500/- for the purpose of construction of house and the said loan account was covered by the insurance policy issued by the 3rd respondent. Thereafter, the respondent No.2 gave top-up loan to the petitioner in the month of May, 2024 for an amount of Rs.37,00,000/-. The petitioner's husband	

is regularly paying monthly instalments.

Unfortunately, on 05.10.2024, the petitioner's husband died in harness. The respondent No.3 did not choose to settle the petitioner's claim as per the terms and conditions of the master policy issued by them. Thereafter, the respondent No.3 repudiated the claim made by the petitioner, which is challenged before the District Consumer Disputes Redressal Commission in C.C.No.5 of 2025 and the said complaint was allowed on 12.11.2025. The 3rd respondent preferred an appeal before the State Consumer Disputes Redressal Commission, Andhra Pradesh and it is pending. The 3rd respondent deposited 50% of the award amount towards statutory deposit before the said Commission. While the matter stood thus, the respondent No.2 issued Possession Notice dated 21.05.2026 to take possession of the petitioner's house property. Aggrieved by the same, the petitioner approached this Court.

In view of the admitted facts in this case that the house loan availed by the petitioner's husband is covered under the master policy issued by the 3rd respondent and the said dispute is pending before the State Consumer Disputes Redressal Commission, in view of the same the respondent Nos.1 & 2 ought to have wait till disposal of the said dispute before the said Commission instead of taking steps to take possession of the petitioner's house property. The 3rd respondent bank ought to have taken into account that during the lifetime of the petitioner's husband, he paid instalments of the loan

		regularly and the petitioner, at present, lost breadwinner of the family, and she is not in a position to clear the dues immediately. Besides this, the risk is covered under the master policy issued by the insurance company. In view of the above factual position, there shall be an interim stay of all further proceedings, as prayed for. **DEV, J** **SUN, J** Vns	