

IN THE HIGH COURT OF ANDHRA PRADESH: AT AMARAVATI

WRIT PETITION No.25439 of 2025

Between

Union Bank of India, Parthipadu Branch,
Parthipadu Village and Mandal, Guntur District,
Andhra Pradesh - 522019 , represented by its
Authorized Officer.

.. Petitioner

And

The State of Andhra Pradesh,
Represented by its Principal Secretary,
Revenue Department, Secretariat ,
Velagapudi, Amaravathi, Andhra
Pradesh and five others.

.. Respondents

DATE OF JUDGMENT PRONOUNCED: 09.12.2025

**THE HON'BLE SRI JUSTICE CHEEKATI MANAVENDRANATH ROY
AND
THE HON'BLE SRI JUSTICE TUHIN KUMAR GEDELA**

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|----|--|--------|
| 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 Reports/Journals? | Yes/No |
| 3. | Whether Their Ladyship/Lordship wish to see the fair copy of the Judgment? | Yes/No |

CHEEKATI MANAVENDRANATH ROY, J

TUHIN KUMAR GEDELA, J

*** THE HON'BLE SRI JUSTICE CHEEKATI MANAVENDRANATH ROY
AND
THE HON'BLE SRI JUSTICE TUHIN KUMAR GEDELA**

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Union Bank of India, Parthipadu Branch,
Parthipadu Village and Mandal, Guntur District,
Andhra Pradesh - 522019 , represented by its
Authorized Officer.

.. Petitioner

Vs.

\$ 1. The State of Andhra Pradesh,
Represented by its Principal Secretary,
Revenue Department, Secretariat ,
Velagapudi, Amaravathi, Andhra Pradesh
and five others.

.

.. Respondents

! Counsel for the petitioner : Ms. V. Dyumani

^Counsel for respondents 1 to 3 : Assistant Government Pleader for
Registration
& Stamps

^Counsel for respondents 4 to 6 : Mr. Narra Srinivasa Rao

< Gist:

➤ Head Note:

? CASES REFERRED: NIL.

APHC010483292025



**IN THE HIGH COURT OF ANDHRA PRADESH
AT AMARAVATI
(Special Original Jurisdiction)**

[3558]

TUESDAY, THE NINTH DAY OF DECEMBER
TWO THOUSAND AND TWENTY FIVE

PRESENT

THE HONOURABLE SRI JUSTICE CHEEKATI MANAVENDRANATH ROY

THE HONOURABLE SRI JUSTICE TUHIN KUMAR GEDELA

WRIT PETITION No.25439 of 2025

Between:

1.UNION BANK OF INDIA, PARTHIPADU BRANCH,
PARTHIPADU VILLAGE AND MANDAL, GUNTUR DISTRICT,
ANDHRA PRADESH - 522019 , REPRESENTED BY ITS
AUTHORIZED OFFICER.

...PETITIONER

AND

1.THE STATE OF ANDHRA PRADESH, REPRESENTED BY ITS
PRINCIPAL SECRETARY, REVENUE DEPARTMENT,
SECRETARIAT VELAGAPUDI, AMARAVATHI, ANDHRA
PRADESH.

2.DIRECTOR & INSPECTOR GENERAL OF REGISTRATION &
STAMPS, D. NO. 5/59, R.K. SPRING VALLEY APARTMENTS,
MANDAL, EDUPUGALLU, KANKIPADU, KRISHNA DISTRICT,
ANDHRA PRADESH -521151.

3.THE SUB REGISTRAR OF ASSURANCES, PARTHIPADU,
GUNTUR DISTRICT, A.P. - 522019

4.SRI KOTAPATI SURESH, S/O SIVANANDAM, AGED ABOUT
50 YEARS, PROPRIETOR OF SRI RAMA SEEDS, R/O DOOR
NO. 1-17, BORRAVARIPALEM VILLAGE, PARTHIPADU

MANDAL, GUNTUR DISTRICT, A.P.

5.KOTAPATI VENKAYAMMA, W/O K. SURESH D. NO. 1-17,
BORRAVARIPALEM VILLAGE, PRATHIPADU MANDAL,
GUNTUR DISTRICT, A.P. - 522019

6.NALLURI SUBBA RAO, S/O SIVARAMAIAH, R/O DOOR NO. 1
- 74, KONDEPADU VILLAGE, PRATHIPADU MANDAL,
GUNTUR DISTRICT, A.P.

..RESPONDENT(S):

Counsel for the Petitioner:

1.V DYUMANI

Counsel for the Respondent(S):

1.SRINIVASA RAO NARRA

2.GP FOR REGISTRATION AND STAMPS

The Court made the following:

**THE HON'BLE SRI JUSTICE CHEEKATI MANAVENDRANATH ROY
AND**

THE HON'BLE SRI JUSTICE TUHIN KUMAR GEDELA

WRIT PETITION No.25439 of 2025

ORDER: *(Per Hon'ble Sri Justice Cheekati Manavendranath Roy)*

Questioning the action of the 3rd respondent - Sub-Registrar of Prathipadu, Guntur District, in refusing to register the sale certificate presented by the petitioner-bank in favour of the auction purchaser, who purchased the secured assets in the public auction held pursuant to the measures initiated by the bank under the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (for short, 'the SARFAESI Act') for realization of the loan amount, the instant writ petition has been filed by the petitioner-bank.

2. Heard Ms. V. Dyumani, learned counsel for the petitioner, learned Assistant Government Pleader for Registration & Stamps appearing for official respondent Nos.1 to 3 and Mr. Narra Srinivasa Rao, learned counsel appearing for unofficial respondent Nos.4 to 6.

3. Brief overview of the facts leading to the *lis* in this writ petition may be delineated as follows:

The 4th respondent is the principal borrower who availed loan from the petitioner-bank. The 5th respondent is the wife of the 4th respondent and she is a co-obligant to the loan transaction. Both of them offered their immovable properties as security for repayment of the loan amount by way of deposit of title deeds. As they have committed default in repayment of the loan amount, the petitioner-bank has initiated measures under the SARFAESI Act and brought the

secured assets for sale in the public auction. A person by name Golla Bhaktawatsalam, who participated in the said auction, became successful bidder in respect of the secured asset shown as schedule property-III in the e-auction sale notice i.e., plot No.22 admeasuring 92 square yards in Survey D.No.227 of Prathipadu Village and he purchased the said secured asset in the auction. He has paid the entire sale consideration. Thereafter, a sale certificate was executed in his favour by the bank in respect of the secured asset that was purchased by him in the auction. When the said sale certificate was presented before the 3rd respondent- Sub-Registrar for registration, he has refused to effect registration of the said sale certificate on the ground that the civil Court has passed an order of temporary injunction against respondent Nos.4 and 5 in respect of the said secured asset not to sell the said property in a suit instituted by respondent No.6 for specific performance of contract on the basis of an agreement to sell said to have been executed by respondent Nos.4 and 5 in his favour on 09.09.2022. The said suit for specific performance in O.S.No.861 of 2024 was filed in the year 2024 and the aforesaid temporary injunction order came to be passed on 20.11.2024. Therefore, on the basis of the said order of temporary injunction, the 3rd respondent- Sub-Registrar has declined to effect registration of the sale certificate executed by the petitioner-bank in favour of the auction purchaser.

4. We absolutely see no justification on the part of the 3rd respondent- Sub-Registrar in refusing to register the sale certificate presented by the petitioner-bank on the ground that a temporary injunction order was passed by the civil court against respondent Nos.4 and 5 in a suit instituted by respondent No.6 for specific performance of contract.

5. At this juncture, it is relevant to note that the Commissioner and Inspector General of Registration & Stamps, A.P., issued proceedings by way of Memo bearing No.G1/E5831041/2022 dated 13.05.2022, wherein he has given instructions to all the District Registrars in the State that while registering the sale certificates issued by the Authorized Officer of the banks or financial institutions etc., they are directed to follow the advice of the Government Pleader for Revenue without protesting registration under the pretext of attachment orders passed by the competent Court/Registrar of Chits/Income Tax Department etc., so as to avoid *suo motu* contempt proceedings by the High Court. The said Memo was issued in view of the orders passed by this Court in W.P.No.3908 of 2022, which was filed against the Sub-Registrar of Sattenapalli, District Registrar of Guntur and the State represented by the Commissioner & Inspector General, Registration & Stamps. A similar dispute was involved in the said writ petition and this Court has taken a serious note of the conduct of the Sub-Registrars in refusing to register the sale certificates presented by the banks and financial institutions relating to sale of secured assets. Therefore, in view of the directions given by this Court in the said writ petition, the aforesaid Memo appears to have been issued.

6. As per the submissions made by the learned counsel for the petitioner-bank, the said Memo was also placed before the 3rd respondent- Sub-Registrar and it was taken to his notice, but despite the same, the 3rd respondent persisted on his conduct and declined to register the sale certificate.

7. As per the facts of the present case, the property in question was mortgaged to the petitioner-bank in the year 2021 and while the mortgage created in favour of the bank has been subsisting, respondent Nos.4 and 5, who are the principal borrower and

co-obligant, brought into existence the alleged agreement to sell dated 09.09.2022 in respect of the said secured asset in favour of the 6th respondent subsequently. Thereafter, the 6th respondent filed a suit for specific performance of the contract against respondent Nos.4 and 5 in the year 2024 and obtained a temporary injunction against respondent Nos.4 and 5 not to alienate the said property during the pendency of the suit. These proceedings relating to execution of agreement to sell and filing of the suit thereafter and obtaining an order of temporary injunction, *prima facie*, appear to be collusive proceedings between respondent Nos.4 and 5 on one hand and respondent No.6 on the other hand to defeat the rights of the petitioner-bank to realize the loan amount from respondent Nos.4 and 5.

8. At any rate, as the mortgage in favour of the bank is prior in point of time and as it has been in existence even on the date of executing the alleged agreement to sell in favour of the 6th respondent by respondent Nos.4 and 5, it prevails over the alleged agreement to sell brought into existence subsequently in the year 2022. Even if an order of temporary injunction not to alienate the property was passed by a civil court against respondent Nos.4 and 5, the right of the petitioner-bank as a secured creditor to sell the said property, which is a secured asset, in the public auction for realization of the loan amount is not at all affected and it is well protected and the bank has got every statutory right to sell the said property for realization of the loan amount which is public money. In fact, the said order of temporary injunction is not binding on the bank as it was not passed against the bank. So, on the pretext that the civil Court has passed an order of temporary injunction against respondent Nos.4 and 5 not to alienate the property in a suit instituted by a third party, who is the 6th respondent herein, the 3rd respondent cannot refuse to register the

sale certificate presented by the petitioner-bank. As noticed supra, he is absolutely not justified in declining to register the sale certificate on the above premise. He did not follow the circular instructions issued in the Memo dated 13.05.2022 by his superior authority and he did not even seek any advice from the Government Pleader as instructed in the said Memo. It clearly amounts to dereliction of his duties which is highly questionable.

9. Therefore, as the said order of temporary injunction passed by the civil court cannot come in the way of registering the sale certificate presented by the secured creditor, a direction is required to be given to the 3rd respondent - Sub-Registrar to receive the sale certificate presented by the petitioner-bank and register the same by following due process of law, without taking any untenable objection.

10. *In fine*, the writ petition is allowed, declaring the action of the 3rd respondent- Sub-Registrar of Prathipadu in refusing to register the sale certificate presented by the petitioner-bank in favour of the auction purchaser in terms of the measures initiated under the SARFAESI Act as *ex facie* illegal and directing him to receive the said sale certificate and to register the same by following due process of law.

As a sequel, interlocutory applications, if any pending, in this case shall stand closed. There shall be no order as to costs.

JUSTICE CHEEKATI MANAVENDRANATH ROY

JUSTICE TUHIN KUMAR GEDELA

Date: 09.12.2025

Note: LR copy to be marked

(B/o)

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THE HONOURABLE SRI JUSTICE CHEEKATI MANAVENDRANATH ROY

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Dt: 09.12.2025

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