

HIGH COURT FOR THE STATE OF TELANGANA:: AT HYDERABAD

MAIN CASE No.: W.P.No.22506 of 2026

PROCEEDINGS SHEET

Sl. No.	Date	ORDER	OFFICE NOTE
1	14.07.2026	<u>MB,J & GPK,J</u> Sri G.K.Deshpande, learned counsel appearing for the petitioners. <u>I.A.No.1 of 2026</u> <u>In</u> <u>W.P.No.22506 of 2026</u> The present Writ Petition has been filed against an order dated 10.07.2026 passed by the Debts Recovery Appellate Tribunal at Kolkata (DRAT) refusing to stay an auction notice dated 22.06.2026 which scheduled the consequent sale of the secured asset on 15.07.2026, i.e. tomorrow, by way of an auction. We have heard learned counsel appearing for the petitioners. The petitioners are the borrowers in relation to the respondent No.1-Bank of Baroda. The petitioners filed S.A.No.492 of 2024 before the Debts Recovery Tribunal-1 (DRT) at Hyderabad, which was dismissed on 13.03.2026. The Court is informed that the petitioners had earlier filed an Appeal before the DRAT from an order passed by the DRT imposing a deposit of Rs.4 crores on the petitioners for stay of further proceedings to be taken by the Bank. ...contd.2	

		The DRAT waived the deposit which was to be put in by the petitioners in terms of section 18(1) of the SARFAESI Act, 2002 and directed the DRT to decide the SA expeditiously while ordering <i>status quo</i> over the scheduled property until disposal of the SA. The petitioners filed a Second Appeal before the DRAT from dismissal of its S.A. and also made a similar application for waiver under third proviso to section 18(1) of SARFAESI Act, 2002. While the application for waiver was pending, the respondent-Bank proceeded to issue the auction notice dated 22.06.2026 by fixing the auction tomorrow i.e. 15.07.2026. Learned counsel appearing for the petitioners submits that the petitioners will lose their entire security if the auction is permitted to continue. We find substance in the contentions made on behalf of the petitioners. The respondents-Bank of Baroda cannot be permitted to conduct auction of the property and sell the same to the highest bidder despite pendency of the Appeal filed by the petitioners and the waiver application therein. Hence, this Court deems it fit to stay the auction to be conducted by the respondents-Bank tomorrow i.e. 15.07.2026 till further orders. ...contd.3	
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		Issue notice, including personal notice to the respondents. List this matter on 04.08.2026. Proof of Service to be filed on the next date. <u>MB,J</u> <u>GPK,J</u> <u>Note:</u> Issue CC today ysk	
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