

HIGH COURT OF ANDHRA PRADESH :: AMARAVATHI

MAIN CASE NO: WP No.9018 of 2023

PROCEEDING SHEET

Sl. No.	DATE	ORDER	OFFICE NOTE
01	13-04-2023	<u>RC, J:</u> Notice before admission. Sri G.R.Sudhakar, learned Standing Counsel for A.P.State Financial Corporation, takes notice on behalf of respondent Nos.1 to 3 and sought one week time for filing counter. Learned counsel for the petitioners sought permission of this Court to implead the highest bidder. The learned counsel for the petitioners is permitted to implead the auction purchaser the highest bidder. Post on 20.04.2023. Registry is directed to delete the name of learned Government Pleader for Finance and Planning. RC, J <u>I.A.No.1 of 2023</u> The learned counsel for the petitioners herein submitted that the petitioners herein agreed to clear the loan of the 4th respondent with the 1st respondent and thereby entered into agreement of sale with the 4th respondent dated 20.02.2016 and in	

		view of that matter, the petitioners have paid amounts to the 1st respondent towards the loan amount of the 4th respondent and the same were accepted and realized that too with the consent of the 4th respondent. He further contended that due to some hitch caused by the 4th respondent the matter was further delayed since the respondent Nos. 2 and 3 have not furnished the actual due amount by the 4th respondent and he further contended that, giving a go-bye to all these, the 1st respondent proceeded and decided to sell the property by e-auction. In that regard, the petitioners, earlier filed Writ Petition vide W.P.No.1475 of 2022 and as the bidders have not come forward the auction did not take place and on the representation made by the Standing counsel to that effect, the said writ petition was closed. The learned counsel for the petitioners further submitted that the petitioners are in constant touch with AGM of the 1st respondent to settle the issue and requested to furnish exact statement of account in order to pay the balance loan amount of the 4th respondent, if any. But the said authority has not given any statement particulars so far. In the meantime, fresh e auction notice has been issued and auction date was fixed	
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		as 27.01.2023 without intimation to the petitioners. After coming to know of the same, the petitioners have made a representation/objection dated 18.01.2023 to the 1st respondent authorized officer. The learned counsel for the petitioners further contended that when the petitioners approached the 2nd respondent in that regard, he informed that they are not going to consider their case and they have already chosen a buyer at the instance of the 4th respondent and they are intending to proceed by a private sale. The learned counsel contended that by virtue of the provisions of the A.P.S.F.C. Act, they cannot go for in a private sale and having received substantial amount from the petitioners towards the loan amount of the 4th respondent taking steps to auction the property is unjustified. As such the present writ petition is filed. In the meantime, if the auction is concluded, the purpose of filing the Writ Petition would be defeated. As such prayed to protect the interest of the petitioners, pending disposal of the writ petition. When enquired with the learned Standing Counsel about the status of the auction, the learned Standing counsel	
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	submitted that auction has been conducted and the successful bidder has to deposit the balance amount of about one crore, but, he has not yet deposited the same and he sought further three months' time to deposit the said amount. On the other hand, the learned counsel for the petitioners submitted that, they are bona fide purchasers and their vendor has failed to clear the mortgage amount though he promised the petitioners that he would clear the loan amount and further the petitioners have cleared of substantial part of the loan amount and now if sale is concluded, the petitioner will be put to irreparable loss and injury. Now, in these circumstances the petitioners are ready to pay the entire balance amount, if any, due to the A.P.State Financial Corporation. In the meantime, if the auction is concluded, the rights of the parties would be affected. Taking into consideration the facts and circumstances of the case and as there is some force in the contention of the petitioners that if auction is concluded their rights will be affected. In these circumstances, this Court is inclined to pass the following order:	
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