



IN THE HIGH COURT OF KARNATAKA AT BENGALURU

DATED THIS THE 19TH DAY OF DECEMBER, 2025

BEFORE

THE HON'BLE SMT. JUSTICE LALITHA KANNEGANTI

WRIT PETITION NO. 37150 OF 2025 (GM-DRT)

BETWEEN:

SMT VASANTHI N.M.,

W/O NAGA MARAKALA

AGED ABOUT 63 YEARS

RESIDING AT POORNIMA NIVAS

POST KODI KANYANA

VIA SASTHANA

UDUPI-576 226

...PETITIONER

(BY SRI. AJITH A SHETTY, ADVOCATE)

AND:

1. UNION BANK OF INDIA

MITRA TOWERS,

KASTURBA RD,



SHANTHALA NAGAR,
ASHOK NAGAR,
BENGALURU,
KARNATAKA -560 001
BY ITS REGIONAL HEAD

2. UNION BANK OF INDIA
PORT ROAD BRANCH
MALPE, UDUPI-576 108
BY ITS BRANCH MANAGER

...RESPONDENTS
(BY SMT.DIVYA PURANDAR, ADVOCATE)

THIS PETITION IS FILED UNDER ARTICLES 226 AND
227 OF THE CONSTITUTION OF INDIA, PRAYING TO
QUASHING THE IMPUGNED NOTICE DATED 31ST
OCTOBER, 2025, BEARING REFERENCE NUMBER
RO/UDUPI/CRLD/1-11-12- 2025-26 AS PER ANNEXURE J.

THIS PETITION, COMING ON FOR ORDERS, THIS
DAY, ORDER WAS MADE THEREIN AS UNDER:



CORAM: HON'BLE SMT. JUSTICE LALITHA KANNEGANTI

ORAL ORDER

The present writ petition is filed seeking the following prayer:

"WHEREFORE, the petitioners would most respectfully pray that this Hon'ble Court be pleased to;

- a. Issue a writ of certiorari, thereby quashing the impugned notice dated 31.10.2025, bearing reference number RO/UDUPI/CRLD/1-11-12-2025-26 as per Annexure-J;***
- b. Issue a writ of mandamus, directing respondent banks to reconcile the payments made 14.11.2024, 19.11.2024 and 04.12.2024 as per Annexures B, C and D respectively to the demand raised vide their demand notice dated 05.10.2024 as per Annexure-A;***
- c. Issue a writ of mandamus, directing the respondent bank to consider the petitioner's requests made vide letter dated 17.12.2024 as per Annexure-F; and***
- d. Grant such other relief's as this Hon'ble Court would deem fit to grant under the facts and circumstances of the present case in the interest of justice and equity."***

2. Learned counsel appearing for the petitioner submits that the demand notice was issued on 05.10.2024 stating that the outstanding amount is Rs.9,60,425/-. The petitioner after the demand notice had paid an amount of Rs.8,75,000/- which is an admitted fact. Then the bank had issued a possession notice dated 11.12.2024. Again in the



possession notice, the amount that that was mentioned in the demand notice as it is mentioned as Rs.9,60,425/-. Then, the petitioner had addressed a letter to the bank dated 17.12.2024 stating about the amounts that are paid and the outstanding would be only an amount of Rs.95,425/-. Then, the bank had issued a reply dated 20.12.2024 stating that the outstanding amount is Rs.5,32,432/-. It is the contention of the learned counsel for the petitioner that as per notice under Section 13(2) of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002, (hereinafter referred to as 'SARFAESI Act'), the outstanding amount is Rs.9,60,425/-. When she had paid an amount of Rs.8,75,000/-, according to the bank, how the outstanding amount is Rs.5,32,432/-. It is submitted that in fact she had addressed letters to the bank. There is no clarity on how the bank had arrived at such an amount.

3. Learned counsel appearing to the respondent/bank submits that in the notice under Section 13(2) of SARFAESI act, the outstanding amount that is mentioned is the amount



calculated without interest, after that they have calculated as such they have arrived at such amount.

4. Having heard the learned counsels on either side, perused the entire material on record. This Court do not find any force in the submission of the learned counsel appearing for the respondent/bank. She also does not deny the fact that whenever a notice is issued under Section 13(2) of SARFAESI Act, along with the interest whatever is the outstanding amount they will be mentioning in the notice. The bank cannot issue these kind of notices and make their own calculations and follow procedures that suit them. The banks are bound by the Reserve Bank of India guidelines and also the procedure laid down under the SARFAESI Act. It cannot be at the Whims and fancies of the bank. Considering all these, this Court is passing the following:

ORDER

- i. Notices that are issued by the bank under Section 13(2) and 13(4) of SARFAESI Act are ***set aside.***



- ii. Already the petitioner has made the representation to the bank, the bank shall first indicate to the petitioner what is the outstanding amount basing on the accounts and then shall proceed in accordance with law.
- iii. The amount in deposit before this Court shall be released in favour of the bank.
- iv. Accordingly, the writ petition is ***disposed of***.
- v. All I.As., in the writ petition shall stand closed.

SD/-
(LALITHA KANNEGANTI)
JUDGE