



IN THE HIGH COURT OF KARNATAKA, AT DHARWAD

DATED THIS THE 8TH DAY OF JANUARY, 2026

PRESENT

THE HON'BLE MR. JUSTICE M.I.ARUN

AND

THE HON'BLE MR. JUSTICE B. MURALIDHARA PAI

CIVIL CONTEMPT PETITION NO. 100452 OF 2025

BETWEEN:

1. IMRAN B. BAGWAN (CO - APPLICANT)
S/O. LATE BASIRAHAMAD M. BAGWAN
(APPLICANT)
AGE: 40 YEARS, OCC: BUSINESS.
2. JAVEED BASIHIRSAB BAGWAN (CO-APPLICANT)
S/O. LATE BASIRAHAMAD M BAGWAN
(APPLICANT)
AGE: 38 YEARS, OCC: BUSINESS.
3. IRFAN B. BAGWAN (CO-APPLICANT)
S/O. LATE BASIRAHAMAD M BAGWAN
(APPLICANT)
AGE: 40 YEARS, OCC: BUSINESS.

ALL ARE R/O: PLANT NO.205 AND 206,
SHIVAJI NAGAR, ASAD KHAN SOCIETY,
BELAGAVI – 590 001.

... COMPLAINANTS

(BY SRI. K.H.BAGI, ADVOCATE FOR SMT. CHAITRA M.M.,
ADVOCATE)

AND:

1. SRI. KEERTHINATH SHANKAR,
AGE: 45, OCC: THE AUTHORIZED OFFICER,
R/O: SMFG INDIA HOME FINANCE CO. LTD.,
(FORMERLY FULLERTON INDIA HOME
FINANCE CO. LTD.,)

Digitally signed by
VISHAL NINGAPPA
PATTHAL

Location: High
Court of Karnataka,
Dharwad Bench,
Dharwad



REGISTER OFFICE AT COMMERZONE
IT PARK, TOWER B,
1ST FLOOR, NO.111, MOUNT
POONAMALLEE ROAD,
PORUR CHENNAI – 600 116.

2. SRI. SATHIVEL A.,
AGE: 48, OCC: AUTHORIZED OFFICER,
SMFG INDIA HOME FINANCE CO. LTD.,
(FORMERLY FULLERTON INDIA HOME
FINANCE CO. LTD.,)
CIRCLE OFFICE AT N M COMPLEX NO.6,
1ST FLOOR, SERVICE-ROAD REMEO LAYOUT,
HAMPI NAGAR, ADJ TO ATTIGUPPE
MERTO STATION, VIJAY NAGAR,
BANGALORE – 560 040.
3. SRI. SHABAZ DHARWAD,
AGE: 37 YEARS,
OCC: BRANCH MANAGER/AUTHORISED OFFICER,
SMFG INDIA HOME FINANCE CO. LTD.,
(FORMERLY FULLERTON INDIA HOME
FINANCE CO. LTD.,)
OFFICE AT: FIRST FLOOR, CTS NO.1373,
RAJMANI COMPLEX, OPP CITY ARCADE
MUTHOOT FINANCE, RAMLINGKHIND
GALLI, BELAGAVI – 590 002.

... ACCUSED

(BY SRI. SACHIN C. ANGADI, ADV., FOR A1 TO A3
APPEARED THROUGH VC)

THIS CCC IS FILED UNDER ARTICLE 215 OF THE
CONSTITUTION OF INDIA R/W SECTION 11 AND 12 OF THE
CONTEMPT OF COURTS ACT, 1975 PRAYING TO ISSUE NOTICE
TO THE ACCUSED AND THIS HON'BLE COURT BE PLEASED TO
INITIATE THE CONTEMPT PROCEEDINGS AGAINST THE
ACCUSED FOR NOT COMPLYING THE ORDER DATED 03.12.2025
PASSED BY THIS HON'BLE COURT IN W.P.NO.107753/2025 VIDE
ANNEXURE-A AND PUNISH THEM FOR NON-COMPLIANCE OF
THIS HON'BLE COURT ORDER IN THE INTEREST OF JUSTICE
AND EQUITY AND ETC.,



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

CORAM: THE HON'BLE MR. JUSTICE M.I.ARUN
AND
THE HON'BLE MR. JUSTICE B. MURALIDHARA PAI

ORAL ORDER

(PER: THE HON'BLE MR. JUSTICE M.I.ARUN)

On the ground that the order passed in W.P.
No.107753/2025 has been violated, the present contempt
petition has been filed.

2. The accused are the employees of a Financial
Institution viz., SMFG India Home Finance Co. Ltd., which has
granted loan to the complainants herein. On the ground that the
complainants committed default in repayment of the loan,
proceedings under the Securitisation and Reconstruction of
Financial Assets and Enforcement of Security Interest Act, 2002
(for short, 'the SARFAESI Act') has been initiated by the Financial
Institution. The same came to be challenged by the complainants
before this Court by way of W.P. No.107753/2025.

3. This Court, after hearing the parties, has passed the
following order:



"1. The petitioners are before this Court seeking the following prayer:

"A. Issue a writ of certiorari to quash the public auction sale of notice dated 27.09.2025 vide Annexure-F issued by respondent no. 2 and 3 by allowing this writ petition in the interest of justice and equity.

B. Issue a writ of mandamus or direction to the Bank not to take coercive steps against the petitioners for recovery of loan amount and grant some more installments for repayment of the loan amount.

C. Pass any other orders deem fit under the circumstances of the case in the interest of justice and equity."

2. The learned counsel Sri. Sachin C. Angadi, appearing for the respondent Nos.1 to 3, submits that the auction did not take place on the intended date on account of the interim order subsisting in the case at hand.

3. In that light, the date of auction having spent itself, the petition is rendered infructuous and is liable to be disposed of as having become infructuous.

4. The learned counsel appearing for the petitioners submits that the petitioners have paid



Rs.24,00,000/- out of the total loan amount of Rs.39,00,000/- availed. Therefore, the respondent-Bank shall take note of the fact that a sum of Rs.24,00,000/- has already been deposited by the petitioners, if and when any further steps are initiated to secure the asset under the SARFAESI Act.

5. The learned counsel for the petitioners further submits that the petitioners would also submit a representation seeking a One-Time Settlement (OTS) before the Bank. While this Court cannot issue a mandamus directing the respondent- Bank to accept the One-Time Settlement, if such representation is submitted, it is open to the Bank to consider the same in accordance with law, more so in the light of the fact that the petitioners have already deposited Rs.24,00,000/- out of the Rs.39,00,000/- availed.

6. with the aforesaid observations, the petition stands disposed of.

7. The learned counsel appearing for the petitioners further submits that possession of the house has been taken and the petitioners are on the streets. In light of the fact that Rs.24,00,000/- has already been paid, the Bank shall consider re-delivery of possession to the petitioners in accordance with law."

4. On the ground that the Financial Institution has refused to consider the request of the complainants for a



one-time settlement as well as redelivery of the possession of the property taken by the Financial Institution, the present contempt petition is filed.

5. The learned counsel for the respondent/accused has drawn the attention of this Court to the mail sent by the Financial Institution to the first complainant in this regard. The same is not disputed by the complainants. The said mail reads as under:

"Dear Mr. Imran B Bagwan,

We refer to your email dated 04/12/2025 and 10/12/2025 regarding your request to redeliver the possession of the property and an intent of One-Time Settlement (OTS) in respect of Loan Account No. 601407510469611.

*As per the Order of the Hon'ble High Court it is **"the bank shall consider re-delivery of possession to the petitioners in accordance with law"**, Accordingly, we are ready to negotiate for settlement to consider re-delivering the possession in accordance with Law post settlement/closure.*

Please note that the property is under the auction process as per legal provisions. Accordingly, the settlement amount proposed by you seems irrational & cannot be considered.



You are hereby advised to note that as on date the outstanding amount is Rs. 3,660,168.03/-, which will be accrued with additional interest & charges thereon till the date of realization.

In view of the above, we request you to approach with the considerable amount immediately to avoid further legal proceedings and to enable closure of the account.

For any clarification and further discussion on OTS, you may contact Mr. Sathivel A - +919840325348 at Office Address - NM Complex #6, 1st Floor, Service Rd, Remco Layout, Hampi Nagar, Adj. to Attiguppe Metro Station, Vijayanagar, Bangalore - 560040 between office hours 09:30 am to 06:30 pm and reach him on the above contact number.

6. If a borrower is aggrieved by the action of the Financial Institution initiated under Section 13 of the SARFAESI Act, he has an alternative and efficacious remedy of appeal under Section 17 of the said Act. However, on humanitarian grounds, this Court in W.P. No.107753/2025, has directed the Financial Institution to consider the request of the complainants for one-time settlement as well as redelivery of the possession of the property which has been attached by the Financial Institution. The Financial Institution has considered and rejected



same as the proposal submitted by the complainants is insufficient. The same has been communication to the complainants by way of E-mail which is not in dispute. This, in our opinion, satisfies compliance of the directions issued by this Court in W.P. No.107753/2025.

7. For the aforementioned reasons, the contempt petition against the accused stands dropped.

Pending interlocutory applications, if any, stand disposed of as not surviving for consideration.

Sd/-
(M.I.ARUN)
JUDGE

Sd/-
(B. MURALIDHARA PAI)
JUDGE