



CNR: KAHC010522112025

NC: 2026:KHC:55730
WP No. 23906 of 2025

IN THE HIGH COURT OF KARNATAKA AT BENGALURU

DATED THIS THE 6TH DAY OF OCTOBER, 2026

BEFORE

THE HON'BLE SMT. JUSTICE LALITHA KANNEGANTI

WRIT PETITION NO. 23906 OF 2025 (GM-DRT)

BETWEEN:

1. VOYAGER APARTMENT PRE-OWNERS
ASSOCIATION
MOODANIDAMBOOR VILLAGE.
OPP. GOVERNMENT HIGH SCHOOL.
UDUPI-576 101
REP. BY ITS PRESIDENT
SRI GIRISH AITHAL,
S/O LATE B.K. AITHAL
AGED ABOUT 50 YEARS
2. VASUDEVA PRABHU
S/O SHREEDHAR PRABHU,
AGED ABOUT 43 YEARS
R/AT APARTMENT NO. 101, 104
VOYAGER, MOODANIDAMBOOR VILLAGE.
UDUPI - 576 101
3. SMT. NAZIMA BANU
W/O M. FAYAZ AHAMED.
AGED ABOUT 49 YEARS.
R/AT APARTMENT NO.302.
3RD FLOOR, VOYAGER,
MOODANIDAMBOOR VILLAGE.
UDUPI-576 101
4. RICHARD DLIMA
S/O AMBROSE D
AGED ABOUT 55 YEARS
R/AT APARTMENT NO. 401
VOYAGER, MOODANIDAMBOOR VILLAGE.

Digitally
signed by
SUVARNA T
Locat
HIGH COURT
OF
KARNATAKA



CNR: KAHC010522112025

NC: 2026:KHC:55730
WP No. 23906 of 2025

UDUPI -576 101

5. JEROMA P. D. ALMEIDA
S/O RAYMOND D' ALMEDIDA
AGED ABOUT 60 YEARS
R/AT APARTMENT NO. 702
VOYAGER, MOODANIDAMBOOR VILLAGE.
UDUPI - 576 101.
6. EDWARD BARBOZA
S/O CASMIR BARBOZA.
AGED ABOUT 70 YEARS,
R/AT APARTMENT NO. 601
'VOYAGER', MOODANIDAMBOOR VILLAGE.
UDUPI -576 101
7. K.SANTHOSH PAI
S/O VIVEKANANDA PAI.
AGED ABOUT 44 YEARS.
R/AT APARTMENT NO. 404 VOYAGER,
MOODANIDAMBOOR VILLAGE
UDUPI - 576 101
8. WILLIAM PETER MATHAIS
S/O LATE ABRAHAM
AGED ABOUT 56 YEARS,
R/AT A/201, SHEETAL STAR.
MAHARASHTRA. 401 107.
SHEETAL NAGAR. NEAR M.T.N.L.
MIRA ROAD EAST, THANE
MAHARASHTRA-401 107
9. MELWYN SUNIL MENDONCA
AGED ABOUT 49 YEARS
S/O CASMIR M.
R/AT APARTMENT NO. 303. 'VOYAGER',
MOODANIDAMBOOR VILLAGE,
UDUPI -576 101
10. FRANCIS XAVIER MENDOANCA



NC: 2026:KHC:55730
WP No. 23906 of 2025

CNR: KAHC010522112025

S/O CASMIR M.
AGED ABOUT 51 YEARS,
R/AT APARTMENT NO. 703,
'VOYAGER'. MOODANIDARNBOOR VILLAGE,
UDUPI - 576 101

11. SALEEM MALIK,
S/O SHEIKH HUSSAIN,
AGED ABOUT 36 YEARS.
R/AT APARTMENT NO. 503,
'VOYAGER', MOODANIDAMBOOR VILLAGE
UDUPI - 576 101
12. DR. MOHAMMED ALI- HABIBULLAH
S/O MOHIUDDIN HABIBULLA,
AGED ABOUT 49 YEARS,
R/AT APARTMENT NO. 902, 'VOYAGER',
MOODANIDAMBOOR VILLAGE
UDUPI - 576 101
13. VEENA MARLINE MENEZES
W/O DR. VIJAY SAWANTH,
AGED ABOUT 49 YEARS,
R/AT APARTMENT NO. 105,
VOYAGER, MOODANIDAMBOOR VILLAGE
UDUPI - 576 101

...PETITIONERS

(BY SRI. S.RAJASHEKAR, ADVOCATE)

AND:

1. CANARA BANK
A SCHEDULED BANK WITHIN THE
MEANING OF BANKING REGULATION
ACT, 1948 AND
CARRYING ON BUSINESS INTERALIA
HAVING ITS BRANCH AT ARM MANIPAL,
UDUPI TALUK AND DISTRICT- 576 104
REPRESENTED BY AUTHORISED OFFICER



CNR: KAHC010522112025

NC: 2026:KHC:55730
WP No. 23906 of 2025

2. MR. AMRITH SHENOY P.,
S/O LATE DR. ANANTH SHENOY.
AGED ABOUT 47 YEARS,
PROPRIETOR OF SHREE LAKSHMEE HOMES
AND INFRASTRUCTURES,
R/AT ANANTH,
P. RANGANATH SHENOY COMPOUND,
VOLAKADU,
UDUPI -576 101

...RESPONDENTS

(BY SRI. T.P.MUTHANNA, ADVOCATE FOR R1
SRI.S.K.ACHARYA, ADVOCATE FOR R2)

THIS WRIT PETITION IS FILED UNDER ARTICLES 226 AND 227 OF THE CONSTITUTION OF INDIA, PRAYING TO QUASHING THE IMPUGNED E-AUCTION SALE NOTICE DATED 15.07.2025 ISSUED BY THE RESPONDENT -1 PUBLISHED ON 20.07.2025 IN THE NEW SUNDAY EXPRESS ENGLISH DAILY FIXING THE DATE OF AUCTION ON 22.08.2025 VIDE ANNEXURE-A.

THIS PETITION, COMING ON FOR FURTHER HEARING, 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:

"PRAYER

WHEREFORE, the Petitioners respectfully pray that this Hon'ble Court may be pleased to :-

(a) Issue a writ of Certiorari or any other order quashing the impugned E-Auction Sale Notice dated 15.07.2025 issued by the 1st respondent published on 20.07.2025 in the New Sunday



CNR: KAHC010522112025

NC: 2026:KHC:55730
WP No. 23906 of 2025

Express English daily fixing the date of auction on 22.08.2025 vide Annexure-A.

(b) Issue a writ of mandamus or any other order or writ directing the Respondent Bank not to proceed with the auction until the rights of the Petitioners are adjudicated by the competent Civil Courts;

(c) Issue a writ of mandamus, directing the Respondent Bank to maintain status quo with respect to possession and enjoyment of residential and commercial premises.

d) Issue any other writ, order or direction as this Hon'ble Court deems fit and proper under the facts & circumstances of this case in the interest of justice and equity."

2. It is the case of the petitioners that they have entered into an agreement of sale with the 2nd respondent herein for the purchase of the residential apartments constructed by the 2nd respondent, and they have paid certain amounts. The 2nd respondent had availed a project loan from the 1st respondent/bank. When the 2nd respondent failed to pay the loan amount, the bank issued an auction notification on 06.10.2018. When the 2nd respondent failed to complete the construction and register the property, the petitioners approached the Consumer Forum as well as the Civil Court by filing a suit for specific performance. In some of the cases, the Consumer Forum has passed orders, and in one of the matters,



the Commercial Court has decreed the suit. Against that, an appeal is pending before the Division Bench of this Court. The petitioners have approached this Court, stating that the respondent/bank is taking coercive steps and they have been in possession of the property.

3. The Coordinate Bench of this Court, by order dated 21.08.2025, directed that the e-auction be deferred, subject to the petitioners bearing the cost of re-notification of the e-auction and to collectively deposit a sum of Rs.2,00,000/- with the registry, subject to further orders of the Court. Thereafter, that interim order was extended. The bank filed its objections.

4. Learned counsel appearing for the petitioners submits that they have paid almost the entire amount to respondent No.2 and respondent No.1/Bank cannot proceed with the auction. It is submitted that, whatever the outstanding amount, the bank can sell the other flats available, and whatever the remaining amount that has to be paid to the vendor by the petitioners will be paid to the bank. With that, they will be able to clear the entire dues to the bank. It is submitted that, if the bank proceeds with the auction, all the petitioners who have



CNR: KAHC010522112025

NC: 2026:KHC:55730
WP No. 23906 of 2025

paid most of the sale consideration will be put to lot of hardship, as they are in possession of the property.

5. Learned counsel appearing for the respondent No. 1/Bank submits that, in respect of some of the flats, there are tripartite agreements, and the borrower has been paying the loans without any default. Further, the petitioners herein are only agreement holders. They have no locus to come before the Court. It is submitted that the Bank has no contractual obligation with the petitioners. If at all there is any obligation between the Bank and the 2nd respondent, the petitioners have no locus to come before this Court, and this writ petition filed under Articles 226 and 227 of the Constitution of India is not maintainable. Further, it is submitted that even when SARFAESI proceedings are initiated, as there is an alternative remedy, the writ petitions are not entertained, and it is submitted that the petitioners cannot approach this Court seeking for such a relief, and the writ petition has to be dismissed.

6. Learned counsel appearing for the 2nd respondent submits that he is negotiating with the Bank for a one-time



settlement. With regard to the petitioners' right, it is submitted that, according to them, they are agreement holders. In respect to that, the suits are pending and the litigation is ongoing. At this point of time, the petitioners cannot seek any relief from this Court, and the writ petition is not maintainable.

7. Having heard the learned counsel on either side, perused the entire material on record. The first and foremost issue is whether the writ petition is maintainable before this Court. The petitioner is questioning the auction notification issued by the Bank. As rightly pointed out by the learned counsel appearing for respondent No. 1/Bank, there is no contractual obligation between the Bank and the petitioners. In that case, the question of filing a writ petition against the Bank will not arise. As far as the contractual relationship between the petitioner and the 2nd respondent is concerned, they have already availed the remedy before the Civil Court and the Consumer Forum and they can pursue that remedy. But they cannot maintain a writ petition. The private disputes between the petitioners and the 2nd respondent cannot be decided by this Court, and a writ petition under Articles 226 and 227 is not



**NC: 2026:KHC:55730
WP No. 23906 of 2025**

CNR: KAHC010522112025

maintainable. In that view of the matter, this Court is passing the following order:

ORDER

- i. Accordingly, the writ petition is ***dismissed***.
- ii. However, it is made clear that the petitioners are at liberty to avail the appropriate remedy in accordance with law.
- iii. All I.As. in this petition shall stand closed.

**SD/-
(LALITHA KANNEGANTI)
JUDGE**

MEG
List No.: 1 Sl No.: 79