



CNR: KAHC010637892026

NC: 2026:KHC:53894
WP No. 29028 of 2026

IN THE HIGH COURT OF KARNATAKA AT BENGALURU

DATED THIS THE 29TH DAY OF SEPTEMBER, 2026

BEFORE

THE HON'BLE MR. JUSTICE C.M. POONACHA

WRIT PETITION NO. 29028 OF 2026 (GM-DRT)

BETWEEN:

1. M/S SRI TULASI RAWA AND FLOUR MIL
A PARTNERSHIP FIRM REPRESENTED BY ITS
PARTNERS
SRI RATHNAPPA N K
SMT SARASWATHI R K
D NO 487, NEAR SHANKAR MILL
TOLLGATE, PB ROAD,
DAVANGERE - 577 006
REGISTERED UNDER INDIAN PARTNERSHIP ACT,
1932
2. SRI RATHNAPPA N K
S/O NARASAPPA
AGED ABOUT 70 YEARS
R./AT NO.1911, B5, 9TH CROSS
SIDDAVEERAPPA BADAVANE
DAVANGERE - 577 004
3. SMT SARASWATHI
W/O RATHNAPPA N K
AGED ABOUT 60 YEARS
R/AT NO.1911, B5 9TH CROSS
SIDDAVEERAPPA BADAVANE
DAVANGERE - 577 004

...PETITIONERS

(BY SRI. K.S. VENKATARAMANA, ADVOCATE)





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AND:

CANARA BANK
SHIVAKUMAR SWAMY NAGAR BRANCH
DOOR NO.896, SITE NO.1
II STAGE, HADADI NAIN ROAD
DAVANAGERE - 577 005
REPRESENTED BY ITS
AUTHORIZED OFFICER

...RESPONDENT

(BY SRI. VINAY SWAMY C., ADVOCATE)

THIS WP IS FILED UNDER ARTICLES 226 AND 227 OF THE CONSTITUTION OF INDIA PRAYING TO QUASH THE IMPUGNED SALE/AUCTION NOTICE DATED 28.08.2026 ISSUED BY THE RESPONDENT BANK, PRODUCED AS ANNEXURE-J PROPOSING TO AUCTION THE SCHEDULE PROPERTIES, AS BEING ILLEGAL, ARBITRARY AND CONTRARY TO THE PROVISIONS OF THE SECURITISATION AND RECONSTRUCTION OF FINANCIAL ASSETS AND ENFORCEMENT OF SECURITY INTEREST ACT, 2002, AND THE SECURITY INTEREST (ENFORCEMENT) RULES, 2002 ETC.

THIS PETITION, COMING ON FOR PRELIMINARY HEARING IN 'B' GROUP, THIS DAY, ORDER WAS MADE THEREIN AS UNDER:

CORAM: HON'BLE MR. JUSTICE C.M. POONACHA

ORAL ORDER

The present writ petition is filed seeking for the following reliefs:

"a) Issue a writ of certiorari or any other appropriate writ, order or direction, quashing the impugned

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MONNAPPA POONACHA



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sale/auction notice dated 28.08.2026 issued by the respondent bank, produced as Annexure-J proposing to auction the schedule properties, as being illegal, arbitrary and contrary to the provisions of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002, and the Security Interest (Enforcement) Rules, 2002;

- b) Issue a writ of mandamus, directing the respondent bank to consider the representation/request submitted by the petitioners dated 06.08.2026, vide Annexure-K including their request for regularisation of the loan accounts and release of the residential schedule property, in accordance with law and the applicable banking norms/policies, before taking further coercive measures against the petitioners;*
- c) Grant such other relief/s as this Hon'ble Court deems fit in the circumstance of the case and in the interest of justice and equity."*

2. This court vide order dated 11.09.2026 has ordered
as under:

"Sri. C. Vinay Swamy, learned counsel, takes notice for the respondent.

Learned counsel seeks grant of interim relief and submits that the petitioner has been a regular customer of the respondent/Bank since the year 2000 and has regularly availed credit facilities; however, due to circumstances beyond the control of the petitioner, there has been a default. It is further submitted that pursuant to the notice [Annexure-F to the Writ Petition] issued under Section 13(2) of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002,¹ dated 18.05.2026 the petitioners have agreed to pay the amount due to the respondent by making alternative arrangements. It is further submitted that one of the properties in question,

¹ hereinafter referred to as the 'Act'



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which is subject matter of the sale notice dated 28.08.2026, is a residential house.

Learned counsel for the petitioner, upon instructions, further submits that the pending EMIs would be paid and the amount would be regularised within the time stipulated by this Court. It is further submitted that the pending EMIs cumulatively amount to approximately Rs.30,00,000/-.

In view of the aforementioned, ad-interim stay as prayed for is granted subject to the petitioner paying a sum of Rs.10,00,000/- to the respondent/Bank before the working hours of 15.09.2026. The petitioner shall pay a further sum of Rs.20,00,000/- on or before 22.09.2026.

It is made clear that, if there is any default on the part of the petitioners in paying the aforementioned amount, further orders will be passed.

In the meanwhile, learned counsel for the respondent shall secure instructions as to the amount of pending EMIs that are due and payable by the petitioners as on date and place the same on record by the next date of hearing.

This order shall be uploaded online, and the concerned authorities shall act upon production of an online copy of this order.

Re-list on 22.09.2026."

3. Thereafter, this Court vide order dated 22.09.2026

has ordered as under:

1. *"Learned counsel for the petitioners submits that in terms of order dated 11.09.2026, the petitioner has paid a sum of Rs.20 lakhs.*
2. *The memo filed by the learned counsel for the petitioners is taken on record.*

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3. Learned counsel for respondent submits that the amount due and payable by the petitioners is a sum of Learned counsel for respondent submits that the total amount due and payable is a sum of `2,06,17,886/- and the said amount is due and payable from the three credit facilities that have been availed by the petitioner. It is further submitted that one of the credit facilities is a over draft facility, wherein the amount due and payable is `31,42,240/-. It is further submitted that the unit of the petitioner is not functioning and due to RBI norms, the over draft facility cannot be regularised.

4. Learned counsel for the petitioners to secure instructions and submit on the next date of hearing.

5. Re-list on 29.09.2026

6. Interim order granted earlier is extended till the next date of hearing."

4. Learned counsel for the petitioners submits that out of the two properties that have been mortgaged to the respondent - Bank, the petitioners are desirous of alienating one of the properties and the entire sale consideration of the said property would be paid to the respondent - Bank which would ensure that the overdraft facility is paid in full.

5. It is further submitted that with regard to the other two credit facilities, a suitable request would be made before the respondent - Bank for regularizing the said to credit facilities.



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6. Learned counsel for the respondent - Bank submits that till date no such proposal had been placed on record, in terms of the submission made by the learned counsel for the petitioner this day.

7. In view of the aforementioned, the present writ petition is ***disposed of.***

8. This order will not preclude the petitioner from approaching the respondent - Bank for seeking for an amicable resolution of the disputes as is sought to be contented before this Court.

9. Needless to state, it is open to the respondent - Bank to initiate such proceedings as is permissible under law.

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(C.M. POONACHA)
JUDGE