

IN THE HIGH COURT OF JUDICATURE AT PATNA
Civil Writ Jurisdiction Case No.15474 of 2024

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Rameshwar Singh @ Rameshwar Ray Son of Shiv Pujan Singh Resident of
Village- Sri Tola, P.O.- Fatehpur, Police Station- Gaurichak, Patna- 803206.

... .. Petitioner/s

Versus

1. The Union Bank of India through its Regional Manager, 1st Floor, Mazrul Nasheman Bhawan, Frazer Road, Budh Vihar, Frazer Road Area, Patna- 800001.
2. The Branch Manager-Cum- Authorized Officer, Union of India, Pathputra Branch, Ground Floor, Ramayana Plaza Rajapul, Opposite Gate No.- 32, Digha Ghat Road, Patna- 800001.

... .. Respondent/s

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Appearance :

For the Petitioner/s : Mr. Mahesh Prasad, Advocate.
For the Respondent/s : Mr. Nishi Nath Ojha, Advocate.

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CORAM: HONOURABLE MR. JUSTICE A. ABHISHEK REDDY
ORAL ORDER

2 19-02-2025 Learned counsel appearing on behalf of the Respondent-Bank has stated that the auction has been completed and sale certificate issued in favor of the successful buyer and therefore, nothing remains to be adjudicated upon in the present writ petition.

2. The Hon'ble Supreme Court passed in ***Celir LLP v. Bafna Motors(Mumbai) (P) Ltd. (2024) 2 SCC 1*** has held as under;

“105. We summarise our final conclusion as under:

(i) The High Court was not justified in exercising its writ jurisdiction under Article 226 of the Constitution more particularly when the borrowers had already availed the alternative remedy available to them under



Section 17 of the SARFAESI Act.

(ii) The confirmation of sale by the Bank under Rule 9(2) of the Rules of 2002 invests the successful auction purchaser with a vested right to obtain a certificate of sale of the immovable property in form given in appendix (V) to the Rules i.e., in accordance with Rule 9(6) of the SARFAESI.

(iii) In accordance with the unamended Section 13(8) of the SARFAESI Act, the right of the borrower to redeem the secured asset was available till the sale or transfer of such secured asset. In other words, the borrower's right of redemption did not stand terminated on the date of the auction sale of the secured asset itself and remained alive till the transfer was completed in favour of the auction purchaser, by registration of the sale certificate and delivery of possession of the secured asset. However, the amended provisions of Section 13(8) of the SARFAESI Act, make it clear that the right of the borrower to redeem the secured asset stands extinguished thereunder on the very date of publication of the notice for public auction under Rule 9(1) of the Rules of 2002. In effect, the right of redemption available to the borrower under the present statutory regime is drastically curtailed and would be available only till the date of publication of the notice under Rule 9(1) of the Rules of 2002 and not till the completion of the sale or transfer of the secured asset in favour of the auction purchaser.

(iv) The Bank after having confirmed the sale under Rule 9(2) of the Rules of 2002 could not have withhold the sale certificate under Rule 9(6) of the Rules of 2002 and enter into a private arrangement with a borrower.



(v) The High Court under Article 226 of the Constitution could not have applied equitable considerations to overreach the outcome contemplated by the statutory auction process prescribed under the SARFAESI Act.

(vi) The two decisions of the Telangana High Court in the case of Concern Readymix (supra) and Amme Srisailam (supra) do not lay down the correct position of law. In the same way, the decision of the Punjab and Haryana High Court in the case of Pal Alloys (supra) also does not lay down the correction position of law.

(vii) The decision of the Andhra Pradesh High Court in Sri Sai Annadhatha Polymers (supra) and the decision of the Telangana High Court in the case of K.V.V. Prasad Rao Gupta (supra) lay down the correct position of law while interpreting the amended Section 13(8) of the SARFAESI Act.”

3. Having regard to the above, this Court is not inclined to entertain the present writ petition. The present writ petition is disposed of granting liberty to the petitioner to approach the Debt Recovery Tribunal, Patna for redressal of his grievance, if any.

4. With the above direction, the present writ petition stands disposed of.

(A. Abhishek Reddy, J)

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