NC: 2026:KHC:24449
WP No. 2393 of 2021

HC-KAR

IN THE HIGH COURT OF KARNATAKA AT BENGALURU

DATED THIS THE 23RD DAY OF APRIL, 2026

BEFORE

THE HON'BLE SMT. JUSTICE LALITHA KANNEGANTI

WRIT PETITION NO. 2393 OF 2021 (GM-DRT)

BETWEEN:

MR. C.N.SANJEEVAPPA
S/O LATE C.N.NAGANNA
AGED ABOUT 80 YEARS,
OCCUPATION RETIRED FROM SERVICE
R/O NO.2590, 2ND CROSS
CHANNAPPA LAYOUT
CHAMUNDESHWARI NAGAR
MANDYA -571 401

…PETITIONER

(BY SRI. MURTHY K., ADVOCATE)

AND:

1. INDIAN OVERSEAS BANK
THE AUTHORISED OFFICER
INDIAN OVERSEAS BANK
REGIONAL OFFICE BENGALURU
NO.10/1, LAKSHMI NARAYAN COMPLES
3RD FLOOR, PALACE ROAD,
VASANTHANAGAR
BENGALURU-560 052

2. INDIAN OVERSEAS BANK
MANDYA BRANCH (2836)
NO.2590, 2ND CROSS,
CHANNEPPA LAYOUT
MUNESHWARI NAGAR
MANDYA-571 401
REPRESENTED BY ITS BANK MANAGER

Digitally signed by SUVARNA T
Location: HIGH COURT OF KARNATAKA

3. M/S S.K.TRACOTRS
STATED TO BE PARTNERSHIP FIRM
HAVING ITS OFFICE AT C-2
1ST STAGE
INDUSTRIAL AREA MC ROAD,
MANDYA-571 401
STATED TO BE
REPRESENTED BY ITS PARTNERS
MRS. LATHA AND
MR.VISHAL KIRAN GOWDA

4. MRS.LATHA M.,
W/O LATE A LOKESH
STATE TO BE A PARTNER OF
M/S S.K.TRACTORS
AGED ABOUT 48 YEARS,
R/O HOUSE NO.12
MAHADESHWARA NILAYA
RAJKUMAR BADAVANE
MANDYA-571 401

5. MR.NAVEEN KUMAR
S/O LATE A LOKESH
AGED ABOUT 22 YEARS
R/O HOUSE NO.12
MAHADESHWARA NILAYA
RAJKUMAR BADAVANE
MANDYA-571 401

6. MS.DHANUSHREE
D/O LATE A LOKESH
AGED ABOUT 20 YEARS,
R/O HOUSE NO.12
MAHADESHWARA NILAYA
RAJKUMAR BADAVANE
MANDYA-571 401

7. MR.VISHAL KIRAN GOWDA
S/O LATE SIDDEGOWDA
MAJOR (AGE IS NOT KNOWN TO PETITIONER)
STATED TO BE A PARTNER OF

M/S S.K.TRACTORS
R/O NO.560 SWARNASANDRA
3RD CROSS, GUTHALU
MANDYA-571 401

8. MS. K.S.SHREELAKSHMI
D/O K.V.SOMASHEKAR
MAJOR (AGE IS NOT KNOWN TO PETITIONER)
R/O CHOULTRY STREET, KADUR TOWN
CHIKKAMAGALURU DISTRICT-577 548

9. REGISTRAR
THE DEBT RECOVERY TRIBUNAL -1
4 HAYES ROAD SHANTHALA NAGAR
RICHMONDTOWN
BENGALURU-560 025

…RESPONDENTS

(BY SRI.S.VENKATESH SASTRY, ADVOCATE FOR R1 & R2
SRI.D.BASAVARAJA, CGC FOR R9
NOTICE TO R3 TO R8 ARE DISPENSED WITH V/O/DATED: 19/02/2021)

THIS WRIT PETITION IS FILED UNDER ARTICLES 226 AND 227 OF THE CONSTITUTION OF INDIA, PRAYING TO-QUASH THE IMPUGNED ORDER DATED 26.11.2020, PASSED BY THE DEBTS RECOVERY TRIBUNAL-1, BENGALURU IN DAIRY NO.2026/2020 ANNEXURE-A AND CONSEQUENTLY.

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:

> ***"Wherefore, it is prayed that the Hon'ble High Court may kindly be pleased to:***
>
> ***(a) Issue a Writ of Certiorari or any other Writ/Order/Direction quashing the impugned order dated 26.11.2020, passed by the Debts Recovery Tribunal-1, Bengaluru in Dairy No.2026/2020 (Annexure-A); and consequently,***
>
> ***(b) Issue a Writ of Certiorari or any other Writ/Order/Direction quashing the impugned order dated 23-12-2020 passed by the Debts Recovery Tribunal-1, Bengaluru in Dairy No.IR 60/2020 (Annexure-B);***
>
> ***(c) Issue a Writ of Direction, declaring that the Court fee paid by the petitioner in filing the SA in Dairy No.2026/2020 is sufficient; (Annexure-C14);***
>
> ***(d) Issue a Writ of Mandamus or any other Writ/Order/Direction, directing the Debts Recovery Tribunal-1, Bengaluru to adjudicate the petitioners SA in Dairy No.2026/2020 and SA in Dairy IR No.60/2020 in accordance with the procedure laid down by law; including the issue of determining the amount of compensation payable by the respondent bank to the petitioner, as well as, the cost of the proceedings; (Annexure-G) and***
>
> ***(e) Pass such other Writ/Order/Direction as this Hon'ble Court deems fit to grant in the circumstances of the case and in the interest of Justice and equity."***

2. Aggrieved by the order impugned passed in Dairy No.IR 60/2020 dated 23.12.2020 by the Debts Recovery Tribunal-I, Bengaluru, whereby the Tribunal had dismissed the S.A. filed by the petitioner as infructuous, the borrower is before this court.

3. The facts of the case are that the loan is availed by one A. Lokesh, being the proprietor of S.K. Tractors. After the death of the said A. Lokesh, respondent No.1 had issued the demand notice informing that the loan account has been treated as NPA. Then the petitioner had approached the Principal Civil Judge and JMFC, Mandya by filing OS.No.28/2020 and the Trial Court was pleased to pass an ad-interim order, dated 13.01.2020. Then the Bank had initiated the proceedings under the SARFAESI Act, 2002, having aware of the fact that an ad-interim order is passed by the Civil Court and issued the E-auction sale notice dated 07.11.2020 and brought the properties to auction on 26.11.2020. Aggrieved by the same, the petitioner had approached the Debt Recovery Tribunal by filing SA which is registered as Dairy No.2026/2020. In that, he had filed an IA No.2114/2020 seeking an order to determine

the court fee payable and an interim order of stay. The Debt Recovery Tribunal, basing on the submission made by the respondent/Bank, by order impugned had dismissed the SA as infructuous as there was no bidder for the intended sale and the sale was cancelled. Aggrieved thereby, the petitioner is before this Court.

4. Learned counsel appearing for the petitioner submits that when the petitioner had questioned the sale notice, while considering the same, the Tribunal could also have considered the other steps that were taken by the Bank, and just because the auction was not conducted, the SA that is filed by the petitioner will not become infructuous.

5. Learned counsel appearing for the respondent/Bank submits that the order may be set aside and the matter may be remanded back to the Debt Recovery Tribunal.

6. Having heard the learned counsels on either side, perused the material on record. Considering the fact that the petitioner had raised several grounds in the SA, and just because the sale was not conducted that itself cannot be a

ground for the Debt Recovery Tribunal to dismiss the SA as infructuous. Accordingly the order dated 10.03.2026 is recalled. In that view of the matter, this Court is passing the following:

ORDER

i. The order impugned passed in Dairy No.IR 60/2020 dated 23.12.2020 by the Debts Recovery Tribunal-I, Bengaluru is ***set aside*** and the matter is ***remanded back*** to the Tribunal.

ii. The Debt Recovery Tribunal shall consider the matter on the merits of it.

iii. Accordingly, the writ petition is ***allowed.***

iv. All I.As, in the writ petition shall stand closed.

SD/-
(LALITHA KANNEGANTI)
JUDGE

BN
List No.: 1 Sl No.: 34