NC: 2026:KHC:24307
WP No. 13878 of 2026

HC-KAR

IN THE HIGH COURT OF KARNATAKA AT BENGALURU

DATED THIS THE 30TH DAY OF APRIL, 2026

BEFORE

THE HON'BLE SMT. JUSTICE LALITHA KANNEGANTI

WRIT PETITION NO. 13878 OF 2026 (GM-DRT)

BETWEEN:

SRI SAGAR B.M.,
S/O.MAHENDRA,
AGED ABOUT 35 YEARS,
R/A. HOUSE NO.182,
URDU SCHOOL,
DODDABALLAPUR TALUK,
BENGALURU RURAL DISTRICT – 561 203

…PETITIONER

(BY SRI. SUHAS G., ADVOCATE)

AND:

THE CHIEF MANAGER
BANK OF INDIA,
BENGALURU (MAIN) BRANCH,
NO.11, K.G ROAD,
BENGALURU- 560 009

…RESPONDENT

(BY SRI. MOHAMED IBRAHIM, ADVOCATE)

Digitally signed by SUVARNA T
Location: HIGH COURT OF KARNATAKA

THIS WRIT PETITION IS FILED UNDER ARTICLES 226 AND 227 OF THE CONSTITUTION OF INDIA, PRAYING TO QUASHING ANNEXURE- A, WHICH IS COMMUNICATION DATED 12.03.2026 BEARING REF NO BOI/ARB/2025-26/AK/159 GIVEN BY THE RESPONDENT/BANK OF INDIA TO THE PETITIONER HEREIN.

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

CORAM: HON'BLE SMT. JUSTICE LALITHA KANNEGANTI

ORAL ORDER

The petitioner has come up before this Court questioning the Communication dated 12.03.2026, whereby the respondent-Bank has forfeited the amount paid by the petitioner.

2. The facts of the case are that the auction had taken place on 17.02.2026 as per the notification issued by the Bank. On 18.02.2026 the petitioner has paid 25% of the bid amount and on 19.02.2026 a confirmation was sent to the petitioner. It is the case of the petitioner that on 28.02.2026, when he went to the property, he saw a board in the said property displaying that certain cases are pending. In that regard, he has addressed a letter to the Bank on 28.02.2026 and 02.03.2026. The Bank has issued a communication dated 12.03.2026, whereby they have forfeited the amount paid by the petitioner. It is submitted that in fact the borrower has approached this Court by filing WP No.6558/2026 and this Court by order dated 17.03.2026 had disposed of the writ petition giving liberty to the petitioner/borrower therein to avail appropriate remedy

before the DRT. It is submitted that in view of these facts and circumstances he could not pay the amount.

3. Learned counsel for the petitioner submits that as per Rule 9(4) of the Security Interest (Enforcement) Rules, 2002 (for short 'Rules, 2002), the Bank can extend time by 90 days. As such, the time may be extended. Petitioner may be granted time to pay the amount.

4. Learned counsel for respondent-Bank submits that the petitioner has not stated the correct facts before the Court. When he had sent the letter to the Bank, the Bank had replied to it by attaching the order of State Consumer Forum. It is submitted that the petitioner has come before this Court suppressing material facts.

5. Having heard the learned counsels on either side, perused the material on record. When the petitioner had participated in the auction, he knew the fact that he had to pay the amount within a time, which meant that he had to be ready with the amount. Now what has been stated with regard to the litigation, if the petitioner is not happy with the disputes with

regard to the properties and does not want to go ahead with the auction, his remedy is to ask the Bank to refund the amount paid by him. But in this case, the petitioner says that he is ready to go ahead with the auction and once he is ready, question of granting 90 days' time as per Rule 9(4) of Rules, 2002 would not arise. If the Bank is satisfied with the reasons, they may extend time. There is no obligation on the Bank to extend it by 90 days.

6. Considering the facts and circumstances of the case, this Court deems it appropriate to extent the time for a period of 30 days from today. In that view of the matter, this Court is passing the following:

ORDER

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

ii. The impugned communication dated 12.03.2026 passed by the respondent-Bank is set aside.

iii. The petitioner shall pay the remaining amount by 30.05.2026 or else the respondent-Bank is at liberty to forfeit the amount that is paid by the petitioner.

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

SD/-
(LALITHA KANNEGANTI)
JUDGE

PKN
List No.: 1 Sl No.: 14