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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**

\+ W.P.(C) 16438/2025 and CM APPL. 67262/2025

ASHOK KUMAR .....Petitioner

Through: Mr. Samrendra Kumar, Mr. Abhishek Kumar Dwivedi and Mr. A.K. Pandey, Advocates

versus

INDIAN OVERSEAS BANK & ORS. .....Respondents

Through: Mr. Chandra Prakash, Advocate for R-1

**CORAM:**
**HON'BLE MR. JUSTICE ANISH DAYAL**

**O R D E R**

**%** **30.10.2025**

**CM APPL.67263/2025 *(For Exemption)***

1. Exemption allowed, subject to all just exceptions.

2. The application stands disposed of accordingly.

**W.P.(C) 16438/2025 and CM APPL. 67262/2025 (*Stay*)**

1. This petition has been filed seeking the following prayers:-

> *"1. Issue a writ of mandamus or certiorari quashing the arbitrary and illegal decision of Respondent No. I in refusing to confirm the sale of property bearing Khasra No. 28/8/2 and 28/3/2, Village Libaspur, Mujib Nagar Colony, Delhi in favour of the Petitioner;*
>
> *2. Direct Respondent No. 1 to forthwith issue the Sale Confirmation Letter and Sale Certificate under Rule 9( 6) of the Security Interest (Enforcement)*

*Rules, 2002, in favour of the Petitioner;*

*3. Restrain Respondent No. 2 & 3 by an order of injunction, from alienating, transferring, encumbering or othe1wise dealing with the said property till final adjudication of this Petition;*

*4. In the alternative, direct Respondent No. 1 to pay the interest on the Earnest Money Deposit (EMD) deposited by the Petitioner along with liquidated damages for breach of statutory obligations, and award interest (~18% per annum or such higher rate as deemed fit by this Hon 'ble Court from the date of deposit till actual refund, as compensation for wrongful deprivation of property rights and economic loss caused to the Petitioner;*

*5. Pass such other and further orders as this Hon'ble Court ay deem fit and proper in the facts and circumstances of the case."*

2. The facts and circumstances of present case are that respondent no.1/*Indian Overseas Bank* issued a Sale Notice under *Section 8(6)* of the Security Interest (Enforcement) Rules 2002, scheduling an e-auction of property at *Khasra No.28/8/2 and 28/3/2,* situated at *Village Liabspur, Mujib Nagar Colony, Delhi*. The e-auction was conducted on 12th December 2024, in which, the petitioner participated, and emerged as a successful bidder.

3. Petitioner was ready to deposit the balance consideration, but the bank refused to issue the Sale Confirmation Letter, citing post auction settlement with the borrower.

4. According to petitioner, this frustrates the rights which have accrued in favour of the petitioner as an auction purchaser.

5. Counsel for petitioner draws attention of this Court to a decision of

the Supreme Court in ***IDBI Bank vs. Ram Swaroop Daliya & Ors,*** 2024 INSC 180, in which, a similar issue arose and the Supreme Court declined to interfere with the decision of the High Court with respect to cancelling the auction sale and directing issue of sale notice in favour of the applicant-auction purchaser.

6. Reliance has also been placed on an order passed by the Supreme Court in ***Mohammad Zubair Ahmad v. Punjab National Bank & Ors*** SLP (C) No.7273/2025 dated 17th September 2025, in which, a note has been taken of the decision passed in the case of ***CELIR LLP Vs. Bafna Motors (Mumbai) Pvt Ltd. & Ors,*** 2023 INSC 838, where the following was stated:

> *"In view of the above, it is again reiterated that borrower/ mortgager's right to redeem the mortgaged property stands extinguished on the date of publication of auction notice in terms of Rule 8(6) read with rule 9 (1) of SARFAESI Rules, 2002. It may be noted that a third-party interest stands created once the auction is successful. Hence, field functionaries are advised to desist from allowing the redemption of mortgaged property by any form/mode including OTS after the date of publication of auction notice especially when auction is successful."*

7. In these circumstances, notices be issued to respondents on steps being taken by petitioner through all permissible modes, returnable on 02nd March 2026.

8. *Mr. Chandra Prakash*, appears for respondent no.1/*Indian Overseas Bank* and accepts notice.

9. Reply, if any, shall be filed within a period of six weeks.

10. Considering that counsel for respondent no.1/ *Indian Overseas Bank* do not have instructions required to assist the Court, with respect to further

procedures relating to the property, they would be at liberty to file an appropriate application.

11. In the meantime, considering the facts and circumstances, the respondent no.1/ *Indian Overseas Bank* shall maintain status quo with respect to title and possession of the property till next date of hearing.

12. Petitioners are also required to serve a copy of the petition to respondents during the course of the day.

13. Re-notify on 2$^{nd}$ March, 2026.

14. Order be uploaded on the website of this Court.

**ANISH DAYAL, J**

**OCTOBER 30, 2025/*ay/***tk