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THE GAUHATI HIGH COURT
(HIGH COURT OF ASSAM, NAGALAND, MIZORAM AND ARUNACHAL PRADESH)

Case No. : WP(C)/4574/2025

CANARA BANK

A GOVERNMENT OF INDIA UNDERTAKING CARRYING ON BANKING BUSINESS UNDER LICENSE GRANTED BY RESERVE BANK OF INDIA AND REGISTERED UNDER BANKING REGULATION ACT, 1949, HAVING ITS REGISTERED HEAD OFFICE AT BUILDING NO. 112, J.C. ROAD, BENGALURU-560002 AND HAVING ONE OF ITS BRANCH OFFICE AT SPLSD ASSET RECOVERY MANAGEMENT BRANCH, 2ND FLOOR, DEE BEE GRANDE, PANJABARI ROAD, GUWAHATI, KAMRUP(M), ASSAM-781022 AS WELL AS ITS BRANCH OFFICE AT SPECIALISED ARM BRANCH, DHEMAJI BRANCH, DHEMAJI, ASSAM AND IS REPRESENTED BY SHRI KUNAL GAUTAM, CHIEF MANAGER, CANARA BANK, ARM BRANCH, GUWAHATI, SON OF R P SINGH, R/O- CANARA BANK OFFICERS, QUARTER, BHANGAGARH, GUWAHATI.

VERSUS

1.THE STATE OF ASSAM AND 4 ORS
REPRESENTED BY THE COMMISSIONER AND SECRETARY, REVENUE DEPARTMENT, GUWAHATI, KAMRUP METRO, ASSAM-781006.

2:THE DISTRICT COMMISSIONER-CUM-DISTRICT MAGISTRATE
OFFICE OF THE DISTRICT COMMISSIONER
DHEMAJI DIST. DHEMAJI ASSAM-787057 (BAKIJAI BRANCH).

3:THE ADDITIONAL DISTRICT COMMISSIONER-CUM- ADDITIONAL
DISTRICT MAGISTRATE
OFFICE OF THE DISTRICT COMMISSIONER
DHEMAJI DIST.- DHEMAJI ASSAM PIN- 787057 (BAKIJAI BRANCH).

4:SONTOSH KUMAR PRASAD
(BORROWER)
SON OF HARE KRISHNA PRASAD
R/O- VILL.- CHAUL DHOWA BALI MOUZA- BORDOLONI P.S. GOGAMUKH
DIST. DHEMAJI ASSAM-787034.

5:PUNJAB NATIONAL BANK
REPRESENTED BY ITS BRANCH MANAGER
MINGMANG BRANCH GOGAMUKH DIST. DHEMAJI ASSAM-787034

For the Petitioner(s) : Mr. M. Sharma, Advocate.
For the Respondent(s) : Ms. R.B. Bora, Junior Government Advocate, Assam.
: Ms. N. Bordoloi, Standing Counsel, Revenue Department.

- B E F O R E -

HON'BLE THE CHIEF JUSTICE MR. ASHUTOSH KUMAR

HON'BLE MR. JUSTICE ARUN DEV CHOUDHURY

19.08.2025

(Ashutosh Kumar, CJ)

It is a very interesting fact situation where there has been a conflict between 2(two) secured creditors, namely, the petitioner/Canara Bank and the Punjab National Bank.

The records reveal that the borrower mortgaged the same plot of land with the 2(two) Banks and obtained loan, both of which went bad.

The Canara Bank appears to have proceeded against the borrower under the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002.

The concerned District Magistrate assisted the bank officials and the property was taken possession of and has been auction sold.

Later, the Punjab National Bank (respondent No.5) made an application before the District Magistrate intimating him that the same land has been mortgaged with it and the loan taken by the same borrower has become an Non-Performing Asset (NPA). In case of the auction-sale of the property in

question, the money of the Punjab National Bank would never be paid back.

On this plea, the District Magistrate stayed the operation of the earlier order and also directed for stay of any move to have the borrower get his/her name mutated over the said property.

Let notice be issued to respondent No.5/Punjab National Bank, on steps being taken by the petitioner within a period of 2(two) weeks, by both modes, i.e. by registered post with A/D as well as by usual process, returnable on 10.09.2025.

Let the Auction purchaser be also impleaded as a party respondent for which a fresh memo of parties shall be filed by the petitioner within a period of 2(two) days.

Let notice also be issued to the newly added respondent/Auction Purchaser, on further steps being taken by the petitioner within a period of 2(two) weeks, by both modes, i.e. by registered post with A/D as well as by usual process, returnable on 10.09.2025.

Till such time, the stay order passed by the District Magistrate shall remain in operation.

Re-notify on 10.09.2025.

JUDGE

CHIEF JUSTICE

Comparing Assistant