



IN THE HIGH COURT OF KARNATAKA AT BENGALURU

DATED THIS THE 24TH DAY OF FEBRUARY, 2026

BEFORE

THE HON'BLE SMT. JUSTICE LALITHA KANNEGANTI

WRIT PETITION NO. 25124 OF 2025 (GM-DRT)

BETWEEN:

1. SRI. G. LOKESH
S/O THIMMAIAH,
AGED 59 YEARS,
PROPRIETOR PSY CONSTRUCTIONS
NO.115, LAVVIGERE VILLAGE,
SAGAR TALUK,
SHIMOGA – 577 401
KARNATAKA
(BORROWER-UNREGISTERED FIRM)
2. SRI. SURESH BABU G.T.,
S/O THIMMAIAH,
AGED ABOUT 54 YEARS,
HOUSE NO. 39,
LAVVIERE VILLAGE,
SAGAR TALUK,
SHIMOGA – 577 401
KARNATAKA
(GUARANTOR)

...PETITIONERS

(BY SRI. V MOHAN, ADVOCATE)

AND:

1. UNION BANK OF INDIA
(ERSTWHILE CORPORATION BANK)
REGIONAL OFFICE,
SHIVAMOGGA – 577 250
REP BY CHIEF MANAGER /
AUTHORISED OFFICER





MR. SANJAY KUMAR
S/O RAJESHWAR PRASAD SINHA
(BANKING COMPANY UNDER
BANKING REGULATION ACT, 1949)

2. AGAMUDI SAMAJA SEVA SANGHA (R)
P NEELAMEGHAM MUDALIAR LAYOUT,
100 FEET ROAD,
GOPALAGOWDA EXTENTION,
ALKOLA CIRCLE,
SHIVAMOGGA – 577 204
REP. BY ITS PRESIDENT
MR. M BHOPAL
NATURE OF RESPONDENT
REGISTERED ORGANIZATION SANGA
CO-OP-SO ACT 1959

...RESPONDENTS

(BY SMT.DIVYA PURANDAR, ADVOCATE FOR R1)

THIS WP IS FILED UNDER ARTICLES 226 AND 227 OF THE CONSTITUTION OF INDIA PRAYING TO QUASH THE FRAUDULENT COLLUSIVE AUCTION SALE CONDUCTED ON 23.02.2023 AND THE CONSEQUENT SALE CERTIFICATE DATED 9.03.2023 IN RESPECT OF THE SCHEDULE PROPERTY ANNEXURE-A ETC.

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 present writ petition is filed seeking the following prayer:

"WHEREFORE, it is respectfully prayed that this Hon'ble Court be pleased,

(a) To quash the fraudulent collusive Auction Sale conducted on 23/02/2023 and the consequent Sale Certificate dated 09/03/2023 in respect of the Schedule Property (ANNEXURE:A) in the interest of justice and equity;

(b) To grant such other reliefs/orders which this Hon'ble Court deems fit and proper under the facts and circumstances stated above in the interest of justice and equity".

2. Learned counsel for the petitioners submits that the bank has played fraud on him and the property is sold half of the market price and also the adjacent land owner with whom he is having the dispute in the pending civil suit has only purchased the property. Learned counsel alleges collusion between the bank and the auction purchaser.

3. Learned counsel appearing for the bank submits that the auction had taken place in the year 2023 and the possession is given to the auction purchaser. The petitioners without making the auction purchaser a party-respondent to



this petition has filed this petition. Further, in view of the alternative remedy available to the petitioners, the present writ petition is not maintainable

4. Having heard the learned counsel on either side, perused the material on record. The petition was filed in the year 2025 and auction was conducted in 2023. According to the petitioners, it came to his knowledge recently there is a fraud. Even if there is a fraud played by the bank, still the remedy available to the petitioners to go before the DRT. Considering the fact that the auction is conducted in the year 2023 and the auction purchaser is given the possession of the property, all these disputes can be decided by the DRT and the petitioners ought not to have come before this Court when there is an effective alternative remedy is available.

5. Accordingly, this court is passing the following:

ORDER

- i. The writ petition is ***disposed of*** giving the liberty to the petitioners to avail the appropriate remedy in accordance with law.



- ii. However, petitioners will have the benefit of
Section 14 of the Limitation Act.
- iii. All pending I.As in the writ petition stands closed.

SD/-
(LALITHA KANNEGANTI)
JUDGE

RJ
List No.: 1 Sl No.: 25