



IN THE HIGH COURT OF KARNATAKA

KALABURAGI BENCH

DATED THIS THE 24TH DAY OF MARCH, 2026

BEFORE

THE HON'BLE MR. JUSTICE S.VISHWAJITH SHETTY

WRIT PETITION NO. 201279 OF 2022 (GM-KSFC)

BETWEEN:

M/S GANGAMMATAI HOMEIO CENTER
THROUGH ITS ADMINISTRATOR,
VISHWANATH S/O VEERSANGAPPA HULSOOR,
AGE: 78 YEARS, OCC: BUSINESS,
HULSOOR BUILDING, BEHIND D C C BANK,
HALLIKHED -B TQ HUMNABAD,
BIDAR- 585414.

...PETITIONER

(BY SRI. ANANTH S. JAHAGIRDAR, ADVOCATE)

AND:

1. KARNATAKA STATE FINANCIAL CORPORATION
REPRESENTED BY THE CHAIRMAN,
KSFC BHAVAN NO. 1/1
THIMMAIAH ROAD, NEAR CONTONMENT
RAILWAY STATION, BENGALURU-560052.
2. THE EXECUTIVE DIRECTOR,
KARNATAKA STATE FINANCIAL CORPORATION
KSFC BHAVAN NO. 1/1, THIMMAIAH ROAD,
BENGALURU-560052.
3. THE MANAGER
KARNATAKA STATE FINANCIAL CORPORATION

Digitally signed by
NIJAMUDDIN
JAMKHANDI
Location: HIGH
COURT OF
KARNATAKA



BRANCH OFFICE,
NO. 8-9-16, RACHAMMA COMPLEX,
1ST FLOOR BIDAR UDGIR ROAD, NEAR JAIL
BIDAR-584401.

...RESPONDENTS

(BY SRI SHIVANAND PATIL, ADVOCATE FOR R3;
R1 & R2 SERVED)

THIS WRIT PETITION IS FILED UNDER ARTICLE 226 OF THE CONSTITUTION OF INDIA, PRAYING TO ISSUE AN APPROPRIATE WRIT AND GRANT THE FOLLOWING RELIEFS. i) ISSUE A WRIT IN THE NATURE OF CERTIORARI QUASHING THE IMPUGNED ORDER PASED BY RESPONDENT NO.3 IN FILE NO.KSFC/BO/BDR/D-339/21-22 DATED 20.09.2021 DIRECTING THE CLOSE THE LOAN ACCOUNT WITHOUT CONSIDERING THE REQUEST OF PETITIONER FOR CHANGE OF ACTIVITIES OF THE UNIT, THE COPY OF WHICH IS AS PER ANNEXURE F. ii)ISSUE A WRIT IN THE NAME OF MANDAMUS DIRECTING THE RESPONDENT NO.1,2, AND 3 TO CONSIDER THE REPRESENTATIONS SUBMITTED BY PETITIONER ON DATED 09.07.2020 THE COPY OF WHICH IS AT ANNEXURE-C ANNEXURE-H DATED 26.11.2021 AND ANNEXURE-J DATED 16.03.2022. (III) ISSUE ANY OTHER WRIT, ORDER OR DIRECTION WHICH THIS HON'BLE COURT MAY DEEMS FIT IN THE CIRCUMSTANCES OF THE CASE.



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

CORAM: HON'BLE MR. JUSTICE S.VISHWAJITH SHETTY

ORAL ORDER

1. The petitioner who is a partnership firm is before
this Court in this writ petition filed under Articles 226 & 227
of the Constitution of India, seeking for the following reliefs:

(i) *Issue a writ in the nature of certiorari
quashing the impugned order passed by respondent
No.3 in file No.KSFC/BO/BDR/D-339/21-22 dated
20.09.2021 directing to close the loan account without
considering the request of petitioner for change of
activities of the unit, the copy of which is as per
Annexure-F;*

(ii) *To issue a writ in the nature of Mandamus
directing the respondent No.1, 2 and 3 to consider the
representations submitted by petitioner on dated
09.07.2020 the copy of which is at Annexure-C,
Annexure-H dated 26.11.2021 and Annexure-J dated
16.03.2022;*

(iii) *Issue any other writ, order or direction
which this Hon'ble Court may deems fit in the*



circumstances of the case, in the interest of justice and equity.

2. Heard the learned counsels for the parties.

3. The petitioner firm which was engaged in manufacturing Homeopathic Medicine had applied for sanction of loan from the respondent-corporation and considering the petitioner's request a term loan of Rs.30,00,000/- was sanctioned by the respondent-corporation and out of the same, an amount of Rs.18,19,100/- is said to have been released by the respondent-corporation, in favour of the petitioner. When the petitioner was in the process of setting up its unit, due to eruption of COVID-19 pandemic, the petitioner was allegedly forced to lock down its unit and resultantly had suffered huge loss. Therefore, the petitioner decided to change the activities of the firm and proposed to switch on to manufacturing of note books and accordingly, it had submitted a representation vide Annexure-C dated 09.07.2020 to the respondent No.3. Without passing any orders on the said representation, it appears that, the



respondent No.3 has issued the impugned communication dated 20.09.2021 at Annexure-F directing the petitioner to pay the loan dues and close the loan account. It is under these circumstances, the petitioner is before this Court seeking for the aforesaid reliefs.

4. Learned counsel for the respondent who has filed statement of objections submits that, the proposal of the petitioner to change its activities and switch on to manufacturing of note books would amount to change of sector. He submits that, the loan was sanctioned to the petitioner at a lower rate of interest considering the nature of the activity which involves service to the society. It is under these circumstances, the communication at Annexure-F was issued to the petitioner.

5. Learned counsel for the petitioner submits that, the petitioner shall submit a fresh representation to the respondent No.3 seeking change of activity which is feasible and permissible. He submits that, the writ petition may be disposed of directing the respondents to consider the said



representation and further direction may be given not to take any coercive steps against the petitioner till then.

6. The said submission is placed on record.

7. Accordingly, the following order:

ORDER

(i) The writ petition is disposed of permitting the petitioner to submit a fresh representation seeking change of activity and such representation shall be filed within a period of two weeks from the date of receipt of copy of this order;

(ii) In the event, the petitioner submits a representation as aforesaid, the respondent No.3 shall consider the same expeditiously and pass appropriate orders on the same expeditiously, but not later than a period of two months from the date of receipt of such representation;



(iii) Till then no coercive steps shall be taken against the petitioner pursuant to the communication at Annexure-F.

Sd/-
(S.VISHWAJITH SHETTY)
JUDGE

SVH
List No.: 1 Sl No.: 42
CT:PK