

S U P R E M E C O U R T O F I N D I A  
R E C O R D O F P R O C E E D I N G S

SPECIAL LEAVE PETITION (CIVIL) Diary No(s). 7979/2025

[Arising out of impugned final judgment and order dated 29-09-2021 in WP No. 17727/2021 and 23-09-2022 in WP No.17727/2021 passed by the High Court of Karnataka at Bengaluru]

LIC HOUSING FINANCE LTD

Petitioner

VERSUS

NAGSON AND COMPANY &amp; ORS.

Respondents

(FOR ADMISSION and I.R.; I.A. No.155516/2025-CONDONATION OF DELAY IN FILING, I.A. No.155518/2025-CONDONATION OF DELAY IN REFILING/CURING THE DEFECTS and I.A. No.155517/2025-EXEMPTION FROM FILING C/C OF THE IMPUGNED JUDGMENT)

Date : 15-07-2025 This matter was called on for hearing today.

CORAM :

HON'BLE MR. JUSTICE DIPANKAR DATTA

HON'BLE MR. JUSTICE AUGUSTINE GEORGE MASIH

For Petitioner(s) :Mr. Suvendu Suvasis Dash, AOR  
Mr. Ashok Panigrahi, Sr. Adv.  
Ms. Swati Vaibhav, Adv.  
Ms. Geetanjali Das Krishnan, Adv.

For Respondent(s) :

UPON hearing the counsel the Court made the following  
O R D E R

1. Despite this Court in a series of judgments [*United Bank of India Vs. Satyawati Tondon & Ors.*<sup>1</sup> being one of them] having cautioned the high courts to exercise writ jurisdiction judiciously while entertaining challenges to actions taken by secured creditors under Section 13 of the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act,

<sup>1</sup> (2010) 8 SCC 110

2002<sup>2</sup> to enforce their security interest in view of the scheme, purpose and object of the enactment, some of the high courts look the other way and grant interim relief on the mere asking. We still come across cases where, without just and sufficient reason being recorded, proceedings taken by secured creditors have ben interdicted by the high courts, with or without imposition of conditions, amounting to great disservice to institutional credibility.

2. The present is one such case. The High Court of Karnataka, without recording any reason, has interfered with proceedings initiated under Section 13 of the SARFAESI Act by the petitioning secured creditor and restrained it from proceeding further on condition of payment of Rs.5 crore only by the defaulting borrower (petitioner before the High Court), by the first of the two impugned orders dated 29<sup>th</sup> September, 2021, on the face of Rs.41 crore and Rs.31 crore being the amounts claimed from such defaulting borrower *vide* the two demand notices, both dated 05<sup>th</sup> August, 2021, under Section 13(2) of the SARFAESI Act.

3. The High Court by a further order dated 23<sup>rd</sup> September, 2022, which is the second impugned order herein, having noted (belated) compliance with its earlier order has continued the earlier interim order till the next date of hearing. We are informed that despite lapse of more than thirty months since then, the writ petition is yet to be heard finally and the defaulting borrower is reaping the benefit of such interim orders.

4. We are taken aback having been informed of the pendency of the writ petition, together with the subsisting unreasoned interim orders, for so long. However, without expressing any opinion on the merits of the writ petition, we

<sup>2</sup> SARFAESI Act

request the High Court to give precedence to the writ petition of the defaulting borrower and to decide the same, subject to its convenience, by the end of September, 2025. The roster bench shall proceed to decide the writ petition in accordance with law, but uninfluenced by any observation made hereinabove.

5. Issue notice on the application for condonation of delay as well as on the special leave petition, returnable on 10<sup>th</sup> October, 2025.

**(RASHMI DHYANI PANT)**  
**ASTT. REGISTRAR-cum-PS**

**(SUDHIR KUMAR SHARMA)**  
**COURT MASTER (NSH)**