



HC-KAR

IN THE HIGH COURT OF KARNATAKA AT BENGALURU

DATED THIS THE 24TH DAY OF APRIL, 2026

PRESENT

THE HON'BLE MR. VIBHU BAKHRU, CHIEF JUSTICE

AND

THE HON'BLE MR. JUSTICE C.M. POONACHA

COMMERCIAL APPEAL NO. 128 OF 2026

BETWEEN:

1. SAMMAAN FINSERVE LIMITED
(FORMERLY KNOWN AS INDIABULLS
COMMERCIAL CREDIT LIMITED)
A COMPANY INCORPORATED UNDER
THE COMPANIES ACT, 1956
WITH REGISTERED ADDRESS AT:
2ND FLOOR PLOT NO-3 BLOCK-A
POCKET-2, SECTOR-17
DWARKA RESIDENTIAL SCHEME
DISTRICT COURT COMPLEX DWARKA
SOUTH WEST DELHI - 110 075
REPRESENTED BY ITS
AUTHORISED REPRESENTATIVE
MR. ABDUL JAMEEL R.V.
2. SAMMAAN CAPITAL LIMITED
(FORMERLY KNOWN AS INDIABULLS
HOUSING FINANCE LIMITED)
A COMPANY INCORPORATED UNDER
THE COMPANIES ACT, 1956
WITH REGISTERED ADDRESS AT:
A-34, 2ND AND 3RD FLOOR
LAJPAT NAGAR-II
SOUTH DELHI - 110 024





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AND HAVING ONE OF THE BRANCH
OFFICES AT:
PLOT NO. 87/6, GROUND MEZZANINE
INDIABULLS HOUSE, RICHMOND TOWN
BANGALORE - 560 025
REPRESENTED BY ITS
AUTHORISED REPRESENTATIVE
MR. DAMODAR S

3. OMKARA ASSETS RECONSTRUCTION
PRIVATE LIMITED
A COMPANY INCORPORATED UNDER
THE COMPANIES ACT, 1956
HAVING ITS REGISTERED OFFICE AT:
NO.9, M.P. NAGAR, FIRST STREET
KONGU NAGAR EXTENSION
TIRUPUR - 641 607, TAMIL NADU

AND CORPORATE OFFICE AT:
KOHINOOR SQUARE, 47TH FLOOR
N.C. KELKAR MARG
R.G. GADKARI CHOWK
DADAR (WEST)
MUMBAI MAHARASHTRA - 400 028
REPRESENTED BY ITS AUTHORISED SIGNATORY
RAJENDRA BHOSALE

...APPELLANTS

(BY SRI DHYAN CHINNAPPA, SENIOR ADVOCATE FOR
SRI CHINTAN CHINNAPPA M., ADVOCATE)

AND:

1. MR. CHIMANLAL TALREJA
AGED ABOUT 78 YEARS
SON OF LATE SHRI LALCHAND
TALREJA
RESIDING AT: 45, NANJAPPA ROAD



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SHANTI NAGAR
BENGALURU - 560 027

2. PROPCARE DEVELOPERS PRIVATE LIMITED
(FORMERLY KNOWN AS
MANTRI DEVELOPERS PRIVATE LIMITED)
WITH REGISTERED ADDRESS AT
C-5, RICH HOMES, No.5/1
RICHMOND ROAD
RICHMOND TOWN
BENGALURU - 560 025

REPRESENTED BY
DIRECTORS MR. MOHANKUMAR
SINGAPURA JAYANNA AND
MR. METHUKU SRINIVAS

3. MR. B.S.N. HARI
AGED ABOUT 70 YEARS
SON OF LATE SHRI. B.N. SATYANNA
RESIDING AT NO. 473, 9TH CROSS
1ST BLOCK, JAYANAGAR
BENGALURU - 560011

WITH ADDRESS ALSO AT:
NO.1, GUTTE ANJANEYA TEMPLE
STREET HOSUR ROAD
WILSON GARDEN
BENGALURU - 560 027

4. MR. JAVED HAROON
AGED ABOUT 61 YEARS
SON OF LATE SHRI SYED ALI
RESIDING AT NO. 20, 30TH CROSS
BANNERGHATTA ROAD LAYOUT
JAYANAGAR
BENGALURU - 560 041



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5. MR. NASEER HUMAYUN
AGED ABOUT 62 YEARS
SON OF LATE SHRI. SYED ALI
RESIDING AT:
NO. 82 AND 83, FERNA RESIDENCY
K NARAYANAPURA CROSS ROAD
KOTHANUR
BENGALURU - 560 077

6. NAVA KARNATAKA PROPERTY
HOLDINGS PRIVATE LIMITED
WITH REGISTERED ADDRESS AT:
NO. 232/C, GROUND FLOOR
2ND MAIN, 7TH CROSS
KORAMANGALA 4TH BLOCK
BENGALURU - 560 034
REPRESENTED BY
DIRECTOR MR. HULIMANGALA
VIJAYARAGHAVAREDDY

7. MR. K LOKESH
AGED ABOUT 50 YEARS
SON OF LATE SHRI. KRISHNAPPA
RESIDING AT:
NO. 69, NAGARESHWARA NAGENAHALLI K
NARAYANAPURA MAIN ROAD
SRK NAGAR POST
BENGALURU - 560 077

8. SMT. K NANDINI
AGED ABOUT 43 YEARS
WIFE OF MR. K LOKESH
RESIDING AT:
NO. 69, NAGARESHWARA NAGENAHALLI
K. NARAYANAPURA MAIN ROAD
SRK NAGAR POST
BENGALURU - 560 077



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9. MR. K. MANJUNATH
AGED ABOUT 47 YEARS SON OF
LATE SHRI. KRISHNAPPA
RESIDING AT
NO. 69, NAGARESHWARA NAGENAHALLI
K NARAYANAPURA MAIN ROAD
SRK NAGAR POST
BENGALURU - 560 077

10. MR. S SOMASHEKHAR
AGED ABOUT 57 YEARS
SON OF LATE SHRI SONNAPPA
RESIDING AT NO. 188
HOMBALE NILAYA
OPPOSITE DINANILAYA CONVENT
KOTHANUR
BENGALURU - 560 077

11. SMT. PAOLA RAVISHANKAR
AGED ABOUT 62 YEARS
WIFE OF MR. D. RAVISHANKAR
RESIDING AT:
L-3, LIC HOUSING SCHEME
JP NAGAR, 1ST PHASE
BENGALURU - 560 078
WITH ADDRESS ALSO AT:
NO.1, GUTTE ANJANEYA
TEMPLE STREET
HOSUR MAIN ROAD
WILSON GARDEN
BANGALORE - 560 027

12. SMT. ALMITRA H. PATEL
AGED ABOUT 88 YEARS
WIFE OF SHRI HOSHANG COOVERJI PATEL
RESIDING AT:



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NO.50, KOTHANUR
BAGALUR ROAD
K.R. PURAM
BANGALORE - 560 077

13. SMT. LOUISA RODRIGUES
AGED ABOUT 94 YEARS
WIFE OF LATE SHRI MANUAL RODRIGUES
RESIDING AT NO. 283
"AMMA", 7TH CROSS
7TH BLOCK, JAYANAGAR
BENGALURU - 560 011
WITH ADDRESS ALSO AT:
NO.1, HARA HOUSE
GUTTE ANJANEYA TEMPLE STREET
HOSUR MAIN ROAD, WILSON GARDEN
BENGALURU - 560 027

14. MR. D. RAVISHANKAR
AGED ABOUT 70 YEARS
SON OF LATE SHRI. D. KAMESH
RESIDING AT:
NO. L-3, LIC HOUSING SCHEME
J.P. NAGAR, 1 PHASE
BENGALURU - 560 078
WITH ADDRESS ALSO AT:
NO.1, GUTTE ANJANEYA TEMPLE
STREET HOSUR MAIN ROAD
WILSON GARDEN
BENGALURU - 560 027

...RESPONDENTS

(BY SRI ASHIWIN RADHAKRISHNAN, ADVOCATE FOR C/R-1;
R-2 IS SERVED & UNREPRESENTED &
VIDE ORDER DATED 18.03.2026,
NOTICE TO R-3 TO 14 IS DISPENSED WITH)



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THIS COMMERCIAL APPEAL IS FILED UNDER SECTION 13 (1-A) OF THE COMMERCIAL COURT ACT, 2015 READ WITH SECTION 37(1)(b) OF THE ARBITRATION AND CONCILIATION ACT, 1996 PRAYING TO ALLOW THIS COMMERCIAL APPEAL AND SET ASIDE THE FINAL ORDER DATED 10.02.2026, PASSED BY THE HON'BLE XI ADDITIONAL DISTRICT AND SESSIONS JUDGE, BENGALURU RURAL DISTRICT, BENGALURU, COMMERCIAL COURT (CCH-11) IN COMMERCIAL A.A. NO. 21/2025 (ANNEXURE-A) AND CONSEQUENTLY DISMISS THE APPLICATION IN COMMERCIAL A.A. NO. 21/2025 BEFORE THE HON'BLE XI ADDITIONAL DISTRICT AND SESSIONS JUDGE, BENGALURU RURAL DISTRICT, BENGALURU, COMMERCIAL COURT (CCH 11), AS AGAINST THE APPELLANTS & ETC.

THIS APPEAL, COMING ON FOR ORDERS, THIS DAY, JUDGMENT WAS DELIVERED THEREIN AS UNDER:

CORAM: HON'BLE MR. VIBHU BAKHRU, CHIEF JUSTICE
and
HON'BLE MR. JUSTICE C.M. POONACHA

ORAL JUDGMENT

(PER: HON'BLE MR. VIBHU BAKHRU, CHIEF JUSTICE)

1. The appellants have filed the present appeal under Section 37(1)(b) of the Arbitration and Conciliation Act, 1996 [**A&C Act**] impugning an order dated 10.02.2026 passed by the XI Additional District and Sessions Judge, Bengaluru Rural District, Bengaluru, Commercial Court (CCH-11) [**Commercial Court**] in



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Com.A.A.No.21/2025. The said application was filed by respondent No.1 under Section 9 of the A&C Act, *inter alia*, seeking interim measures of protection, restraining the appellants from initiating any proceedings under the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 [SARFAESI Act] or any other law. Appellant Nos. 1 and 2 are Non-Banking Financial Companies, and appellant No.3 is an Asset Reconstruction Company. They have filed the present appeal confined to the directions issued in the impugned order to the extent that it restrains them from initiating any proceedings under Section 13 of the SARFAESI Act or any other law, till the petition under Section 11 of the A&C Act, CMP.No.589/2025, which is pending before this Court.

2. The learned Commercial Court has held that Section 34 of the SARFAESI Act does not bar the Commercial Court from issuing any injunction in respect of any action under the SARFAESI Act. The learned Commercial Court reasoned that Section 34 of the SARFAESI Act only excludes jurisdiction in respect of matters that can be considered by the Debt Recovery Tribunal or the Appellate Tribunal under Sections 17 and 18 of the SARFAESI Act. Since,



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recourse to Section 17 of the SARFAESI Act may not be available till a measure under Section 13(4) of the SARFAESI Act is taken, the Commercial Court could issue an order restraining secured creditors from taking any such measures under the SARFAESI Act.

Section 34 of the SARFAESI Act reads as under:

"34. Civil court not to have jurisdiction. -No civil court shall have jurisdiction to entertain any suit or proceeding in respect of any matter which a Debts Recovery Tribunal or the Appellate Tribunal is empowered by or under this Act to determine and no injunction shall be granted by any court or other authority in respect of any action taken or to be taken in pursuance of any power conferred by or under this Act or under the Recovery of Debts Due to Banks and Financial Institutions Act, 1993 (51 of 1993)."

3. A plain reading of the said section indicates that it proscribes any Civil Court from issuing any injunction not only with respect to the action taken, but also to an action that may be taken, pursuant to the powers conferred under the SARFAESI Act or the Recovery of Debts and Bankruptcy Act, 1993.

4. In the aforesaid view, the impugned order passed by the learned Commercial Court is contrary to law.



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5. The learned counsel appearing for respondent No.1 fairly concedes that the impugned order to the extent that it restrains the appellants from invoking the provisions of the SARFAESI Act or taking any measures under the said Act is not sustainable. He, however, requests that the operative part of the order may be set aside, but only to the aforesaid extent. He contends that the other respondents have not challenged the impugned order and therefore the other directions which do not concern the appellants may be sustained.

6. In view of the above, the following direction issued in terms of the impugned order is set aside :

"II. Respondent No.2 to 4 or their agents, and servants or any person claiming through under it from selling, transferring, alienating or creating any third party rights or interest directly or indirectly on the subject property and falsely claiming the subject property to be a secured asset and in particular wrongfully initiating any proceedings in respect thereof under Section 13(1)(2) of the SARFAESI Act or any other law until disposal of pending CMP No.589/2025 before the Hon'ble High Court of Karnataka."

7. Before concluding, we also note that notice to respondent Nos.3 to 14 was dispensed with at the risk of the appellants. However, we also consider it apposite to clarify that this order



would not preclude the other respondents from availing of the remedies in respect of the impugned order. Nothing stated in this order shall be construed as this Court confirming either the *prima facie* findings of the learned Commercial Court or the dispositive order, as this Court has not examined any other aspect other than whether the direction could be issued restraining action under the SARFAESI Act.

8. The appeal is allowed with the aforesaid observations.

Sd/-
(VIBHU BAKHRU)
CHIEF JUSTICE

Sd/-
(C.M. POONACHA)
JUDGE

SD
List No.: 2 SI No.: 16