



WP No. 15391 of 2025

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 10-07-2026

CORAM

THE HON'BLE MR.SUSHRUT ARVIND DHARMADHIKARI,
CHIEF JUSTICE

AND

THE HON'BLE MR.JUSTICE G.ARUL MURUGAN

WP No. 15391 of 2025

and

WMP No. 17412 of 2025

1. R.Vasu
S/o K.Raghu, No.790k,
Venkatraman Nagar, North Avenue,
Korattur, Chennai 600 080.
2. V.Viji
W/o R.Vasu, No.790k,
Venkatraman Nagar, North Avenue,
Korattur, Chennai 600 080.

..Petitioner(s)

Vs

1. The Branch Manager,
State Bank of India,
Assets Recovery Management Branch,
No.44, Eldams Road, 1st Floor,
Teynampet, Chennai 600 018.
2. The Branch Manager,
State Bank of India,
MRC Nagar RACPC Branch,
Mylapore Branch,
Shanthome, Chennai 600 004.

..Respondent(s)



WP No. 15391 of 2025

PRAYER: Writ Petition has been filed under Article 226 of the Constitution of India praying for the issuance of a writ of Mandamus, directing the 1st respondent to refund the initial deposit of Rs.7,50,000/- dated 05.09.2019 along with the interest @ 24% per annum from the date of deposit and also damages.

For Petitioner(s): Mr.S.Ravichandran

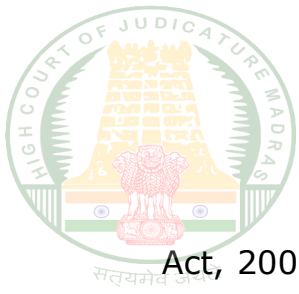
For Respondent(s): Mr.M.L.Ganesh

O R D E R

[Order of the Court was made by G.Arul Murugan J.]

The writ petition has been preferred by the auction purchasers seeking for a direction to the respondent/Bank to refund the initial deposit of Rs.7,50,000/- dated 05.09.2019, along with the interest at 24% per annum from the date of deposit.

2. According to the petitioners, they purchased the property from the respondent/Bank through private treaty for a sale consideration of Rs.29,50,000/- and paid a sum of Rs.7,35,000/- towards the 25% of the initial deposit on 17.09.2019. The Bank subsequently extended a loan for the remaining sale consideration of Rs.25,00,000/- on 01.10.2020. The Bank had obtained an order under Section 14 of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest



WP No. 15391 of 2025

Act, 2002 [hereinafter referred to as the 'SARFESI Act'] and took physical possession of the property on 27.01.2021. It is further stated that the petitioners subsequently came to know that the land, where the building is situated, is wetland classified as Government Poromboke and the same is not fit for occupation. The petitioners expressed their grievance and preferred the complaint before the District Consumer Disputes Redressal Commission Chennai (South) in C.C.No.124 of 2023. In such circumstances, they have come up with the writ petition seeking for refund.

3. The learned counsel appearing for the petitioners submitted that the petitioners have been defrauded by conveyance of the property, which is defective and the Bank is bound to refund the amount paid by the petitioners. It is contended that once it is found that the property is located on wetland and also classified as Government Poromboke, the petitioners cannot be made to suffer the loss.

4. Per contra, Mr.M.L.Ganesh, learned counsel appearing on behalf of the respondents, submitted that the petitioners had already approached the Consumer Forum, where the complaint was dismissed, and it is for the petitioners to pursue further. The learned counsel further by placing reliance on the order passed by this Court preferred by other



WP No. 15391 of 2025

purchasers of the properties in the same building, submitted that all these similar reliefs have been dismissed by this Court and, therefore, the present writ petition is not maintainable.

5. Heard the rival submissions made by the learned counsel on either side and perused the materials available on records.

6. It is not in dispute that the petitioners have purchased the property for a sum of Rs.29,50,000/- and made the initial 25% deposit of Rs.7,35,000/- towards the sale consideration on 17.09.2019. The balance Rs.25,00,000/- was extended as a loan by the Bank, which was sanctioned and appropriated towards the remaining sale consideration. The sale has been completed and the possession was handed over to the petitioners. On being informed that the building is situated on Government Poromboke wetland and it is not fit for occupation, the petitioners have approached the Consumer Forum by way of a complaint in CC.No.124 of 2023, seeking a refund of the amount along with compensation. The said complaint came to be dismissed on 09.09.2024.

7. In respect of a similar writ petition filed by another purchaser before this Court in W.P.No.25974 of 2022, this Court by order dated 02.07.2025 had dismissed the writ petition granting liberty to the



WP No. 15391 of 2025

petitioner therein to file a suit against the Bank to recoup the alleged loss.

WEB COPY

The relevant portion of the order is extracted hereunder:

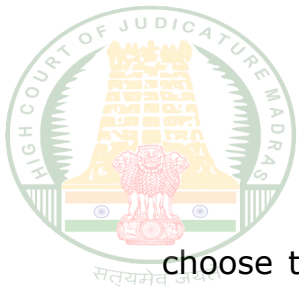
"5. Having considered the pleadings and heard the counsel, certainly disputed questions of facts arise. In our view, petitioner should file a suit against the bank to recoup petitioner's alleged loss. We express no opinion on merits. All rights and contentions are kept open.

6. Petition is dismissed. There shall be no order as to costs.

7. The time spent in this petition from the date of lodging till the date this order is uploaded shall be excluded while calculating limitation if petitioner chooses to file a suit."

8. Another writ petition filed by a co-purchaser in W.P.No.7251 of 2025, also came to be dismissed by an order dated 02.07.2025, in view of the order passed in WP.No.25974 of 2022.

9. In view of the above, this Writ Petition also stands dismissed with the same observations. The petitioners are at liberty to file a civil suit against the Bank to recover the alleged loss. We express no opinion on the merits. All rights and contentions are kept open. The time spent in this writ petition, from the date of lodging till the date this order is uploaded, shall be excluded while calculating limitation if the petitioners



WP No. 15391 of 2025

choose to file a suit. Consequently, the connected Miscellaneous Petition is closed. No costs.

(SUSHRUT ARVIND DHARMADHIKARI, C.J.) (G.ARUL MURUGAN J.)

10-07-2026

Index: Yes/No

Speaking/Non-speaking order

Neutral Citation: Yes/No

Jeni

To

1.The Branch Manager,
State Bank of India,
Assets Recovery Management Branch,
No.44, Eldams Road, 1st Floor,
Teynampet, Chennai 600 018.

2.The Branch Manager,
State Bank of India,
MRC Nagar RACPC Branch,
Mylapore Branch,
Shanthome, Chennai 600 004.



WEB COPY



WP No. 15391 of 2025

THE HON'BLE CHIEF JUSTICE.
AND
G.ARUL MURUGAN, J.

Jeni

WP No. 15391 of 2025

10-07-2026