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W.P.No.27816 of 2026

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 23.07.2026

CORAM :

THE HONOURABLE MR. SUSHRUT ARVIND DHARMADHIKARI,
CHIEF JUSTICE

AND

THE HONOURABLE MR.JUSTICE G.ARUL MURUGAN

W.P.No.27816 of 2026

and WMP Nos.30735, 30736, 30737, 30738 and 30734 of 2026

Franco Fashion,
Rep by its Proprietrix,
No.6, Postal Colony, P.N. Road,
Tirupur - 641 602.

Petitioner(s)

Vs

1. The Chief Manager,
Union Bank of India, S.M.E.Branch,
No.15, Ganga Nagar 1st Street,
Avinashi Road, Tiruppur - 641 602.
2. The Authorized Officer,
Union Bank of India, S.M.E. Branch
(e-Corp Bank) No.15, Ganga Nagar
1st Street, Avinashi Road,
Tiruppur - 641 602.

Respondent(s)

PRAYER: Petition filed under Article 226 of the Constitution of India seeking issuance of a writ of certiorari calling for the entire records of respondent Nos.1 and 2, pertaining to the issuance of sale notice dated 18.03.2026 vide Ref.ARB CBE/15 D SN/584/2025, inclusive of



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the holding of public E-auction on 10.04.2026 and quash the same, as one not sustainable in law and outside the purview of SARFEASI Act.

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For Petitioner(s): Mr.Velayutham Pichaiya

ORDER

(Order of the Court was made by the Hon'ble Chief Justice)

The petitioner, a sole proprietorship concern represented by its Proprietrix, has invoked the extraordinary jurisdiction of this court under Article 226 of the Constitution of India seeking a writ of certiorari to call for the records and quash the Sale Notice dated 18.03.2026, which scheduled the e-auction on 10.04.2026.

2. At the threshold, the documents indicate that the impugned Sale Notice was issued on 18.03.2026, fixing the public e-auction date as 10.04.2026. Moreover, it is admitted that, on 10.4.2026, the sale was conducted and the successful bidder remitted 25% of the bid amount, thereby creating third party rights. Therefore, as on date, the prayer seeking to quash the said Sale Notice and prevent the auction scheduled for 10.04.2026 has been rendered infructuous by flux of time.



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3. Learned counsel for the petitioner submitted that the legal heirs of the guarantors have already approached the Debts Recovery Tribunal assailing the proceedings initiated by the respondent/bank in respect of the very same secured asset.

4. When the measures taken by the respondent/bank are already subject to adjudication before the Debts Recovery Tribunal, it is for the petitioner to seek impleadment in the said pending proceedings before DRT and pursue its remedies thereunder in accordance with law. The extraordinary constitutional jurisdiction of this Court under Article 226 cannot be invoked to bypass the statutory forum.

5. The Supreme Court in *Celir LLP v. Bafna Motors (Mumbai) (P) Ltd*¹, reiterating its seminal decision in *United Bank of India v. Satyawati Tondon*², expressed grave concern over High Courts bypassing statutory forums to exercise jurisdiction under Article 226 of the Constitution of India. The Supreme Court observed that while the powers under Article 226 of the Constitution of India are wide,

¹ (2024) 2 SCC 1
² (2010) 8 SCC 110



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the rule of exhaustion of alternative remedies applies with greater rigour in matters involving the recovery of public money and bank dues, where Parliament has provided a comprehensive, self-contained statutory code. The High Courts were explicitly cautioned to exercise their discretion with utmost care and circumspection, so as not to disrupt the statutory mechanism for recovery or prejudice the rights of financial institutions. It is seemly to extract the relevant portion of the said judgment hereunder:

"97. This Court has time and again, reminded the High Courts that they should not entertain petition under Article 226 of the Constitution if an effective remedy is available to the aggrieved person under the provisions of the SARFAESI Act. This Court in United Bank of India v. Satyawati Tondon, (2010) 8 SCC 110 made the following observations: (SCC pp. 123 & 128, paras 43-45 & 55)

'43. Unfortunately, the High Court [Satyawati Tondon v. State of U.P., 2009 SCC OnLine All 2608] overlooked the settled law that the High Court will ordinarily not entertain a petition under Article 226 of the Constitution if an effective remedy is available to the aggrieved person and that



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this rule applies with greater rigour in matters involving recovery of taxes, cess, fees, other types of public money and the dues of banks and other financial institutions. In our view, while dealing with the petitions involving challenge to the action taken for recovery of the public dues, etc. the High Court must keep in mind that the legislations enacted by Parliament and State Legislatures for recovery of such dues are a code unto themselves inasmuch as they not only contain comprehensive procedure for recovery of the dues but also envisage constitution of quasi-judicial bodies for redressal of the grievance of any aggrieved person. Therefore, in all such cases, the High Court must insist that before availing remedy under Article 226 of the Constitution, a person must exhaust the remedies available under the relevant statute.

44. While expressing the aforesaid view, we are conscious that the powers conferred upon the High Court under Article 226 of the Constitution to issue to any person or authority, including in appropriate cases, any



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Government, directions, orders or writs including the five prerogative writs for the enforcement of any of the rights conferred by Part III or for any other purpose are very wide and there is no express limitation on exercise of that power but, at the same time, we cannot be oblivious of the rules of self-imposed restraint evolved by this Court, which every High Court is bound to keep in view while exercising power under Article 226 of the Constitution.

45. It is true that the rule of exhaustion of alternative remedy is a rule of discretion and not one of compulsion, but **it is difficult to fathom any reason why the High Court should entertain a petition filed under Article 226 of the Constitution and pass interim order ignoring the fact that the petitioner can avail effective alternative remedy by filing application, appeal, revision, etc. and the particular legislation contains a detailed mechanism for redressal of his grievance.**

55. **It is a matter of serious concern that despite repeated pronouncement of this Court, the High Courts continue to ignore**



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the availability of statutory remedies under the DRT Act and the SARFAESI Act and exercise jurisdiction under Article 226 for passing orders which have serious adverse impact on the right of banks and other financial institutions to recover their dues. We hope and trust that in future the High Courts will exercise their discretion in such matters with greater caution, care and circumspection.'

...

101. More than a decade back, this Court had expressed serious concern despite its repeated pronouncements in regard to the High Courts ignoring the availability of statutory remedies under the RDBFI Act and the SARFAESI Act and exercise of jurisdiction under Article 226 of the Constitution. Even after, the decision of this Court in United Bank of India v. Satyawati Tondon, (2010) 8 SCC 110, , it appears that the High Courts have continued to exercise its writ jurisdiction under Article 226 ignoring the statutory remedies under the RDBFI Act and the SARFAESI Act."

[emphasis supplied]



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6. In light of the prayer having rendered infructuous and the settled legal position regarding maintainability under the SARFAESI Act, 2002, this Court holds that the writ petition cannot be entertained.

The writ petition stands dismissed as infructuous and not maintainable. It is open to the petitioner to pursue its remedy before the Debts Recovery Tribunal, if so advised. There shall be no order as to costs. Consequently, all connected interim applications are closed.

(SUSHRUT ARVIND DHARMADHIKARI,CJ) (G.ARUL MURUGAN,J)
23.07.2026

Index : Yes/No

Neutral Citation : Yes/No

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THE HON'BLE CHIEF JUSTICE



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AND
G.ARUL MURUGAN,J.

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