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W.P.(MD).No.22741 of 2026

BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

DATED : 11.08.2026

CORAM

THE HONOURABLE MR. JUSTICE M.DHANDAPANI

and

THE HONOURABLE MR. JUSTICE N.DILIP KUMAR

W.P.(MD).No.22741 of 2026

and

W.M.P.(MD).No.16925 of 2026

V.Sathish Kumar

: Petitioner

Vs.

The Authorized Officer,
Canara Bank,
Cantonment Branch,
21, Madurai Road,
Trichy-620 008.

... Respondent

Prayer: This Writ Petition filed under Article 226 of the Constitution of India to issue a Writ of Certiorarified Mandamus, calling for the records relating to the impugned possession notice issued by the respondent under Section 13(4) of the SARFAESI Act dated 18.05.2026 and quash the same and consequently direct the respondent Bank to forbear from proceeding further under the SARFAESI Act pursuant to the demand notice dated 16.02.2026 except by the due process of law.

For petitioner

: Mr.S.Samuel Raja Pandian



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W.P.(MD).No.22741 of 2026

ORDER

(Order of the Court was made by **M.DHANDAPANI.J.**)

This Writ Petition has been filed challenging the impugned possession notice issued by the respondent-Bank under Section 13(4) of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (hereinafter referred to as "the SARFAESI Act"), dated 18.05.2026 and consequently, seeking a direction to the respondent-Bank to forbear from proceeding further under the SARFAESI Act pursuant to the demand notice dated 16.02.2026, except by following due process of law.

2. Heard the learned counsel appearing for the petitioner.

3. The learned counsel appearing for the petitioner would submit that the petitioner is a businessman and a partner of M/s.Saisha Agency, M/s.Sayas AD and M/s.Saisha Beauty and Hair Academy and, through the said firms, is running a hair and beauty salon under the name and style of "Naturals". The petitioner availed various loan facilities from the respondent-Bank during the years 2013 and 2014 by mortgaging several properties as security. However, due to non-payment of the loan amounts, the loan account was classified as a Non-Performing Asset (NPA) and



W.P.(MD).No.22741 of 2026

proceedings were initiated by the respondent-Bank before the Debts Recovery Tribunal (DRT). It is further submitted that, subsequently, S.A.No.46 of 2019 was filed before the DRT, in which the petitioner deposited a sum of Rs.40,00,000/- as a conditional deposit. Thereafter, the petitioner expressed his willingness to enter into One Time Settlement (OTS) with the respondent-Bank. Pursuant thereto, the respondent-Bank withdrew the proceedings pending before the DRT. However, no OTS could ultimately be arrived at between the petitioner and the respondent-Bank. Subsequently, the respondent-Bank issued a demand notice under Section 13(2) of the SARFAESI Act, followed by the impugned possession notice under Section 13(4) of the said Act. He would further submit that the petitioner is ready and willing to establish his *bona fide* and is also ready to deposit a reasonable amount with the respondent-Bank to enable the parties to arrive at One Time Settlement. Hence, the learned counsel would seek appropriate indulgence of this Court.

4. On a perusal of the materials available on record, it is evident that there has been prolonged litigation between the petitioner and the respondent-Bank in relation to the settlement of the loan account. Admittedly, as on date, no One Time Settlement has been arrived at between the parties. In the absence of any concluded settlement, the respondent-Bank has proceeded under the provisions of Sections 13(2)



W.P.(MD).No.22741 of 2026

and 13(4) of the SARFAESI Act. In such circumstances, this Court is of the view that the petitioner has an effective and efficacious alternative remedy before the Debts Recovery Tribunal under Section 17 of the SARFAESI Act. The petitioner can very well raise all the grounds available to him, including the issue relating to the alleged One Time Settlement and the subsequent proceedings initiated by the respondent-Bank, before the competent DRT. In view of the availability of an effective alternative remedy, this Court is not inclined to entertain the present Writ Petition.

5. Accordingly, the Writ Petition is dismissed. However, liberty is granted to the petitioner to approach the jurisdictional Debts Recovery Tribunal under Section 17 of the SARFAESI Act and raise all the grounds available to him, in the manner known to law. The Registry is directed to return the original documents, if any, produced by the petitioner, enabling him to approach the Debts Recovery Tribunal. No costs. Consequently, the connected miscellaneous petition is closed.

[M.D.I.,J] [N.D.K.,J]

11.08.2026

Index:Yes/No
Internet:Yes/No
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W.P.(MD).No.22741 of 2026

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W.P.(MD).No.22741 of 2026

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