



W.P(MD)No.9024 of 2025

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BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

DATED : 06.06.2025

CORAM:

**THE HONOURABLE MR.JUSTICE S.M.SUBRAMANIAM
AND
THE HONOURABLE DR.JUSTICE A.D.MARIA CLETE**

**W.P(MD)No.9024 of 2025
and
W.M.P.(MD) Nos.6737, 6741 and 6743 of 2025**

Hitesh S.Patel

... Petitioner

Vs.

1.The Authorised Officer,
Punjab National Bank,
No.46-49, 4th Floor, PNB Tower,
Royapettah High Road,
Chennai-14.

2.M/s.Lidiya Prestige Developers LLP,
Rep., by its Managing Director,
144B/1, Polepettai, Thoothukudi,
Sankaraperi, Thoothukudi-628 002.

3.M/s.AM Green Ammonia India Private Limited,
Rep., by its Managing Director,
Module No.A1, A2, A3, Q4, 4th Floor,
Cyber Towers, Madahapuram,
Telangana-500 081.

... Respondents

PRAYER: Writ Petition filed under Article 226 of the Constitution of India, praying this Court to issue a Writ of Certiorarified Mandamus, to



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call for the entire records pursuant to the impugned sale certificate issued by the 1st respondent in Ref.No.ZS/8341/2024 dated 27.12.2024, quash the same, and consequently direct the 1st Respondent to issue fresh sale notice after proper valuation of the property and conduct a fresh auction in a fair and transparent manner within a time limit that may be fixed by this Court.

For Petitioner : Mr.M.Velmurugan
for Mr.Niranjana S.Kumar

For Respondents : Mr.M.L.Ganesh – for R1
: Mr.G.Prabhurajadurai – for R2

ORDER

[Order of the Court was made by S.M.SUBRAMANIAM, J.]

Admittedly, the sale certificate in Ref.No.ZS/8341/2024, dated 27.12.2024 issued by the first respondent-Bank is under challenge in this writ petition.

2. Disputed facts relating to sale certificate in connection with e-auction sale conducted by the Bank cannot be adjudicated in a writ proceedings. Parties have to redress their grievance before the Debts Recovery Tribunal.



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3. Mr.M.L.Gandhi, learned counsel for the first respondent and Mr.G.Prabhu Rajadurai, learned counsel for the second respondent would submit that a petition has already been filed before the Debts Recovery Tribunal and it is *sub judice*.

4. Mr.Velmurugan, learned counsel for the petitioner states that certain issues relating to merits are to be considered.

5. This Court is not inclined to consider the merits, in view of the judgment of the Hon'ble Supreme Court in ***Celir LLP Vs. Bafna Motors (Mumbai) Private Limited and others*** reported in ***(2024) 2 SCC 1***. Paragraph Nos.97, 98, 110 and 110.1, which are relevant in this context, stand extracted 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 Satyawati Tondon [United Bank of India v. Satyawati Tondon, (2010) 8 SCC 110 : (2010) 3 SCC (Civ) 260] made the following observations :



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(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 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.



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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 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.*



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

98.In CIT v. Chhabil Dass Agarwal [CIT v. Chhabil Dass Agarwal, (2014) 1 SCC 603] , this Court in para 15 made the following observations : (SCC p. 611, para 15)

“15. Thus, while it can be said that this Court has recognised some exceptions to the rule of alternative remedy i.e. where the statutory authority has not acted in accordance with the provisions of the enactment in question, or in defiance of the fundamental principles of judicial procedure, or has resorted to invoke the provisions which are repealed, or when an order



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has been passed in total violation of the principles of natural justice, the proposition laid down in Thansingh Nathmal case [Thansingh Nathmal v. Supdt. of Taxes, 1964 SCC OnLine SC 13] , Titaghur Paper Mills case [Titaghur Paper Mills Co. Ltd. v. State of Orissa, (1983) 2 SCC 433 : 1983 SCC (Tax) 131] and other similar judgments that the High Court will not entertain a petition under Article 226 of the Constitution if an effective alternative remedy is available to the aggrieved person or the statute under which the action complained of has been taken itself contains a mechanism for redressal of grievance still holds the field. Therefore, when a statutory forum is created by law for redressal of grievances, a writ petition should not be entertained ignoring the statutory dispensation.”

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110.We summarise our final conclusion as under:

110.1. The High Court was not justified in exercising its writ jurisdiction under Article 226 of the Constitution more particularly when the borrowers had already availed the alternative remedy available to them under Section 17 of the SARFAESI Act.”



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6. In view of the above legal position, granting liberty to the petitioner, this Writ Petition is dismissed. It is needless to state that the period during which this writ petition was pending shall be considered for condoning the delay. However, there shall be no order as to costs. Consequently, connected miscellaneous petitions are closed.

[S.M.S., J.] [A.D.M.C., J.]
06.06.2025

Index: Yes/No
Internet: Yes/No
NCC: Yes/No

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