



W.P.(MD)No.35292 of 2025

BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

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DATED: 10.12.2025

CORAM:

THE HONOURABLE **DR.JUSTICE G. JAYACHANDRAN**
AND
THE HONOURABLE **MR.JUSTICE K.K. RAMAKRISHNAN**

W.P.(MD)No.35292 of 2025

and

W.M.P.(MD)No.27978 of 2025

K.Rajendran

... Petitioner

Vs.

1.The Authorised Officer,
Punjab National Officer,
Assset Recovery Management Branch,
448-A, Dr.Nanjappa Road,
Coimbatore-641 018.

2.The Manager,
Punjab National Bank,
No.492, Jawahar Bazaar,
Karur-639 001.

... Respondents

PRAYER:- Writ Petition filed under Article 226 of the Constitution of India, to issue a Writ of Certiorarified Mandamus, to call for the records in respect of the possession notice dated 11.11.2025 issued by the first respondent bank and quash the same as barred by limitation and consequently directing the respondent banks to consider the representation dated 29.11.2025 made by the petitioner and close the loan account, cancel the MOD and release the original documents.



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For Petitioner : Mr.K.V.Subramanian
Senior Counsel
for Mr.P.Thirumahilamaran
For Respondents : Mr.V.Balasubramanian

ORDER

(Order of the Court was made by **DR.G.JAYACHANDRAN, J.**)

The petitioner herein is the borrower from the erstwhile oriental Bank of Commerce, now got amalgamated with Punjab National Bank. The loan transaction with cash credit limit of Rs.68 lakhs was commenced in the year 2010. Later the said account became a non performing asset (NPA) and hence, the Bank initiated recovery proceedings under the provisions of Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (in short 'SARFAESI Act').

2.The first possession notice under Section 13-A of the SARFAESI Act was issued on 30.04.2010, which culminated into a sale notice dated 05.02.2013 and also sale certificate. However, all these proceedings had been subsequently set aside at the instance of the borrower by filing an appropriate application before the Debt Recovery Tribunal as well as before this Court.



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3.Now the issue that has been brought to the notice of this Court by the borrower, is that after the earlier possession notice and sale certificate got set aside, the Bank proceeded against the borrower for recovery of astronomical sum of Rs.89,28,211.50 with 16.75% interest per annum.

4.According to the petitioner, the representation for one time settlement given by the petitioner to the Bank to follow the RBI guidelines was arbitrarily rejected. The amount paid pending recovery proceedings, was not taken into account and the interest calculated at the rate of 16.75% instead of 12% clearly indicates the mala fide intention of the Bank to knock away the property without considering the request of the borrower/petitioner. Hence, he seeks a writ of certiorarified mandamus to quash the possession notice dated 11.11.2025 issued by the first respondent bank and to declare it as barred by limitation and for a consequential direction to the respondent bank to consider the representation dated 29.11.2025 made by the petitioner and close the account, cancel MOD and release the original documents.



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5.The learned counsel for the petitioner strenuously argued that right from the beginning, the bank has been acting arbitrarily and against the interest of the borrower despite the fact that the borrower came forward to settle the loan as per the guidelines of Reserve Bank of India. He would further submit that the amount ascertained as due is also not in tune with the accounts maintained and a sum of Rs.18,32,297/- paid by the petitioner had not been properly given credit.

6.He further submits that a sum of Rs.90 lakhs was deposited by the auction purchaser and interest paid to the auction purchaser after the sale certificate got cancelled, was also added to the account of the borrower. The contention of the petitioner is that when the Bank initially caused sale notice on 05.02.2013, the amount due was only Rs.76,02,308/-. Subsequently, he has paid a sum of Rs.18,32,297/- and the actual balance is only Rs.57,70,011/-, but the property was sold for a sum of Rs.90 lakhs, which is over and above the amount due.

7.It is his further submission that when the petitioner is ready to settle the amount to the respondent bank at simple interest at the rate of 6% after adjudicating the amount already paid by the petitioner to the



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tune of Rs.18,32,297/-, the demand of Bank to the tune of Rs.89,28,211/- is arbitrary.

8.The learned counsel appearing for the Bank would submit that the petitioner has availed loan from the bank in the year 2010, and defaulted in payment. Hence, recovery proceedings was commenced as early as in the year 2013. Therefore, his contention that the present proceedings is barred by limitation is ex-facie untenable. Regarding payments and calculation produced by the petitioner, he would submit that the entire amount paid as against the loan amount and interest had been properly accounted and if at all the petitioner has any grievances, it is for him to work out his remedy before the Debt Recovery Tribunal, where the original petition in D.R.T.O.P.No.14 of 2024 is pending.

9.Heard the learned counsel appearing on either side and perused the materials placed on record.

10.The learned counsel for the Bank states that the borrower had received loan in the year 2010 and exploited the bank with specific understanding that he will repay the loan amount with interest at the rate



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of 16.75%. After defaulting in repayment and dragging the bank into prolonged proceedings for over 14 years, the borrower made a request for One Time Settlement. However, the same was found to be not feasible and was accordingly rejected.

11.Any grievance regarding the accounts, opportunity for the petitioner is only before the Debt Recovery Tribunal. The petitioner having remained *ex-parte* in D.R.T.O.P.No.14 of 2024, had taken out an application to set aside the *ex-parte* order and the same is pending. Meanwhile, the bank after considering the One Time Settlement proposal submitted by the petitioner, has rejected it and proceeded against the borrower as per the provisions of SARFAESI Act.

12.This Court on perusing the records finds that the prayer sought for in this writ petition is not maintainable and intangible on two grounds.

13.Firstly, the remedy for the petitioner is before the authorities/Tribunal constituted under the Special Act namely SARFAESI Act. Secondly, the contention of the petitioner is that the debt itself is



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barred by limitation is untenable and refusal of the Bank to consider One Time Settlement is within the purview of the bank and under Article 226 of the Constitution of India, this Court has to restrain itself from interfering with the same.

14.Hence, this writ petition stands dismissed. Consequently, connected miscellaneous petition is closed. There shall be no order as to costs.

[G.J., J.] & [K.K.R.K., J.]
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