



W.P.No.1808 of 2024

IN THE HIGH COURT OF JUDICATURE AT MADRAS

WEB COPY

DATED : 23.03.2026

CORAM :

THE HON'BLE MR.JUSTICE M.DHANDAPANI

W.P.No.1808 of 2024
and W.M.P.No.1872 of 2024

1. ARR Srinivasan Firm,
Represented by its Authorised Working Partner
R.Geetha

2. R.Geetha

.. Petitioners

Versus

1. RBL Bank Limited,
Represented by its Branch Manager,
Ground Kanda Swarna Bheemaratha Arcade,
22, Brindavan Road, New Fairlands,
Salem – 636 016.

2. Reserve Bank of India,
Represented by its Regional Director,
Fort Glacis, 16, Rajaji Salai, Chennai – 600 001.

3. S.Ravichandran

4. S.Rajeshwari

5. Vishnu Prasath

6. Sub Registrar – Salem West Joint – 1,
Salem – 636 001.

7. J.C.Flowers Asset Reconstruction Private Limited,
Unit No.230-206, 2nd Floor, Wing A, Inspire BKC,
Bandra Kurla Complex,
Bandra East, Mumbai – 400 051.

.. Respondents



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(R7 impleaded vide order dated 04.03.2026 made in W.M.P.No.311 of 2026 in W.P.No.1808 of 2024)

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Prayer : Writ Petition filed under Article 226 of the Constitution of India seeking a Writ of Certiorari, calling for the records relating to the release of the mortgage on 23.03.2022 of the 3rd respondent/Co-borrower's house property measuring 7180 Sq.ft., at Door No.28, Sagadevapuram Extension, Kumarasamypatti village, Rajaram Nagar, Salem – 636 007, Salem Corporation Sub-Division Ward-B, Block-19, T.S.No.38/1 Part, 43/1 Part, as per the Re-survey and Settlement Ward-J, Block-19, T.S.No.70/1 part and 70/2 part in the office of the 6th respondent Sub-Registrar, Salem West Joint-1 vide Document No.1308/2022 and to quash the same.

(Prayer amended vide order, dated 04.03.2026 made W.M.P.No.18488 of 2024 in W.P.No.1808 of 2024)

For Petitioners : Mr.Sanjay Pinto

For Respondents : Mr.V.M.Shivakumar, for R1

: Mr.R.Vidhya Shankar,
for RR-3 and 4

: Mrs.V.Yamunadevi,
Special Government Pleader,
for R6

: No appearance for RR-2 and 5

ORDER

This Writ Petition is filed to call for the records relating to the release of the mortgage on 23.03.2022 of the third respondent/co-borrower's house property measuring 7180 Sq.ft., at Door No.28, Sagadevapuram Extension, Kumarasamypatti village, Rajaram Nagar,



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Salem – 636 007, Salem Corporation Sub-Division Ward-B, Block-19, T.S.No.38/1 Part, 43/1 Part, as per the Re-survey and Settlement Ward-J, Block-19, T.S.No.70/1 part and 70/2 part in the office of the sixth respondent vide Document No.1308 of 2022 and to quash the same.

2. Learned Counsel for the petitioners submits that the petitioners and the third respondent availed the credit facility from the first respondent by mortgaging the property. For non-payment of the due amount, the first respondent initiated proceedings under Section 13(2) of the SARFAESI Act by issuing notice. Pursuant to the notice, the third respondent approached the first respondent for payment of part amount for releasing of the property and the same was negated by the first respondent. However, subsequently, the first respondent released the property to the third respondent by receiving the part amount contrary to the earlier stand. Hence, the present Writ Petition is filed with the above prayer.

3. The learned Counsel for the petitioners further submits that at the time of granting credit facility in favour of the petitioners and third respondent, in clauses – 3.32 and 3.33 of the Credit Facility Sanction



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Letter, it was clearly held that in case of foreclosure of the credit facility/facilities, all the credit facility/facilities have to be closed at the same time. Foreclosure of any single credit facility cannot be done while the other credit facility/facilities are still alive and all the collaterals linked to the credit facilities will be released only on closure of all the credit facility/facilities. However, on contrary to the clauses, the first respondent releasing the property by way of release deed in favour of the third respondent is not acceptable one. Accordingly, he prays for appropriate orders.

4. Per *contra*, learned Counsel for the third respondent submits that the third respondent is the brother-in-law of the second petitioner and earlier, for the credit facilities availed by the petitioners, the third respondent stood as co-borrower/guarantor. However, subsequently, without fund provided by the petitioners, the third respondent availed a loan and paid the part amount, thereby, the property was released. However, the issue arises in the present Writ Petition is a disputed question of fact and cannot be decided under the Article 226 of the Constitution of India and can be decided only before the competent Civil Court. On the event of the petitioners filing Civil suit as against the respondent Nos.1 and



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3, the third respondent deserves a right to agitate the issue before the competent Civil Court in respect of the release deed executed by the first respondent in favour of the third respondent.

5. In view thereof, the petitioners are directed to approach the competent Civil Court against the respondents for releasing the property in favour of the third respondent.

6. Accordingly, this Writ Petition is dismissed by directing the Civil Court to decide the issue independently without getting influenced by any of the observations made by this Court. There shall be no order as to costs. Consequently, connected miscellaneous petition is closed.

23.03.2026

Index : yes/no
Speaking order/Non-speaking order
Neutral Citation : yes/no
grs

To

1. The Branch Manager
RBL Bank Limited,
Ground Kanda Swarna Bheemaratha Arcade,
22, Brindavan Road, New Fairlands,
Salem – 636 016.

5/7



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2. The Regional Director,
Reserve Bank of India,
Fort Glacis, 16, Rajaji Salai, Chennai – 600 001.
3. The Sub Registrar – Salem West Joint – 1,
Salem – 636 001.



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M.DHANDAPANI, J.

grs

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