



W.P. No.15137 of 2026

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 05.06.2026

CORAM :

THE HONOURABLE MR.SUSHRUT ARVIND DHARMADHIKARI,
CHIEF JUSTICE

AND

THE HONOURABLE MR.JUSTICE G.ARUL MURUGAN

W.P. No.15137 of 2026

A.Selvam,
S/o.T.Angamuthu,
S.No.55/2A and 55/2B,
RB Nagar, Vijayanallur,
Ponneri Taluk, Tiruvallur,
Chennai - 600 067.

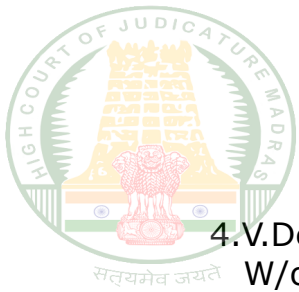
.. Petitioner(s)

Vs

1.Assistant General Manager,
Punjab National Bank,
Circle Sastra Centre-Chennai,
No.769, Second Floor,
Spencer Plaza, Chennai - 600 002.

2.S.Anbu,
Proprietor to M/s.A.K.Industries,
Door No.11, Venkatesh Nagar,
Drivers Colony, Chennai - 600 072.

3.B.Naresh,
S/o.Balakrishnan,
No.1/51, Amman Kovil Street,
Puzhal Post, Sorapattu,
Puzhal, Chennai - 600 066.



W.P. No.15137 of 2026

4.V.Devi,
W/o.B.Naresh and
D/o Vinayagam,
No.1/51, Amman Kovil Street,
Puzhal Post, Sorapattu,
Puzhal, Chennai - 600 066.

.. Respondent(s)

PRAYER: Petition filed under Article 226 of the Constitution of India seeking issuance of a writ of certiorarified mandamus to quash the final order dated 01.01.2026 in S.A.No.383/2023, DRT-III, Chennai, declaring that the final order is illegal, without jurisdiction, against principles of natural justice, non-speaking, and suffered with misstatement of facts and mistake apparent on the face of the record and consequently to direct the Tribunal to re-adjudicate the S.A.No.383/2023, including the pending interim petitions, on merits.

For Petitioner(s): Mr.N.Sivakumar

ORDER
(Made by G.ARUL MURUGAN, J.)

Heard.

2.This writ petition is filed challenging the final order dated 01.01.2026 passed by the Debts Recovery Tribunal-III, Chennai, in S.A.No.383 of 2023, whereby the challenge made to the sale notice came to be dismissed.



W.P. No.15137 of 2026

3. Before advertng to the facts of the case, it is to be noted that the Securitization Application filed on the file of DRT-III, Chennai, under Section 17 of the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (in short "SARFAESI Act") has been dismissed *vide* its final order dated 01.01.2026. The petitioner had preferred the writ petition without availing the statutory remedy of appeal before the Debt Recovery Appellate Tribunal as provided under the Act.

4. Section 18 of the Act provides for an appeal by any person aggrieved by any order passed by the DRT under Section 17 of the SARFAESI Act. Section 18 reads as under:-

"18. Appeal to Appellate Tribunal

(1) Any person aggrieved, by any order made by the Debts Recovery Tribunal under Section 17, may prefer an appeal along with such fee, as may be prescribed to an Appellate Tribunal within thirty days from the date of receipt of the order of Debts Recovery Tribunal:

Provided that different fees may be prescribed for filing an appeal by the borrower or by the person other than the borrower:

Provided further that no appeal shall be entertained unless the borrower has deposited with the Appellate Tribunal fifty per cent of the amount of debt due from him, as claimed by the secured creditors or determined by the Debts Recovery Tribunal, whichever is less:



WEB COPY



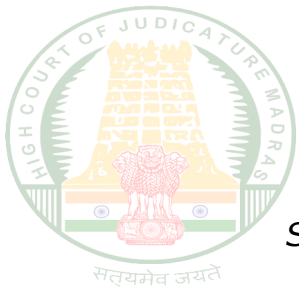
W.P. No.15137 of 2026

Provided also that the Appellate Tribunal may, for the reasons to be recorded in writing, reduce the amount to not less than twenty-five per cent of debt referred to in the second proviso.

(2) Save as otherwise provided in this Act, the Appellate Tribunal shall, as far as may be, dispose of the appeal in accordance with the provisions of the Recovery of Debts Due to Banks and Financial Institutions Act, 1993 (51 of 1993) and rules made thereunder."

5.This Court, in the case of ***Sudha RK and Another v. IIFL Home Finance Ltd., (2026/MHC/1809)*** considered the similar issue, and by following the decision of the Hon'ble Supreme Court in the case of ***K.Sreedhar v. M/s.Raus Constructions (P) Ltd., [(2023) 11 SCC 169]*** held that the writ petition is not maintainable, due to the availability of an alternate efficacious statutory remedy. The relevant portion is extracted hereunder:-

"14.The law on this issue is no longer res integra. The Supreme Court has repeatedly and unequivocally held that the SARFAESI Act is a comprehensive and complete code for the recovery of debts and enforcement of security interests. Constitutional courts must exercise extreme judicial restraint and decline to entertain writ petitions when a robust and efficacious statutory remedy is explicitly provided within the legislative framework of the Act. In K.Sreedhar v. M/s.Raus Constructions (P) Ltd., the



WEB COPY



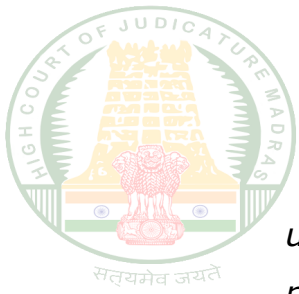
W.P. No.15137 of 2026

Supreme Court held thus:

26. At the outset, it is required to be noted that what was challenged before the High Court by the borrower in a writ petition under Article 226 of the Constitution of India was the judgment and order passed by DRT-I. **Against the judgment and order passed by DRT-I dismissing the application, the borrower had a statutory remedy available by way of appeal before the DRAT. If the borrower would have preferred an appeal before the DRAT, he would have been required to deposit 25% of the debt due. To circumvent the provision of appeal before the DRAT and the pre-deposit, the borrower straightaway preferred the writ petition before the High Court under Articles 226/227 of the Constitution. Therefore, in view of alternative statutory remedy available by way of appeal before the DRAT, the High Court ought not to have entertained the writ petition under Articles 226/227 of the Constitution of India challenging the judgment and order passed by DRT-I. By entertaining the writ petition straightaway under Articles 226/227 of the Constitution of India challenging the order passed by DRT-I, the High Court has allowed/permitted the borrower to circumvent the provision of appeal before the DRAT under the provisions of the SARFAESI Act.**

[emphasis supplied]

15. If the writ courts routinely entertain writ petitions under Article 226 against final or interim orders of the DRT, it would effectively allow defaulting borrowers to obtain a judicial review while completely evading their financial obligations under the pre-deposit mandate. This would



WEB COPY



W.P. No.15137 of 2026

undermine the statutory intent, stall public money recoveries, and render Section 18 of the Act entirely nugatory.

16.In the case at hand, the petitioners grievance concerning recording of an order in the docket contrary to what has been stated orally during the course of the proceedings is purely a factual question. The DRAT is fully empowered to evaluate these factual issues and grant complete, consequential reliefs, including setting aside of such orders, if any violation is proven. No exceptional circumstances, such as a total absence of jurisdiction or a violation of natural justice by the DRT, have been established to justify bypassing the statutory appellate route.

17.In light of the explicit statutory framework and the binding precedents of the Supreme Court, we hold that this writ petition is not maintainable and is liable to be dismissed on the ground of availability of an alternative, efficacious statutory remedy. Accordingly, this writ petition is dismissed.”

6.In the instant case, the final order passed by the DRT under Section 17 of the SARFAESI Act is put to challenge without availing the efficacious alternate remedy under Section 18 of the SARFAESI Act by



W.P. No.15137 of 2026

way of appeal. The learned counsel is unable to point out any exceptional circumstances, such as absolute lack of jurisdiction or violation of principles of natural justice to bypass the statutory appellate remedy.

7. Under such circumstances, the writ petition is not maintainable, due to availability of an alternate efficacious remedy. Accordingly, writ petition stands dismissed. We, however, grant liberty to the petitioner to approach the DRAT by filing a regular statutory appeal under Section 18 of the SARFAESI Act. If such an appeal is preferred within a period of two weeks from today, the DRAT shall consider and dispose of the same on its own merits and in accordance with law, subject to the petitioner complying with all statutory conditions. There shall be no order as to costs.

(SUSHRUT ARVIND DHARMADHIKARI, CJ) (G.ARUL MURUGAN, J)
05.06.2026

Index : Yes/No
Neutral Citation : Yes/No
sri/gya



WEB COPY



W.P. No.15137 of 2026

THE HON'BLE CHIEF JUSTICE
AND
G.ARUL MURUGAN,J.

sri/gya

To
Assistant General Manager,
Punjab National Bank,
Circle Sastra Centre-Chennai,
No.769, Second Floor,
Spencer Plaza, Chennai - 600 002.

W.P. No.15137 of 2026

05.06.2026