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WP No. 13265 of 2026

IN THE HIGH COURT of JUDICATURE AT MADRAS

DATED: 07-04-2026

CORAM

THE HON'BLE MR JUSTICE R. SURESH KUMAR

and

THE HON'BLE MR.JUSTICE N.SENTHILKUMAR

WP No. 13265 of 2026

and

WMP No. 14517 of 2026, WMP No. 14514 of 2026

1. Sree Mother Memorial Education Trust
Rep. by its Trustees
Having its office at Perumal Kovil Street
Kiliyanur Village and Post - 604 102
Vanur Taluk, Villupuram District
2. K.Selvam
S/o.Kannappan
3. A.Alamelu
W/o.K.Selvam
Both residing at No.65/1 Perumal Kovil Street
Kiliyanur Village and Post - 604 102
Vanur Taluk, Villupuram District

..Petitioner(s)

Vs

M/s.Piramal Capital and Housing Finance Ltd.,
(formerly known as Piramal Capital and
Financial Limited)
A company incorporated under the provisions of
companies Act 1956
Rep. by its authorised officer



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having its registered office at
Warden House, 2nd floor
Sir P.M.Road, Fort
Mumbai-400 001

..Respondent(s)

Prayer: Petition filed under Article 226 of the Constitution of India for issuance of writ of certiorarified mandamus to call for the records pertaining to the possession notice dated 20.09.2022 under section 13(4) of the Act read with rule 8 of the said rules affixed in our mortgaged property, followed by Crl.M.P.No.171 of 2026 on the file of the Court of Chief Judicial Magistrate at Villupuram and to quash the same and to direct the respondent not to convert the petitioners account into Non-performing Asset (NPA) and furnish the correct balance amount due to be paid by the petitioners by availing One Time Settlement (OTS) before proceeding with the taking over of the mortgaged property in the name of the 3rd petitioner.

For Petitioner(s): Mr.T.Dhanasekaran

For Respondent(s): -

Order

(Order of the Court was made by N.SENTHILKUMAR J.)

This Petition has been filed to call for the records pertaining to the



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possession notice dated 20.09.2022 under section 13(4) of the Act read with rule 8 of the said rules affixed in the mortgaged property, followed by CrI.M.P.No.171 of 2026 on the file of the Chief Judicial Magistrate Court at Villupuram and to quash the same and to direct the respondent not to convert the petitioners account into Non-performing Asset (NPA) and furnish the correct balance amount due to be paid by the petitioners by availing One Time Settlement (OTS) before proceeding with the taking over of the mortgaged property in the name of the 3rd petitioner.

2.In view of the order that is going to be passed in this Petition at the admission stage, notice to the respondent is dispensed with.

3.1.The second petitioner is the Trustee of Sree Mother Memorial Education Trust viz., who is the first petitioner. The case of the writ petitioners is that the Trust was created in the year 2014 through which they promoted education institutions such as Schools, Colleges, Teachers Training Institute, cultural, industrial, medical and agricultural institutions, technical, social service and so on. Pursuant to which, the petitioner Trust has established a school under the name “Sree Mother Vidhyashram Senior Secondary School” in



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Vanur Taluk under the CBSE stream.

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3.2.The school offers classes up to the 10th standard. For the purpose of running the school and carrying out its activities, the petitioners availed financial assistance from the respondent bank and obtained a loan for a sum of Rs.1,01,17,031/- under a sanction letter dated 25.04.2018. As security for the said loan, the petitioners mortgaged land measuring to an extent of 67 cents situated at Killiyanur Village, Killiyanur Panchayat, Vanur Taluk, Villupuram District, registered as Document No.904 of 2018 on the file of the Sub Registrar Office.

3.3.Due to financial constraints during COVID-19 pandemic situation, the petitioners defaulted in repayment of the equated monthly instalments. Consequently, the loan account was classified as a Non-Performing Asset (NPA) on 04.10.2020. Thereafter, the respondent bank issued a demand notice dated 30.04.2021 under Section 13(2) of the SARFAESI Act, claiming a sum of Rs.1,11,61,126/- as due, as on 31.03.2021.

3.4.Subsequently, a possession notice under Section 13(4) of the



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SARFAESI Act was also issued and symbolic possession of the secured asset was taken on 20.07.2022. Thereafter, the respondent bank filed CrI.M.P. No.171 of 2026 before the learned Chief Judicial Magistrate, Villupuram, seeking physical possession of the secured asset. The present Writ Petition has been filed challenging the demand notice, possession notice and CrI.M.P. No.171 of 2026 before the learned Chief Judicial Magistrate, Villupuram, seeking physical possession of the secured asset.

4. According to the writ petitioner there is a discrepancy with regard to the possession notice issued under Section 13(4) of the SARFAESI Act dated 20.07.2022 and dated 20.09.2022, the said discrepancy has to be agitated in the manner known to law, before the appropriate forum (i.e.,) Debt Recovery Tribunal. The said claim cannot be agitated before the High Court under Article 226 of the Constitution of India.

5. It is a settled position of law that in matters arising under the SARFAESI Act, the aggrieved party must approach the Debt Recovery Tribunal, which is the statutory forum vested with jurisdiction to adjudicate such disputes. Without availing the alternative remedy available under the Act,



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the petitioners have directly approached this Court by filing the present Writ Petition.

6. Though the learned counsel for the petitioners contended that there is imminent threat of dispossession affecting the functioning of the school, it is well settled that when an effective alternative remedy is available before the Debt Recovery Tribunal, this Court ought not to entertain a writ petition under Article 226 of the Constitution of India.

7. The Hon'ble Supreme Court in *United Bank of India Vs. Satyawati Tondon and Others* reported in (2010) 8 SCC 110 has categorically held that jurisdiction of the High Court is barred when the Debt Recovery Tribunal is amenable. The relevant portion is usefully extracted hereunder:

“43. Unfortunately, the High Court 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



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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.”

In view of the above said dictum laid down by the Hon’ble Apex Court, this writ petition is dismissed.

8. In fine, this Writ Petition is dismissed. However, it is open to the petitioners to approach the Debt Recovery Tribunal, in accordance with law. There shall be no order as to costs. Consequently, connected Miscellaneous Petitions are closed.

(R.S.K.,J.)

**(N.S.,J.)
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Index: Yes/No
Speaking/Non-speaking order
Neutral Citation: Yes/No

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R.SURESH KUMAR J.
and
N.SENTHILKUMAR J.
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To
M/s.Piramal Capital and Housing Finance Ltd.,
(formerly known as Piramal Capital and Financial Limited)
A company incorporated under the provisions of companies Act 1956
Rep. by its authorised officer
having its registered office at
Warden House, 2nd floor,
Sir P.M.Road, Fort, Mumbai-400 001.

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