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BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

DATED: **25.02.2026**

CORAM:

THE HONOURABLE **DR.JUSTICE G. JAYACHANDRAN**
AND
THE HONOURABLE **MRS.JUSTICE L.VICTORIA GOWRI**

W.M.P.(MD)No.23645 of 2024

in

W.P.(MD)No.11985 of 2023

M/s.Shriram City Union Finance Limited,

Through its Authorised Officer,

D.Shanmugavadivelu,

Door No.123, Angappa Naicken Street,

Chennai-600 001.

...Petitioner

Vs.

Kannan

...Respondent

PRAYER:- Miscellaneous Petition – filed under Article 226 of the Constitution of India, to clarify the order dated 18.05.2023 passed in W.P. (MD)No.11985 of 2023 that the liability of the respondent, his wife, mother and sister had not ceased in pursuance of the order dated 18.05.2023 and that the right of the petitioner company to take physical possession of the subject property continues as per order dated 30.01.2023 passed in CrI.M.P.No.20 of 2023 on the file of the Chief Judicial Magistrate, Kumbakonam at Thanjavur.



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For Petitioner : Mr.J.Barathan
For Respondent : Ms.A.V.Saha

ORDER

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

This petition is filed by the financier of the respondent seeking clarification of the order passed by this Court in W.P.(MD)No.11985 of 2023.

2.It appears that Kannan, who is the writ petitioner in the above said writ petition, has sought for a writ of certiorari to quash the proceedings pending on the file of the learned Chief Judicial Magistrate, Kumbakonam initiated by the Bank under Section 14 of the SARFAESI Act.

3.This Court taking into consideration the outstanding amount as Rs.27,48,000/- as on 16.03.2022 had disposed of the writ petition with a direction that the writ petitioner to pay 50% of the amount due in two equal installment, the first of which shall be paid within a period of two weeks and second installment shall be paid within a period of another



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two weeks. It appears that the writ petitioner has complied with this order. For the balance amount, when the financier sought intervention of the Chief Judicial Magistrate in the existing application under Section 14 of the SARFAESI Act pending before him, it appears that the Chief Judicial Magistrate is not inclined to entertain the application in view of the subsequent events and the order passed by this Court.

4.The predicament of the financial institution is that the Chief Judicial Magistrate, Kumbakonam is not inclined to continue the process initiated under Section 14 of SARFAESI Act for recovery of the balance due and payable by Kannan. Therefore, he seeks clarification of the order passed by this Court on 18.05.2023.

5.The proceedings before the Chief Judicial Magistrate, Thanjavur was under Section 14 of SARFAESI Act in connection with the residential house of the writ petitioner, Kannan for adjudication and to recover a sum of Rs.27,48,000/-, which is due and payable to the petitioner Bank, namely Shriram City Union Finance Limited.



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6. Taking into consideration the plea, this Court has given such reprieve to the writ petitioner to pay 50% of the amount due and payable, so the residential area will not be taken possession and put to auction. It does not mean that it is suffice to pay 50% towards full quit and satisfaction of the entire loan amount. Hence, the financier is entitled to proceed in accordance with law for the recovery of the balance amount. The only impediment for him to pursue the old application filed under Section 14 of the SARFAESI Act, which should reflect the amount payable and recoverable as Rs.28,48,000/- and due to the intervening facts, there will be a substantial change in the amount recoverable. Hence, we make it clear that if at all the petitioner is inclined to recover the amount to initiate fresh proceedings reflecting the duty payable as on date, if it is permissible.

7. Accordingly, this petition is disposed of.

[G.J., J.] & [L.V.G., J.]
25.02.2026

Index : Yes/No
Internet : Yes
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