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W.P.No.19288 of 2026

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 12.06.2026

CORAM :

THE HONOURABLE MR. SUSHRUT ARVIND DHARMADHIKARI,
CHIEF JUSTICE

AND

THE HONOURABLE MR.JUSTICE G.ARUL MURUGAN

WP No.19288 of 2026
and WMP No.20546 of 2026

Sri Murali Krishnan and Co.
Rep by its Partner, Khimji M. Patel,
Having Office at No.105/1
Sydenhams Road,
Chennai - 600 003.

Petitioner(s)

Vs

1. Punjab National Bank
Asset Recovery Management Branch,
ARMB, Ground Floor, PNB Towers,
Royapettah High Road,
Chennai-600 014.
2. Sri Krishna Saw Mill
No.9, Kamatchi Nagar Road, Puzhal,
Chennai-600 066.

Respondent(s)

PRAYER: Petition filed under Article 226 of the Constitution of India seeking issuance of a writ of mandamus directing the first respondent to forthwith return to the petitioner herein all the materials withheld in



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the godown and the custody of the first respondent, belonging to the petitioner and more fully described in the schedule to the writ petition.

For Petitioner(s): Mr.R.S.Shakthivel
(Through VC)

For Respondent(s): Mr.M.L.Ganesh
for R1

Ms.Sristhi Pandey
for M/s. Chennai Law Associates,
for R2

ORDER

(Order of the Court was made by the Hon'ble Chief Justice)

This writ petition has been filed under Article 226 of the Constitution of India seeking issuance of a writ of mandamus to direct the first respondent/bank to forthwith return to the petitioner herein all the materials withheld in the godown and the custody of the first respondent, belonging to the petitioner and more fully described in the schedule to the writ petition.

2.1. The petitioner claims to be a tenant under the second respondent (the borrower/defaulters) at the subject property, using the premises for storing and sizing imported and locally purchased



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wooden logs and timber. The petitioner filed S.A.No.466 of 2024 before the Debt Recovery Tribunal (DRT)-III, Chennai, challenging the action taken by the first respondent/bank. On 25.07.2024, the DRT granted the petitioner time until 15.09.2024 to re-locate and remove its movables, and directed the first respondent/bank to defer taking physical possession until then.

2.2. The petitioner, admittedly, did not remove the materials within the extension period granted by the DRT, relying on assertions of the second respondent that a One-Time Settlement (OTS) proposal was actively being finalized with the first respondent. On 06.03.2026, the Authorized Officer of the first respondent/bank and the Advocate Commissioner, took physical possession of the secured asset and removed the movables.

3. Learned counsel for the petitioner contends that the seized movables belong strictly to the petitioner and were never hypothecated to the first respondent/bank and, hence, the seizure is high-handed and illegal.



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4. Per contra, learned counsel for the first respondent/bank submitted that the petitioner claims to be a tenant and is acting at the behest of the borrower. Possession was taken by the bank following the procedure contemplated under law. The petitioner has already approached the DRT and did not remove the movables within the time limit granted. He further submits that the sale has already been confirmed, third party rights have been created and the third party has been put in possession. He relied on a judgment of the Supreme Court in *N.Sankaranarayanan v. The Chairman, Tamil Nadu Housing Board*¹ to submit that the prayer being in civil nature, involving disputes questions, the writ petition is not maintainable.

5. The Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (SARFAESI Act) provides a complete, self-contained code for resolving disputes arising out of enforcement actions. The Supreme Court has repeatedly and unequivocally laid down the law that High Court should not entertain writ petitions under Article 226 of the

¹ (2020) 14 SCC 457



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Constitution of India when an effective alternative remedy is available.

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6. In the case on hand, the petitioner did not avail of the latitude granted by the DRT. The petitioner failed to remove the movable within the time stipulated by the DRT. The determination of whether the seized movables constitute the unhypothecated stock of a third-party tenant, or whether they form part of the borrower's inventory/stock-in-trade subject to the first respondent/Bank's charge, involves detailed examination of invoices, stock registers, and physical verification reports. Such disputed factual inquiries cannot be adjudicated in a summary proceeding under Article 226 of the Constitution of India. The appropriate forum to evaluate evidence and decide ownership rights over the inventory is the Debt Recovery Tribunal.

7. The above view of ours is fortified by a decision of the Supreme Court in *N.Sankaranarayanan* (supra), wherein it has been held as under:



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"14. In other words, it is a settled law that the questions such as, who is the owner of the land in question, the appellant or Respondent 2 or any other member of their family, whether the land in question was let out by Respondent 2 to Respondent 3 and, if so, when, why and for what purpose, who had the right to let out the said land (appellant or Respondent 2 or any other member of the family), what was the arrangements, if any, made in the memorandum of settlement in relation to the land in question inter se members of the family, whether it was breached or not and, if so, by whom, what activities are being carried on the said land and, if so, by whom, whether such activities are legal or illegal, etc. are not the questions which can be raised by any private individual against other private individual in the writ petition under Article 226 of the Constitution."

[emphasis supplied]

8. In view of the statutory scheme of the SARFAESI Act and the binding principles enunciated by the Supreme Court, this writ petition is wholly misconceived. Accordingly, the writ petition is dismissed. The petitioner is at liberty to pursue its statutory remedies in accordance with law. It is made clear that this Court has not expressed any opinion on the merits of the petitioner's



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claim over the ownership of the movables. No costs. Consequently,
interim application is closed.

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(SUSHRUT ARVIND DHARMADHIKARI,CJ) (G.ARUL MURUGAN,J)
12.06.2026

Index : Yes/No
Neutral Citation : Yes/No
sasi

To:

1. Punjab National Bank
Asset Recovery Management Branch,
ARMB, Ground Floor, PNB Towers,
Royapettah High Road,
Chennai-600 014.



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

(sasi)

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