

WP.No.28945 of 2025
and Cont.P.No.870 of 2026

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 03-08-2026

CORAM

THE HON'BLE MR.SUSHRUT ARVIND DHARMADHIKARI, CHIEF JUSTICE
AND
THE HON'BLE MR.JUSTICE G.ARUL MURUGAN

WP.No.28945 of 2025 and Cont.P.No.870 of 2026
and
WMP.Nos.32483, 32484 and 38568 of 2025

M.Salsala,
W/o.Late Maheen,
No.11, Citizen Avenue, Mahaveer Nagar,
Lawspet, Puducherry-605 008.

..Petitioner in both
cases

Vs

1. The Chief Manager,
Authorised Officer, Indian Bank,
No.169, Lawspet, Main Road,
Lawspet, Pudhucherry-605 008.
2. The Zonal Manager,
Zonal Office of Indian Bank,
No.169, Lawspet, Main Road,
Lawspet, Puducherry-605 008.
3. The Branch Manager,
Indian Bank,
No.169, Lawspet, Main Road,
Lawspet, Puducherry-605 008.

..Respondents in
WP.No.28945/2025



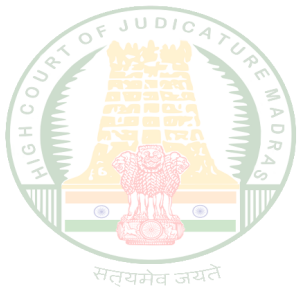
WP.No.28945 of 2025
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1. Nidhin Narayanan,
The Chief Manager,
Authorised Officer, Indian Bank,
No.169, Lawspet Main Road,
Lawspet, Puducherry-605 008.
2. Vengata Subramanian M,
The Zonal Manager,
Zonal Office of Indian Bank,
No.169, Lawspet Main Road,
Lawspet, Puducherry-605 008.
3. Nidhin Narayanan,
The Branch Manager,
Indian Bank,
No.169, Lawspet Main Road,
Lawspet, Puducherry-605 008.

..Contemnors in
Cont.P.No.870/2026

Prayer in WP.No.28945 of 2025: Writ Petition filed under Article 226 of the Constitution of India praying to issue a Writ of Certiorarified Mandamus to call for the records of the Chief Judicial Magistrate at Puducherry in CrI.MP.No.1499 of 2025 dated 02.07.2025 and to quash the same and consequently to direct the respondents 2 and 3 to permit the petitioner to pay the upfront amount on the basis of the One Time Settlement already reached between the petitioner and the Bank as taken note of the High Court in W.P.No.1643 of 2023 dated 22.04.2024.

Prayer in Cont.P.No.870 of 2026: Contempt Petition filed under Sections 11 and 12 of the Contempt of Courts Act, 1971, praying to punish the respondents for wilful and deliberate disobedience of the order dated 01.08.2025 in WP.No.28945 of 2025.



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For Petitioner:

Mr.Prasad Vijayakumar
(in both cases)

For Respondents:

Mr.S.R.Sumathy
(in both cases)

COMMON ORDER

(Order of the Court was made by G.Arul Murugan, J.)

W.P.No.28945 of 2025 is filed assailing the order dated 02.07.2025 passed in Crl.MP.No.1499 of 2025 by the Chief Judicial Magistrate, Puducherry, under Section 14 of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002, (SARFAESI Act).

2. Cont.P.No.870 of 2026 is filed alleging disobedience of the order dated 01.08.2025 passed in W.P.No.28945 of 2025, wherein the order passed by the Chief Judicial Magistrate, Puducherry under Section 14, was stayed.

3. It is the case of the petitioner/borrower that M/s.Shareefa Associates is a proprietary concern, which has availed financial assistance from the respondents/Bank and that since the due amounts were not paid and there were defaults in repayment, the account was classified as 'non-

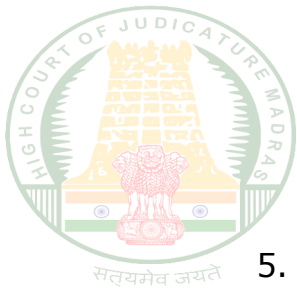


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performing asset' and proceedings were initiated under the SARFAESI Act.

Subsequently, demand notice under Section 13(2) was issued on 25.09.2018 followed by possession notice under Section 13(4), dated 23.12.2022. The Bank had issued sale notice dated 01.07.2025 fixing the auction of the property on 04.08.2025. The petitioner had challenged the sale notice before the Debts Recovery Tribunal (DRT) in S.A.No.516 of 2025. The Bank has filed a petition in Crl.MP.No.1499 of 2025 under Section 14(1) of the SARFAESI Act before the Chief Judicial Magistrate and by order dated 02.07.2025, the said petition was allowed by appointing an Advocate Commissioner for securing possession of the property and handing it over to the secured creditor.

4. Learned counsel for the petitioner submitted that when the order dated 02.07.2025 was challenged in the present writ petition, which was stayed by this Court vide order dated 01.08.2025, it was not proper on the part of the Bank to proceed with the sale and conduct the auction on 04.08.2025. Learned counsel further submitted that the possession of the property was also taken and, therefore, the Bank had not complied with the order in its letter and spirit, thereby committing contempt, for which, they are liable to be proceeded with.

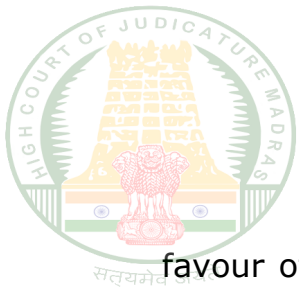


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5. Per contra, learned counsel appearing for the Bank submitted that the possession of the property was taken as early as on 17.06.2025 and thus, the order passed under Section 14 has become infructuous. The said fact was not brought to the notice of this Court, while passing the order of stay dated 01.08.2025. Learned counsel further submitted that when the petitioner had already challenged the auction sale notice, she ought to have challenged the Section 14 order also before the DRT, particularly, when the sale was already conducted and the sale certificate was also issued in favour of the successful bidder on 26.09.2025. Thus, nothing remains to be adjudicated in the present writ petition.

6. We have given our anxious consideration to the submissions made on either side and perused the materials available on record.

7. It is not in dispute that in view of the default committed in repayment of the loan dues, the Bank has initiated proceedings under the SARFAESI Act. The possession notice issued under Section 13(4) is not a subject matter of challenge either before this Court or before the DRT. Pursuant to the proceedings initiated, the Bank had issued sale notice dated 01.07.2025 bringing the property for auction on 04.08.2025. The auction had taken place and a sale certificate has also been executed in

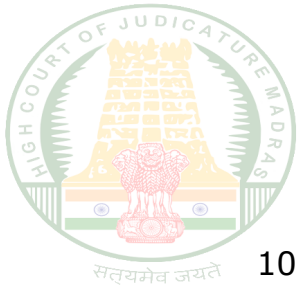


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favour of the successful bidder on 26.09.2025, on payment of the entire sale amount. However, the petitioner had challenged the sale notice before the DRT in S.A.No.516 of 2025, which is said to be pending.

8. In the meanwhile, CrI.MP.No.1499 of 2025 filed by the Bank was allowed vide order dated 02.07.2025 by appointing an Advocate Commissioner. When the petitioner was having an efficacious and alternate remedy under Section 17 to approach the Tribunal, she opted to file this writ petition. This Court has entertained the writ petition and has also granted an order of stay of the order passed by the Chief Judicial Magistrate on 01.08.2025. It is now brought to the notice of this Court that the possession of the property has already been taken on 17.06.2025 itself. Under such circumstances, nothing survives of further adjudication in the writ petition.

9. At this juncture, learned counsel for the petitioner contended that when an order of stay was passed by this Court, the Bank ought not to have proceeded with the auction. We are unable to agree with the said contention raised, in view of the fact that sale and proceedings under Section 14 are completely independent.



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10. In view of the aforesaid findings, we permit the petitioner to challenge the order passed under Section 14 before the DRT, if so advised. If any such petition is filed, the DRT shall take into account the period spent before this Court and consider the petition on its own merits and in accordance with law.

11. The writ petition is dismissed accordingly. There shall be no order as to costs. Consequently, connected miscellaneous petitions are closed.

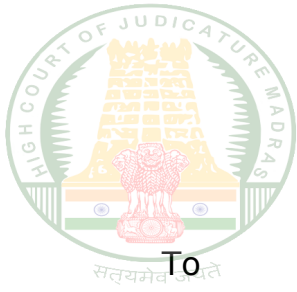
12. Pursuant to the statutory notice ordered by this Court on 06.07.2026, the contemnors are physically present before this Court. The same is recorded. Since we find that there is no disobedience of the order passed by this Court in W.P.No.28945 of 2025, dated 01.07.2025, on the part of the respondents, the contempt petition is closed.

(SUSHRUT ARVIND DHARMADHIKARI, C.J.) (G.ARUL MURUGAN, J.)
03-08-2026

Index: Yes/No

Neutral Citation: Yes/No

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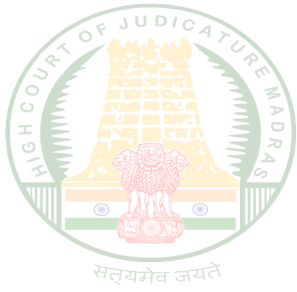


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To

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Case Citation: (2026) [ibclaw.in](https://www.ibclaw.in) 4502 HC



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SUSHRUT ARVIND DHARMADHIKARI, CJ.
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