

**IN THE HIGH COURT OF JUDICATURE AT BOMBAY
CIVIL APPELLATE JURISDICTION
WRIT PETITION NO. 5902 OF 2026**

Sakshi Sandeep Navge ... Petitioner
vs.
Saraswat Co-operative Bank Ltd. and another ... Respondents

Mr. Amresh Sharma for petitioner.
None for respondents.

**CORAM : MANISH PITALE &
SHREERAM V. SHIRSAT, JJ**
DATE : 05th MAY, 2026

P.C. :

- . Heard learned counsel for the petitioner.
2. The petitioner is aggrieved by the steps taken by respondent No.1 – bank (secured creditor) as also respondent No.2 – insurance company. Respondent No.1 – bank proceeded to invoke the provisions of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (Securitisation Act) and by notice dated 10.10.2025, respondent No.1 – bank has taken symbolic possession of the subject immovable property, being a flat located in Mira Road, Thane, where the petitioner is residing with her children.
3. Although statutory remedy under the provisions of the Securitisation Act is available to the petitioner, she is constrained to approach this Court in peculiar circumstances.
4. The documents filed along with the writ petition, show that the petitioner's husband had taken loan of ₹ 36,51,000 from

respondent No.1 – bank, in order to purchase the aforesaid flat, which constitutes the secured asset. It is the case of the petitioner that when such loan facility was availed, the respondent No.1 – bank itself called upon the petitioner’s husband to take an insurance policy from respondent No.2 – insurance company, in the context of securing the aforesaid loan. As per the insurance certificate issued by the said respondent, the policy holder is respondent No.1 – bank.

5. Unfortunately, the petitioner’s husband expired on 01.10.2024, which was the 25th month of the tenure of loan. The learned counsel for the petitioner brought to our notice that in terms of the insured benefit table annexed to the insurance policy, at the point in time when the petitioner’s husband expired, the death benefit was to the tune of ₹ 32,42,074.27, which ought to have been adjusted towards the outstanding loan amount.

6. Shockingly, respondent No.2 – insurance company, instead of adjusting the death benefit amount towards the outstanding loan, simply refunded the premium amount of ₹ 1,20,565 in the petitioner’s account. In other words, the said respondent does not appear to have honoured its commitment, as per the said insurance policy.

7. It is also brought to our notice that the petitioner independently wrote to the branch manager of respondent No.1 – bank, on 23.10.2024, about the insurance policy and yet, the said respondent ignored the same and chose to invoke the provisions of Securitisation Act.

8. Since the subject flat is the only shelter of the petitioner, who is a widow, and her children, she is constrained to knock the doors of the writ Court.

9. We find that in the face of such peculiar circumstances, despite availability of the aforesaid statutory remedy, the present petition can be entertained. We are of the opinion that the respondents ought to have sorted out the matter, in terms of death benefit under the insurance policy and in that light, recourse to provisions of the Securitisation Act would not have been necessitated.

10. In view of the above, issue notice, returnable on 23.06.2026.

11. In the meanwhile, there shall be ad-interim relief in terms of prayer clause (c), which reads as follows:

- c) Pending the hearing and final disposal of the Petition, this Hon'ble Court may kindly:
 - a) Stay further recovery proceedings of Respondent No.1;
 - b) Restrain Respondent No.1 from taking physical possession of the flat;
 - c) Direct Respondent No.2 to maintain status-quo regarding the policy.

(SHREERAM V. SHIRSAT, J.)

(MANISH PITALE, J.)