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W.P.No.626 of 2026

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 21.01.2026

CORAM

THE HONOURABLE MR.JUSTICE R.SURESH KUMAR
and
THE HONOURABLE MR.JUSTICE SHAMIM AHMED

W.P.No.626 of 2026
and
W.M.P.No.759 of 2026

P.A.Footwear Private Limited,
Represented by its Managing Director,
Mr.S.K.Sivavilvaselvan,
S/o.Mr.S.V.Kumaraguruparaswamy,
No.160, SKLS Estate, GNT Road,
Sembulivaram,
Sholavaram,
Chennai – 67.

... Petitioner

-Vs-

1. The Authorized Officer,
M/s.LIC Housing Finance Limited,
Chennai Back Office,
Floor No.30/1A, Abdul Razak Street,
Saidapet,
Chennai – 600 015.

2. E.Mohan

... Respondents

PRAYER : Petition filed under Article 226 of the Constitution of India praying for issuance of Writ of Mandamus, forbearing the first respondent from interfering with the peaceful possession of the scheduled mentioned properties, pending disposal of M.A.Nos.408 & 409 of 2025 in S.A.No.31 of 2024 on the file of Debts Recovery Tribunal-III, Chennai – 6.



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For Petitioner : Mr.Srinath Sridevan, Senior Counsel
for Mr.Salai Varun Isai Azhagan

For Respondents : Mr.R.Imayavaramban
for M/s.S.Ramalingam & Associates
for R1

ORDER

(Order of the Court was made by **R.SURESH KUMAR, J.**)

The present petitioner is a lessee in respect of the property in question for which possession has already been taken by the Bank under SARFAESI proceedings. However, by virtue of the order that has been passed by the Debts Recovery Tribunal in S.A.No.31 of 2024 on 31.01.2024, the present petitioner had been permitted to stay as lessee in the said premises by paying the rent or damages at the rate of Rs.15,00,000/- per month.

2. Time granted by the Tribunal by order dated 31.01.2024 upto 15.01.2026 just has been expired. Before the expiry of the said period, the present petitioner has filed two miscellaneous applications in M.A.Nos.408 & 409 of 2025 before the Debts Recovery Tribunal which has been adjourned to 10.02.2026 for further hearing. Since the adjournment has been made beyond the deadline i.e., on 15.01.2026, apprehending the imminent threat of dispossession of the present petitioner, he has approached this Court by filing the present writ petition with the aforestated prayer.



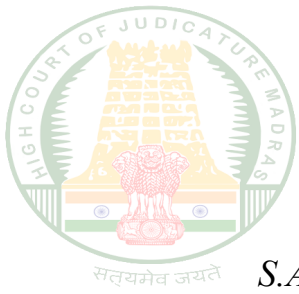
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3. Heard Mr.Srinath Sridevan, learned Senior Counsel appearing for the petitioner and Mr.R.Imayavaramban, learned counsel appearing for the first respondent. In view of the order that is going to be passed in the writ petition, notice to the second respondent is dispensed with.

4. Since SARFAESI proceedings have already been initiated where possession notice has been issued, at that time only since the petitioner being the Shoe Manufacturing Company has been occupying the premises as lessee at whose instance the Tribunal passed orders on 31.01.2024 permitting the petitioner to stay at the premises till 15.01.2026 at the expectation within which he would find out an alternative place and relocate his business by vacating the said premises.

5. However, that is not materialized even till today i.e., beyond 15.01.2026 and in the meanwhile, he moved two miscellaneous applications seeking further extension till July 2026.

6. In this context, when this matter came up for hearing on 08.01.2026, we passed the following order:



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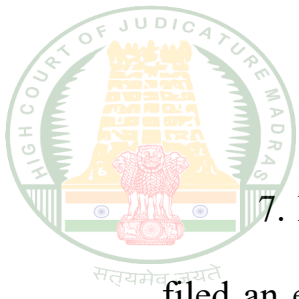
"Despite the order having been passed by the Tribunal in S.A.No.31 of 2024 dated 31.01.2024, by which a clear direction and liberty having been given to the first respondent bank / financial institution to proceed under the SARFAESI Act, for the past two years nothing has been moved from the financial institution towards bringing the property for public auction and for sale.

2. Merely because possessory right as a tenant had been given to the present writ petitioner upto 15.01.2026 by the said order dated 31.01.2024, that would not ipso-facto give rise to any prohibitory order against the first respondent / financial institution from proceeding further under the SARFAESI Act.

3. In this context, we are wondering to note as to why for the past two years the first respondent has not initiated any action to bring the property for sale under public auction. To explain this and filing a justification report, time is granted to the first respondent Bank till 20.01.2026.

4. The Debts Recovery Tribunal-III, Chennai also shall give remarks as to why such a long period or long rope has been given for two years protecting the interest of the petitioner as a tenant, which order has been wrongly construed or seems to have been wrongly construed by the first respondent bank in not proceeding further under the SARFAESI Act. Therefore, such remarks are called from the Debts Recovery Tribunal-III, Chennai by the Registry. A copy of this order be forwarded to the said authority

*5. Post the matter on **21.01.2026** for such compliance. Till such time, the petitioner's possession as a tenant in the premises concerned shall not be disturbed."*

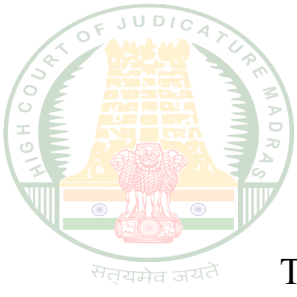


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7. Pursuant to the said order, the first respondent financial institution has filed an explanatory affidavit where *inter alia* it had been stated that after the order passed by the Tribunal dated 31.01.2024 permitting the petitioner to stay as lessee till 15.01.2026, nine times' attempts have been made by issuing auction notice and first time it has been cancelled for the implementation of the Debts Recovery Tribunal order and therefore, remaining eight times there were no bidders, therefore want of bidders, the auction notices given for eight times consecutively have failed.

8. Apart from that, it is further stated in the explanatory affidavit filed by the first respondent Bank that because of the physical possession maintained by the present petitioner as lessee in the premises, the prospective bidders are not come forward to participate in the auction, i.e., big hurdle for the first respondent Bank.

9. Naturally, under these circumstances, the present writ petition has been filed where miscellaneous applications filed in this regard before the Debts Recovery Tribunal had already been posted on 10.02.2026 for further hearing and orders, we are inclined to dispose of this writ petition with the following orders:



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(i) that there shall be a direction to the Debts Recovery Tribunal-III, Chennai, to hear and decide M.A.Nos.408 & 409 of 2025 on 10.02.2026 itself on merits and in accordance with law.

(ii) While deciding the same, the Tribunal must have in mind that the first respondent Bank has been struggling to sell out the property to recover the dues for which attempts though had been made nine times by issuing auction notices every time, it has failed because of want of bidders mainly the reasons attributable are the presence of the petitioner as lessee in the premises.

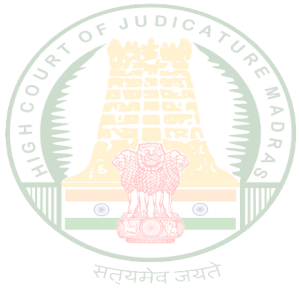
(iii) Taking into account of these factors, an appropriate order may be passed by the Tribunal on 10.02.2026 itself in order to give a quietus to the issue.

(iv) Till such time, the physical possession of the petitioner as lessee in the premises in question concerned would not be disturbed.

10. With these directions, this Writ Petition is disposed of. However, there shall be no order as to costs. Connected miscellaneous petition is closed.

(R.S.K., J.) (S.S.A., J.)
21.01.2026

NCC : Yes / No
Index : Yes / No
Speaking Order : Yes / No
vji



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M/s.LIC Housing Finance Limited,
Chennai Back Office,
Floor No.30/1A, Abdul Razak Street,
Saidapet,
Chennai – 600 015.
2. The Registrar,
The Debts Recovery Tribunal – III,
Chennai.



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**R.SURESH KUMAR, J.
and
SHAMIM AHMED, J.**

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