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BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

DATED: 26.03.2026

THE HONOURABLE MR.JUSTICE **HEMANT CHANDANGOUDAR**

W.P(MD)No.7624 of 2026

M/s.Janaki Traders,
represented by its Partner,
S.Chidambarasundaram,
No.62, Toovipuram 10th Street,
Tutirocin – 628 003.

... Petitioner

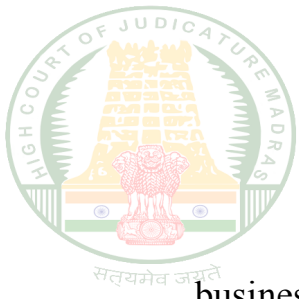
vs.

1.The Branch Manager,
State Bank of India,
Siruthozil Branch,
306 Beach Road, Tuticorin-628 001.

2.The Chief Manager & Case Lead Officer-II,
State Bank of India,
Stressed Assets Management Branch (SAMB)
No.112, First Floor, Raja Plaza,
Avinashi Road, Coimbatore-641 037.

... Respondents

PRAYER: Writ Petition filed under Article 226 of the Constitution of India for issuance of Writ of Certiorarified Mandamus, to call for the records relating to the impugned order/letter issued by the 2nd Respondent bearing reference No. SBI/SAMB/CBE/CLO-II/2025-26/395 dated 11.03.2026 and quash the same being arbitrary, illegal and consequently direct to open a new, separate Current Account in the name of the Petitioner firm for the purpose of carrying out fresh



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business operations, without insisting on the settlement of past dues as a pre-condition for account opening.

For Petitioner :Mr.G.Vairavasubramanian

ORDER

Mr. G. Vairavasubramanian, learned counsel for the petitioner, submitted that the Debts Recovery Tribunal, Madurai, in S.A. No.229 of 2026 in I.A. No. 1047 of 2026, by order dated 11.03.2026, has stayed further proceedings pursuant to the possession notice, subject to the condition that the petitioner pays 35% of the total outstanding amount in four equal instalments. However, on the very same day, the respondent Bank declined the petitioner's request to operate the current account maintained with it, stating that the Bank is entitled to exercise its right of lien and set-off over all accounts maintained by the borrower.

2. He further submitted that, on account of the freezing of the petitioner's bank account, the petitioner is unable to make statutory payments, pay salaries, or comply with the instalment conditions imposed by the Debts



Recovery Tribunal, Madurai.

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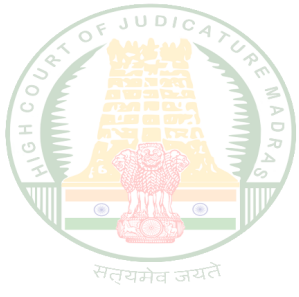
3. Issue notice to the respondents, returnable by 02.04.2026. Private notice is also permitted.

4. The first respondent is directed to permit the petitioner to operate the bank account in question, strictly for the limited purpose of making statutory payments, disbursing salaries, and remitting the first instalment as directed by the Debts Recovery Tribunal, Madurai, until the next date of hearing.

5. Post the matter on 02.04.2026.

26.03.2026

cmr



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HEMANT CHANDANGOUDAR, J.

cmr

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