



INDIALAW

Banking Litigation

Banking Litigation Law Firm in India for Debt Recovery, SARFAESI, and RBI Matters

PRACTICE PROFILE • MAY 2026

Overview

Our Banking Litigation practice provides comprehensive legal representation to banks, financial institutions, NBFCs, borrowers, and other stakeholders in complex financial disputes. With deep expertise in banking regulations, financial products, and industry-specific litigation, we offer strategic counsel across contentious matters before courts, tribunals, and regulatory bodies. Our team combines sector knowledge with litigation skills to resolve disputes efficiently while managing reputational concerns and business continuity. We develop tailored strategies that align with our clients' commercial objectives, risk appetite, and regulatory compliance requirements.

Our Services

Debt Recovery and Loan Defaults

- Representation in recovery proceedings before Civil Courts, Debt Recovery Tribunals (DRT)
- Strategic advisory and litigation under SARFAESI Act for enforcement of security interests
- Execution of decrees/award
- Enforcement of guarantees, pledges, mortgages, and other security interests
- Defending challenges to recovery actions and possession notices
- Seeking interim custody of security interest created in favour of the Creditor

Commercial and Corporate Banking Disputes

- Resolution of disputes arising from complex financial transactions
- Litigation related to corporate loans, syndicated lending, and project finance
- Handling commercial disputes in trade finance and working capital facilities
- Bank guarantee and letter of credit disputes
- Contractual disputes and interpretation of financial agreements
- Litigation involving merchant banking and investment banking services

Regulatory and Compliance Litigation

- Representation before RBI, SEBI, and other financial regulators
- Defending against show cause notices and regulatory penalties
- Advisory on non-compliance issues with RBI guidelines and circulars
- Challenging regulatory actions, restrictions, and directions
- Anti-money laundering (AML) compliance disputes and PMLA proceedings
- Foreign exchange (FEMA) violations and enforcement actions
- Banking Ombudsman complaints and appeals

Fraud and Financial Crimes

- Investigation and litigation of bank fraud cases
- Representation in cybercrime matters involving banking systems
- Assistance with financial crime proceedings under BNS and special statutes
- Coordination with law enforcement agencies on criminal aspects
- Advising on preventive measures and compliance frameworks
- Defense against fraudulent transaction claims and unauthorized withdrawals

Insolvency and Bankruptcy

- Representing in Corporate Insolvency Resolution Process (CIRP)
- Handling proceedings against personal guarantors to corporate debtors
- Strategic counsel on resolution applications and liquidation processes
- Challenging preferential, undervalued, extortionate, and fraudulent transactions
- Coordination between IBC proceedings and other recovery mechanisms
- Advisory on compliance with moratorium provisions and legal implications

Alternative Dispute Resolution

- Representation in domestic and international arbitration for banking disputes
- Mediation and conciliation in financial services conflicts
- Debt restructuring and rescheduling negotiations and settlements
- Pre-litigation advisory to avoid protracted court proceedings
- Enforcement of arbitral awards in banking and financial matters

Consumer Banking Disputes

- Defence against consumer complaints across Consumer Dispute Redressal Commissions
- Handling unauthorized transaction claims and service deficiency allegations
- Credit and debit card dispute resolution
- Digital banking and fintech service disputes
- Data breach and customer privacy disputes

Key Professionals



Tannya Baranwal

Associate Partner



Abdullah Qureshi

Associate Partner



G.P. Yash Vardhan

Associate Partner



Pranava Charan MG

Associate Partner

Frequently Asked Questions

Q1 What does banking litigation cover as a legal practice area in India?

Banking litigation covers disputes arising from lending, debt recovery, security enforcement, trade finance, guarantees, and regulatory actions. It involves proceedings before Civil Courts, DRTs, High Courts, and tribunals under statutes like the SARFAESI Act, RDDBFI Act, and the Negotiable Instruments Act.

Q2 When should a bank or borrower engage a banking litigation lawyer?

Engage counsel as soon as a loan default notice is issued, a SARFAESI possession notice is received, or a regulatory show cause notice arrives from RBI or SEBI. Early legal involvement preserves limitation periods, protects security interests, and opens settlement avenues before positions harden.

Q3 Which Indian statutes and regulators govern banking disputes?

Key statutes include the SARFAESI Act, Recovery of Debts and Bankruptcy Act 1993, IBC, RBI Act, FEMA, and PMLA. The RBI oversees banks and NBFCs, while DRTs handle recovery suits. NCLT adjudicates insolvency matters, and the Banking Ombudsman resolves consumer-level complaints.

Q4 What is the typical timeline for a debt recovery case before a DRT?

DRT proceedings are statutorily expected to conclude within six months, though complex cases often take 12 to 24 months. Timelines depend on interim applications, document volume, and adjournments. SARFAESI enforcement outside DRT can move faster, sometimes within 60 to 90 days of notice.

Q5**What documents are needed to initiate a banking litigation matter?**

Core documents include the loan agreement, sanction letter, security documents such as mortgage deeds or pledge agreements, demand and recall notices, account statements, correspondence with the borrower, and any RBI circulars or regulatory orders relevant to the dispute.

Q6**What common mistakes do lenders make during SARFAESI enforcement?**

Frequent errors include serving defective Section 13(2) notices with incorrect outstanding amounts, failing to account for statutory exclusions on classification, and not following prescribed timelines. Courts regularly set aside possession actions on procedural grounds, delaying recovery by years.