



W.P(MD)No.11524 of 2025

WEB COPY BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

DATED : 23.04.2025

CORAM:

**THE HONOURABLE MRS.JUSTICE J.NISHA BANU
and
THE HONOURABLE MRS.JUSTICE S.SRIMATHY**

**W.P(MD)No.11524 of 2025
and W.M.P(MD)Nos.8534 & 8537 of 2025**

M/s.IPAC Paper Boards (India) Private Limited,
5th KM, Bathalangundu Road,
Pithataipatty Post,
Dindigul – 624 002,
Represented by its Director,
Vikram Balaraman.

... Petitioner

vs.

- 1.The District Collector and District Magistrate,
Dindigul District, Dindigul.
- 2.The Assistant Collector,
Dindigul, Dindigul District.
- 3.The Tahsildar,
Aathoor Taluk,
Dindigul District.
- 4.The Authorised Officer,
Kotak Mahindra Bank Limited,
2nd Floor, Ceebros Centre,
39, Montieth Road,
Chennai – 600 008.

... Respondents



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PRAYER : Writ Petition filed under Article 226 of the Constitution of India praying for issuance of a Writ of Certiorarified Mandamus calling for the records pertaining to the impugned order made in I.A.No.1540 of 2019 in S.A.SR.No.7449 of 2019 dated 25.03.2025 on the file of the Debts Recovery Tribunal, Madurai and quash the same as illegal and consequently direct the Debts Recovery Tribunal, Madurai to number the main Securitization Application and to proceed the same in accordance with law.

For Petitioner : Mr.P.R.Prithiviraj

For RR 1 to 3 : Mrs.D.Farjana Ghousia
Special Government Pleader

ORDER

(Order of the Court was made by S.SRIMATHY, J.)

By consent of both parties, this Writ Petition is taken up for final disposal at the stage of admission itself. Considering the limited relief sought by the petitioner, notice to the fourth respondent is dispensed with.

2.The present Writ Petition has been filed for the issuance of a Writ of Certiorarified Mandamus to quash the impugned order passed in I.A. No. 1540 of 2019 in S.A. SR. No. 7449 of 2019 dated 25.03.2025 on the file of the Debts



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Recovery Tribunal, Madurai, and consequently direct the Debts Recovery Tribunal, Madurai to number the main Securitization Application and proceed with the same in accordance with law.

3.The petitioner is a Director of a company engaged in the manufacture and supply of paper boards in South India. According to the petitioner, the company availed credit facilities amounting to Rs. 7.79 crores from the fourth respondent bank, secured by primary and collateral properties. The petitioner and the company have made substantial repayments totaling Rs. 8.15 crores. However, they have faced coercive recovery proceedings under the SARFAESI Act due to the classification of the loan account as a Non-Performing Asset (NPA) during recession period.

4.The dispute has spanned over a decade and involved multiple rounds of litigation before the Debts Recovery Tribunal (DRT), Debts Recovery Appellate Tribunal (DRAT), and the High Courts of Madras and Karnataka. The petitioner has highlighted various procedural and substantive lapses on the part of the bank and recovery authorities, including proper classification of land as non-



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agricultural; arbitrary variation of interest rates; non-compliance with consent terms; dismissal of applications on limitation grounds despite bona fide explanations and substantial repayments.

5.The present issue pertains to the order dated 25.03.2025 passed in I.A. No. 1540 of 2019 in S.A. SR. No. 7449 of 2019 by the DRT, Madurai, which rejected the delay condonation petition on the ground of limitation. This rejection is contrary to recent judicial precedents and to the fact that litigation involving the same cause of action and parties is still pending. The petitioner challenges this order, seeking condonation of delay in filing the Securitization Application (SA), and requests the Tribunal to number and hear the SA on merits. It is submitted that the impugned order is arbitrary, mechanical, and contrary to settled principles of law.

6.The learned counsel appearing for the petitioner submitted that the delay in filing the application was due to the pendency of the Writ Petitions before this Court. Further, the petitioner had paid substantial portion of loan amount to the Bank based on consent terms and for the balance amount, the



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petitioner approached the Bank for registration. Hence, there was a delay in filing the Second Appeal.

7.Heard Mr. P.R. Prithiviraj, learned counsel appearing for the petitioner, and Mrs. D. Farjana Ghousia, learned Special Government Pleader appearing for respondents 1 to 3. Perused the materials placed on record.

8.Considering the submissions made by the learned counsel for the petitioner, we are satisfied with the reasons stated in the application. Therefore, the impugned order dated 25.03.2025 made in I.A.No.1540 of 2019 in S.A.SR. No.7449 of 2019 on the file of the Debts Recovery Tribunal, Madurai, is set aside. The petitioner is directed to pay a sum of Rs. 1,000/- (Rupees One Thousand only) to the High Court Legal Services Committee attached to this Bench within a period of two weeks from the date of receipt of a copy of this order. Upon production of the receipt for such payment, the delay shall be condoned. Thereafter, the Debts Recovery Tribunal, Madurai, is directed to number the appeal, if the papers are otherwise in order, and proceed to pass orders on merits and in accordance with law.



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9.With the above observations, this Writ Petition is disposed of.

There shall be no order as to costs. Consequently, the connected Miscellaneous Petitions are closed.

[J.N.B.,J.] & [S.S.Y.,J.]
23.04.2025

NCC : Yes / No
Index : Yes / No

To

- 1.The District Collector and District Magistrate,
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- 2.The Assistant Collector,
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J.NISHA BANU, J.
and
S.SRIMATHY, J.

ps

ORDER MADE IN
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DATED : 23.04.2025