

IN THE HIGH COURT OF JUDICATURE AT BOMBAY
CIVIL APPELLATE JURISDICTION
WRIT PETITION NO. 10869 OF 2025

M/s. D Corp Agro Foods Pvt Ltd and .. Petitioners
Anr

V/s.

Bank Of Baroda and Ors .. Respondents

Dr. Abhinav Chandrachud i/by Ajit A. Kocharekar, for the Petitioners.

Ms. Asma Batatawala i/by Rathina Maravarman (VC), for Respondent
No. 1-Bank of Baroda.

**CORAM : MANISH PITALE &
SHREERAM V. SHIRSAT, JJ.**

DATE : 27TH MARCH 2026.

PC:

1. Heard learned counsel for the parties.
2. The Petitioners are aggrieved by the order dated 25/06/2025 passed by the Debt Recovery Appellate Tribunal, Mumbai (DRAT), whereby an application seeking waiver of statutory deposit under Section 18(1) of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002, has been disposed of by directing the Petitioners to deposit 30% of the amount due in two installments.
3. The order specifies that in the event the Petitioners fail to deposit

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the amount, the appeal itself shall stand rejected. It is an admitted position that since the Petitioners have failed to deposit the said amount, the appeal stood rejected before the DRAT.

4. The learned counsel appearing for the Petitioners submitted that a proper reading of Section 18 of the Securitisation Act would show that the insistence on pre-deposit would not be appropriate against any and every order passed by the Debts Recovery Tribunal (DRT). A distinction was sought to be made between a mere procedural order and an order that decides the *inter-se* rights of the parties. It was submitted that when a Division Bench of this Court insisted on a pre-deposit in the case of **"M/s Sunshine Builders and Developers V/s HDFC Bank Limited through the Branch Manager and Ors."**¹, and accordingly passed its order disposing of the Writ Petition No.3929 of 2024 by its judgment and order dated 19/03/2024 and the same was challenged by way of Civil Appeal No. 5290 of 2025 arising from Special Leave Petition (Civil) No. 10875 of 2025, the Supreme Court had set aside the order of this Court and remitted the matter back by framing a specific question.

5. It was submitted that although the Respondent-Bank is relying upon the judgment and order dated 04/02/2026 passed by the

¹ Civil Appeal No. 5290 of 25 (SLP (C) No. 10875/25)

Coordinate Division Bench of this Court in Writ Petition No. 3929 of 2024 ("**M/s Sunshine Builders and Developers V/s HDFC Bank Limited through the Branch Manager and Ors**") (supra), it can be demonstrated that the Coordinate Bench had laid down the law and made certain observations on the interpretation of Section 18 of the Securitisation Act, in the light of the peculiar facts and circumstances of that particular case.

6. It was submitted that in the said case, the Petitioners had approached the DRT after considerable delay and this was the factor that weighed with the Division Bench of this Court in holding against the said Petitioner. It was submitted that, in any case, the question specifically framed by the Supreme Court in its order dated 17/04/2025 disposing of Civil Appeal No. 5290 of 2025 is required to be answered, and, therefore, this Court may consider entertaining the present Writ Petition and passing appropriate orders.

7. Learned counsel for the Petitioners further sought to bring to the notice of this Court the facts pertaining to the present case, indicating that there was no delay on the part of the Petitioners in taking recourse to the provisions of the Securitisation Act and that, as a matter of fact, the Petitioners themselves had stated that they had a buyer available

who was ready to offer amount for the factory premises, which was higher than the debt due to the Respondent No.1-Bank. It was submitted that in these circumstances the insistence on pre-deposit was inappropriate and that the waiver application ought to have been allowed by the DRAT.

8. On the other hand, the learned counsel appearing for Respondent No1-Bank (secured creditor) relied upon the aforementioned recent judgment of the Division bench in the case of **"M/s Sunshine Builders and Developers V/s HDFC Bank Limited through the Branch Manager and Ors** (supra). It was submitted that the Special Leave Petition filed against the said judgment and order was dismissed by the Supreme Court by order passed on 20/03/2026 in Special Leave Petition (Civil) No. 9823 of 2026. It was submitted that since the Supreme Court had confirmed the said judgment and order of the Division Bench of this Court, the present Writ Petition deserves to be dismissed.

9. It was further submitted that the DRAT had applied law in the correct perspective and on a proper reading of Section 18 of the Securitisation Act.

10. We have heard learned counsel for the rival parties.

11. Section 18 of the Securitisation Act reads as follows:

18. Appeal to Appellate Tribunal -

"(1) Any person aggrieved, by any order made by the Debts Recovery Tribunal under section 17, may prefer an appeal alongwith such fee, as may be prescribed to the Appellate Tribunal within thirty days from the date of receipt of the order of Debts Recovery Tribunal:

***PROVIDED** that different fees may be prescribed for filing an appeal by the borrower or by the person other than the borrower:*

***PROVIDED FURTHER** that no appeal shall be entertained unless the borrower has deposited with the Appellate Tribunal fifty per cent. of the amount of debt due from him, as claimed by the secured creditors or determined by the Debts Recovery Tribunal, whichever is less:*

***PROVIDED ALSO** that the Appellate Tribunal may, for the reasons to be recorded in writing, reduce the amount to not less than twenty-five per cent. of debt referred to in the second proviso.*

(2) Save as otherwise provided in this Act, the Appellate Tribunal shall, as far as may be, dispose of the appeal in accordance with the provisions of the Recovery of Debts Due to Banks and Financial Institutions Act, 1993 (51 of 1993) and rules made thereunder."

12. The Division Bench of this Court in the recent judgment in the case of **"M/s Sunshine Builders and Developers V/s HDFC Bank Limited through the Branch Manager and Ors** (supra) took into consideration earlier judgments of this Court as well as the Delhi High Court and the Supreme Court, concerning the interpretation of requirement of pre-deposit under Section 18(1) of the Securitisation

Act. Thereupon the Division Bench of this Court in the said recent judgment interpreted the provision specifically to hold that the requirement of pre-deposit would apply to "any order" passed under Section 17(1) of the Securitisation Act. The relevant observations in the said judgment in the case of **"M/s Sunshine Builders and Developers V/s HDFC Bank Limited through the Branch Manager and Ors** (supra) are found in the following paragraphs:

"45. In any event, as more particularly held by the Division Bench of this Court in *Vinay Container Services (supra)*, the requirement of pre-deposit under sub-section (1) of Section 18 of the SARFAESI Act would also apply where an appeal is filed before the DRAT against an interlocutory order passed by the DRT under Section 17 of the Act since the power of the DRT to pass an interlocutory order in ancillary to its jurisdiction under Section 17 and the provisions of Section 18(2) cannot be so interpreted to mean that an interlocutory order passed by the DRT is not referable to the provisions of Section 17. A similar view has also been taken by the Division Bench of the Delhi High Court in *Satnam Agri Products (supra)*, which goes on to hold that there is no reason to exempt the appeals arising out of the orders passed by the DRT on interlocutory applications merely on the ground that the said orders do not have the effect of staying the action or measures taken by the secured creditor under sub-section (4) of Section 13 of the SARFAESI Act for enforcement of security interest. In *Rajat Infrastructure (supra)*, the Supreme Court after relying on past judicial pronouncements has held that the right of appeal under Section 18(1) is only subject to the condition of deposit laid down in the second proviso therein.

46. Moreover, the provisions of sub-section (1) of Section 18 are very clear inasmuch as, they clearly include the words, "Any person aggrieved, by any order made by the Debts Recovery Tribunal under Section 17, may prefer an appeal...". There is no qualification provided by the legislature restricting the applicability of this sub-

section to only some class or category of orders, whether a procedural one or otherwise, a final order which determines the liability of the borrower or any other person. Instead, the only prescribed requirement is that the order must be one that is passed by the DRT under Section 17 of the SARFAESI Act and as discussed above, if any person is aggrieved with the measures undertaken by a secured creditor under Sections 13 and 14 of the SARFAESI Act, an application can be made to the DRT challenging the same and the various provisions relating thereto, are contained in Section 17 of the Act. Here again, there is no qualification provided by the legislature restricting the applicability of invoking this Section only against some class or category of measures that may be undertaken under Sections 13, 14 and instead, Section 17 can be availed by any person, not merely a borrower, to challenge any and all measures undertaken by the secured creditor.

47. In this background, when we consider the words, “any order” found in sub-section (1) of Section 17, it is difficult to restrict its applicability to only a final order which determines the liability of the borrower or other person, as urged by Mr. Purohit. There are several judicial pronouncements which have been relied upon by the Respondents, including inter alia Lucknow Development Authority (supra), Man Global (supra) and Raj Kumar Shivhare (supra) which interpret the word, ‘any’ as contained in several statutes to mean the word, ‘all’. Similarly, even the Black’s Law Dictionary does not restrict the meaning of the word ‘any’ and describes it thus - “Any does not necessarily mean only one person, but may have reference to more than one or to many”. Merriam Webster’s Dictionary explains the pronoun ‘any’ to be either, singular or plural in construction.”

13. We find that since a Coordinate Division Bench of this Court has laid down the law specifically with regard to the interpretation of Section 18(1) of the Securitisation Act and particularly in the light of the requirement of pre-deposit specified therein, the said position of law would be binding on us. It is also relevant to note that the Special

Leave Petition (Civil) No. 9823 of 2026 filed to challenge the said recent judgment and order of the Division Bench of this Court was dismissed by the order dated 20/03/2026 passed by the Supreme Court.

14. We are unable to agree with the learned counsel appearing for the Petitioners that the above-quoted observations in the case of "**M/s Sunshine Builders and Developers V/s HDFC Bank Limited through the Branch Manager and Ors** (supra) were made in the peculiar facts of the said case, inasmuch as there was inordinate delay on the part of the Petitioners in taking recourse to remedies under the Securitisation Act.

15. We find that the dictum laid down in the above-quoted paragraphs of the judgment of the Coordinate Bench of this Court in the case of "**M/s Sunshine Builders and Developers V/s HDFC Bank Limited through the Branch Manager and Ors** (supra) is based on interpretation of the language and words used since under Section 18(1) of the Securitisation Act. It cannot be said that the interpretation of the provision was necessarily coloured by any factual position.

16. We are unable to agree with the learned counsel for the Petitioners that the question framed in Paragraph No. 15 of the order

dated 17/04/2025 passed by the Supreme Court in Special Leave Petition No. 5290 of 2025 is still unanswered.

17. We are of the opinion that the Coordinate Bench of this Court in the case of "**M/s Sunshine Builders and Developers V/s HDFC Bank Limited through the Branch Manager and Ors** (supra) has considered the question and answered it in a particular manner.

18. In such a situation, the only alternative available to this bench would be to refer the issue to a larger bench, if at all there is any disagreement with the position of law laid down by the Coordinate Bench in the case of "**M/s Sunshine Builders and Developers V/s HDFC Bank Limited through the Branch Manager and Ors** (supra).

19. We are not inclined to take a different view in the matter and therefore, we are of the opinion that the present Petition is also covered as per the judgment of this Court in the case of "**M/s Sunshine Builders and Developers V/s HDFC Bank Limited through the Branch Manager and Ors** (supra).

20. In the light of the said position of law laid down by this Court, we do not find any error committed by the DRAT in passing the impugned order. As per Section 18(1) of the Securitisation Act pre-deposit of amount between 25% to 50% of the debt due can be

imposed as a pre-condition for entertaining the appeal.

21. The DRAT has directed the deposit of 30% of the amount and we do not find any error in the view adopted by the DRAT, in the facts and circumstances of the present case.

22. In view of the above, the Writ Petition is dismissed.

23. Pending applications, if any, also stand disposed of.

24. At this stage, learned counsel appearing for the Petitioners submits that since the secured asset has been the residence of Petitioner No.2 for almost two decades, this Court may consider granting reasonable time for the Petitioners to vacate the subject property, as the Respondent No.1-Bank (secured creditor) intends to take possession on 30th March 2026, as per a notice for possession issued to the Petitioners. The said prayer is vehemently opposed on behalf of the Respondent No.1.

25. Considering the fact that the subject property has been used as residence, we are inclined to grant reasonable time, subject to an appropriate undertaking being filed by Petitioner No. 2.

26. In view of the above, the Petitioners are granted time till 30th April 2026 to hand over vacant and peaceful possession of the subject property to the Respondent No.1-Bank.

27. An undertaking shall be filed before this Court by Petitioner No. 2 that vacant and peaceful possession of the subject property shall be handed over to Respondent No.1-Bank on or before 30th April 2026. No further extension of time shall be granted. The undertaking shall be filed on or before 30th March 2026.

28. The DRAT is directed to dispose of the Pending Securitisation Application No. 219 of 2025 and Securitisation Application No. 267 of 2025 as expeditiously as possible and, preferably, on or before 15th June 2026.

29. Parties to act on an authenticated copy of this order.

(SHREERAM V. SHIRSAT, J.)

(MANISH PITALE, J.)