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A. No. 718 of 2026

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 22-06-2026

CORAM

THE HON'BLE DR.JUSTICE A.D.MARIA CLETE

A. No. 718 of 2026

in

A. No. 6107 of 2019

in

C.S. No. 443 of 2018

S.C. Sanjeev Kumar,
S/o of M.S.Chandrasekharan, Partner,M/s
Sambandam And Sons, Residing at 19, South
Road,West C.I.T Nagar, Chennai - 35.

..Applicant(s)

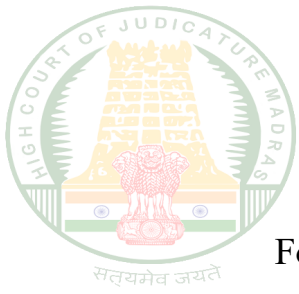
Vs

Denwood Merchandising and Industries Pvt Ltd
Represented by its Authorised representatives,
Mr.P.Deepak Kothari,
No.C-13/11, 2nd Floor,
10th Street,
C-Block, Anna Nagar East,
Chennai 600 102.

..Respondent(s)

To set aside the order dated 19/11/2020 in A.No.6107 of 2019 in C.S.No.443 of 2019 by extending time to comply with the conditional order.

For Applicant(s): M/s V.Sekar
R.Sathish Kumar



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For Respondent(s): Ms.Gopika Nambiar

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ORDER

This application has been filed by the applicant/defendant seeking to set aside the order dated 19.11.2020 passed by the learned Master in A.No.6107 of 2019 in C.S.No.443 of 2018 and to extend the time for complying with the conditional order passed in the leave to defend application.

2. The respondent/plaintiff filed C.S.No.443 of 2018 as a summary suit under Order XXXVII Rule 1 of the Code of Civil Procedure, 1908, read with Order VII Rule 1 of the Original Side Rules, for recovery of a sum of Rs.3,54,07,347/- together with interest at 24% per annum on the principal amount from the date of plaint till the date of realisation.

3. The suit was laid on the basis of the plaintiff's case that the defendant had borrowed a sum of Rs.60,00,000/- and thereafter a further sum of Rs.20,00,000/-, and had executed promissory notes dated 17.03.2011 and 24.05.2011 agreeing to repay the same with interest. It was also the case of the plaintiff that the defendant had created security by deposit of title deeds and had executed a power of attorney in favour of Mr. Deepak Kothari in respect of the mortgaged property. According

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to the plaintiff, even after sale of the secured property and adjustment of the sale proceeds, the defendant remained liable to pay the suit claim.

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4. The defendant filed A.No.6107 of 2019 seeking leave to defend the summary suit. By order dated 13.03.2020, the learned Master granted leave to defend only on condition that the defendant should deposit a sum of Rs.1,04,79,000/-. The said amount was directed to be deposited in instalments.

5. The applicant/defendant did not comply with the said conditional order. Thereafter, he filed A.No.1953 of 2020 and A.No.1954 of 2020 seeking modification of the order and extension of time. By order dated 14.09.2020, the learned Master once again showed indulgence and modified the condition by directing the applicant to deposit a sum of Rs.20,00,000/- within one month. The matter was thereafter posted for reporting compliance.

6. Even thereafter, the applicant did not deposit the amount. Further time was also granted. Since the conditional order was not complied with, the learned Master, by order dated 19.11.2020, dismissed the applications and proceeded to decree the suit.

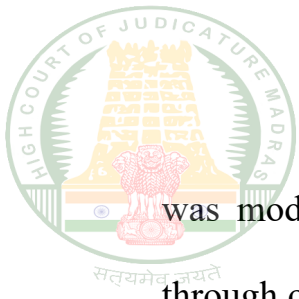


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7. In the present appeal/application, the applicant has raised several averments touching upon the merits of the suit. It is contended that he had not executed the promissory notes as alleged by the plaintiff and that the documents relied upon by the plaintiff are forged and fabricated. It is further contended that the loan transaction was not as pleaded by the plaintiff, that the statement of accounts contains false entries, and that the rate of interest claimed by the plaintiff is excessive and not agreed upon.

8. The applicant has also averred that the power of attorney executed by him in favour of Mr. Deepak Kothari was intended only as a security and that the said power was misused to sell the mortgaged property in favour of M/s. Redfern Enterprises represented by P. Anand. It is further stated that the sale was fraudulent, that a criminal complaint was lodged, and that proceedings were also initiated questioning the said transaction.

9. Insofar as the non-compliance of the conditional order is concerned, the applicant states that the learned Master had originally directed deposit of Rs.1,04,79,000/- and that, due to the COVID-19 pandemic and the lockdown, he was unable to arrange the said amount. It is further stated that after the condition

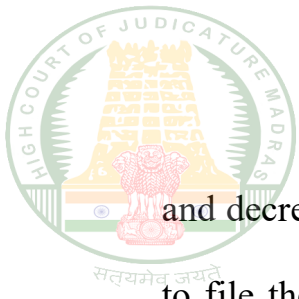


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was modified and reduced to Rs.20,00,000/-, he had arranged the said amount through one Mr. S. Mohan Kumar and had also obtained demand drafts. According to the applicant, due to the illness of his counsel and also due to the illness of the said Mr. Mohan Kumar, the demand drafts could not be deposited in time. On this basis, the applicant seeks setting aside of the order dated 19.11.2020 and extension of time to comply with the conditional order.

10. The grounds raised by the applicant are that the order of the learned Master is opposed to law, weight of evidence and probabilities of the case; that the learned Master failed to consider the COVID-19 situation and the illness pleaded by the applicant; that the demand drafts were already taken and the same was brought to the notice of the learned Master; that the applicant has serious and tenable defences to the suit claim; and that grave prejudice would be caused if the order is not set aside.

11. The respondent/plaintiff has filed a counter affidavit opposing the application. It is contended that the present application is not maintainable, since the order dated 19.11.2020 has culminated in a judgment and decree in the summary suit. According to the respondent, instead of challenging the judgment



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and decree dated 19.11.2020 in the manner known to law, the applicant has chosen to file the present appeal/application challenging the order of the learned Master after an enormous delay.

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12. It is further contended by the respondent that the averments made in the present appeal are only a repetition of the averments made in the leave to defend application. The respondent also states that the applicant had admitted receipt of loan amounts and had also admitted the balance liability in the pre-suit correspondence. It is further stated that despite sufficient opportunities granted by the learned Master, the applicant did not deposit even the reduced sum of Rs.20,00,000/-.

13. The respondent has also stated that the decree dated 19.11.2020 has crystallised and that execution proceedings in E.P.No.88 of 2024 are pending. According to the respondent, the present application has been filed only to protract the proceedings and stall the execution.

14. Heard the learned counsel appearing on either side and perused the materials placed on record.



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15. The point that arises for consideration is whether any interference is required with the order dated 19.11.2020 passed by the learned Master.

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16. In a summary suit, the leave to defend is not granted as a matter of course. Where the Court grants leave on condition, the defendant is bound to comply with the condition within the time stipulated. The conditional order cannot be treated as an empty formality. In the present case, the learned Master had initially directed the applicant to deposit Rs.1,04,79,000/- while granting leave to defend. When the applicant sought modification and extension of time, the learned Master again exercised discretion in favour of the applicant and reduced the condition to deposit of Rs.20,00,000/-. Thus, sufficient indulgence had already been shown to the applicant.

17. Even after such modification, the applicant failed to comply with the conditional order. The materials also show that further opportunities were granted for reporting compliance. Only thereafter, on account of continued non-compliance, the learned Master dismissed the applications and decreed the suit on 19.11.2020.



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18. The explanation now offered by the applicant that demand drafts had been arranged and that the amount could not be deposited due to COVID-19 and illness is not sufficient to interfere with the order of the learned Master at this distance of time. If the applicant had really arranged the amount, nothing prevented him from taking immediate steps to deposit the same before the Court within a reasonable time. Even before this Court, no material has been placed to show that the applicant has paid or offered to pay any substantial amount towards the admitted liability or towards the conditional deposit.

19. The allegations relating to forgery of promissory notes, dispute regarding accounts, alleged excessive interest, and alleged misuse of power of attorney are all matters which were already projected by the applicant in support of his leave to defend. The learned Master, while considering the leave to defend application, had granted conditional leave. Therefore, the applicant cannot now seek to reopen the entire matter without first satisfying the condition imposed for grant of leave.

20. It is also relevant to note that the order dated 19.11.2020 has culminated in a decree in the summary suit. The decree-holder has also initiated execution proceedings. In such circumstances, the applicant cannot be permitted to



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repeatedly seek extension of time to comply with the old conditional order, particularly when he has not shown diligence or bona fide compliance at any stage.

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21. This Court does not find any illegality, perversity or material irregularity in the order passed by the learned Master. On the contrary, the records disclose that the learned Master had granted sufficient opportunities to the applicant and had also reduced the conditional deposit. Despite the same, the applicant failed to comply.

22. In view of the above, this Court is of the considered opinion that no interference is required with the order dated 19.11.2020 passed by the learned Master.

23. Accordingly, A.No.718 of 2026 is dismissed. No costs.

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Index: Yes/No
Speaking/Non-speaking order
Neutral Citation: Yes/No
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DR.A.D.MARIA CLETE, J.

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