



W.P. No.20804 of 2026

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 10.06.2026

CORAM :

THE HONOURABLE MR.SUSHRUT ARVIND DHARMADHIKARI,
CHIEF JUSTICE

AND

THE HONOURABLE MR.JUSTICE G.ARUL MURUGAN

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AND

W.M.P.Nos.22439 & 22440 of 2026

1.M/s.I.Dreams,
Rep. by its Prop. V. Joseph Williams,
No.4, Solomon Cottage, 1st Main Road,
Thiruvengada Nagar, Thiruninravur,
Chennai-602 024

2.V.Joseph Williams
S/o.W.Victor Daniel, Door No.4/B,
6th Cross Street, 3rd Lane,
Thiruvengada Nagar,
Thiruninravur, Chennai-602 024

Petitioner(s)

Vs

Punjab National Bank
Rep. by its Authorized Signatory,
Circle Sastra Centre,
769, 2nd Floor, Spencer Plaza,
Anna Salai, Chennai-600 002

Respondent(s)

PRAYER: Petition filed under Article 226 of the Constitution of India
seeking issuance of a writ of certiorarified mandamus to call for the



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records of the order in IA.No.388/2026 (waiver) in AIR 488/2026 dated 20.05.2026 passed by the Hon'ble Debt Recovery Appellate Tribunal (DRAT) at Chennai and quash the same.

For Petitioner(s): Mr. D.Yogeswaran

For Respondent(s): Mr. M.L.Ganesh
Standing Counsel

ORDER

(Made by G.ARUL MURUGAN, J.)

The borrower has preferred this writ petition assailing the order of the Debt Recovery Appellate Tribunal, rejecting the waiver application for pre-deposit filed along with the appeal.

2.Learned counsel for the petitioners submitted that only due to the death of the second petitioner's mother, the petitioners were not able to mobilise funds for complying with the order of pre-deposit and the DRAT, without granting any extension, rejected the waiver application which is erroneous. He further submitted that the DRAT/appellate authority ought to have granted an opportunity to make good the pre-deposit by allowing the petitioners to contest the appeal on merits.



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3.Mr.M.L.Ganesh, learned Standing Counsel appearing for the respondent bank, submitted that when the challenge in securitisation application before the DRT itself is with respect to the order passed under Section 14 of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (in short "the Act") for securing possession and the respondent bank/secured creditor has already taken possession in implementation of the order of the Chief Judicial Magistrate, the entire issue has been rendered infructuous and nothing remains for further adjudication in this writ petition.

4.Heard the submissions and considered the materials available on record.

5.The petitioners are borrowers who availed loan from the respondent bank by creating an equitable mortgage over the property. Due to the default committed in repayment of loan, the loan accounts were classified as non performing asset and the respondent bank/secured creditor had taken measures under the Act. Demand notice dated 28.04.2023 under Section 13(2) of the Act followed by

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possession notice dated 07.07.2023 under Section 13(4) of the Act were issued. Admittedly, the petitioners have not challenged the possession notice before the DRT.

6.The respondent bank/secured creditor filed an application before the Chief Judicial Magistrate, Tiruvallur, under Section 14 of the Act seeking assistance for taking physical possession of the property. The Chief Judicial Magistrate, by order dated 30.10.2025, allowed the petition for securing possession by the respondent bank. The petitioners have challenged the order passed under Section 14 of the Act before the DRT-III, Chennai, under Section 17 of the Act in SA.75/2026. After contest, DRT-III, Chennai, by order dated 13.02.2026, dismissed the stay petition in the securitisation application.

7.The petitioners assailed the order of the DRT before the DRAT, Chennai, under Section 18 of the Act. Along with the appeal, the petitioners have preferred IA.388/2026 seeking waiver of pre-deposit. The DRAT, by order dated 02.04.2026, passed the following order:

"In the said circumstances, this Tribunal, for entertaining this appeal, direct the petitioners to make pre-deposit of 30% of



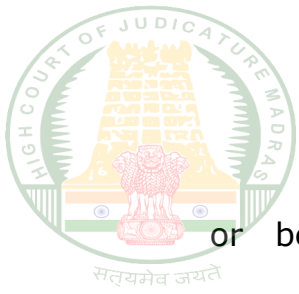
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Rs.84,71,293/- i.e.Rs.25,41,387.90 rounded off to Rs.25,41,388/- in two equal instalments, within a period of four weeks from today. First instalment of Rs.12,70,694/- shall be deposited on or before 16.04.2026 and the second instalment of Rs.12,70,694/- shall be deposited on or before 30.04.2026, failing which, the appeal shall stand rejected."

8.The petitioners failed to comply with the conditional order. When the application was listed for compliance before the DRAT on 04.05.2026, it was submitted that due to the death of the second petitioner's mother in November 2025, they were not able to mobilise the funds for making pre-deposit. The DRAT considered the same sympathetically and granted extension of time for making pre-deposit. However, even after availing extension, the petitioners defaulted in making pre-deposit, pursuant to which, the DRAT, by order dated 20.05.2026, rejected the waiver application by observing that even though extension was granted sympathetically, the petitioners instead of making pre-deposit, are only trying to protract the proceedings without making pre-deposit.

9.When the DRAT had passed the order in the waiver application on 02.04.2026, by which, the pre-deposit ought to have been made on

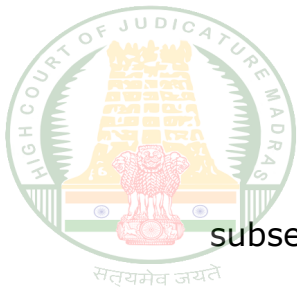


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or before 30.04.2026 and considering the submissions of the petitioners that they were not able to mobilise the funds due to the death of the second petitioner's mother, the DRAT had in fact granted extension of time, then, it was for the petitioners to comply with the order of pre-deposit. Even when the petition was listed for reporting compliance on 20.05.2026, the petitioners were not ready with the pre-deposit and in fact, when confronted with a query as to whether the petitioners are ready now, it is merely submitted that further time is required.

10.Be that as it may, when the order passed by the Chief Judicial Magistrate under Section 14 of the Act for securing possession was challenged and dismissed by the DRT and now, admittedly, the orders have been implemented and the respondent bank/secured creditor had secured the possession, nothing further remains to be adjudicated in the appeal.

11.At this juncture, it is submitted by the learned counsel for the petitioners that already sale notice came to be issued and the property has been sold on 03.04.2024 and the sale certificate in favour of the successful bidder has also been issued on 24.04.2024 and registered



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subsequently. Challenging the sale, the petitioners have preferred SA.218/2024 on the file of DRT-III, Chennai, which is still pending.

12.Under such circumstances, leaving it open to the petitioners to agitate the pending securitisation application before the DRT, the writ petition stands dismissed. There shall be no order as to costs. Connected interim applications are closed.

(SUSHRUT ARVIND DHARMADHIKARI, CJ) (G.ARUL MURUGAN, J)
10.06.2026

Index : Yes/No
Neutral Citation : Yes/No
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To

Authorized Signatory,
Punjab National Bank,
Circle Sastra Centre,
769, 2nd Floor, Spencer Plaza,
Anna Salai, Chennai-600 002



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