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W.P.No.8985 of 2026

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 16.03.2026

CORAM

THE HON'BLE MR JUSTICE S. M. SUBRAMANIAM

AND

THE HON'BLE MR.JUSTICE K. SURENDER

W.P.No.8985 of 2026

and

W.M.P.Nos.9700, 9702 and 9703 of 2026

Bernadet Brida .I
W/o.Sathish

... Petitioner

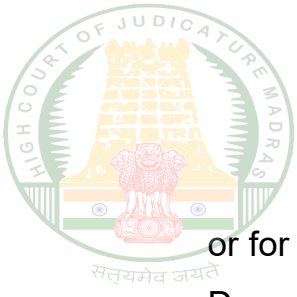
vs.

The Authorised Officer
HDFC Bank Ltd.,
Second Floor, ITC Centre
No.760, Anna Salai
Chennai-600 002.

... Respondent

Writ Petition filed under Article 226 of the Constitution of India seeking a Writ of Certiorarified Mandamus, calling for the records pertaining to the order of the Hon'ble Debts Recovery Appellate Tribunal, Chennai, dated 22.01.2026, passed in I.A.No.1784 of 2025 in A.I.R.No.2381 of 2025 and quash the same as illegal and unconstitutional and subsequently, direct the Hon'ble Debts Recovery Appellate Tribunal, Chennai, to declare that the "debt due" at every stage for adjudication on merits for imposing conditions

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or for redemption is linked to the claim of “debt due” made in Section 13(2) Demand Notice only to be taken into account and not to any other amount.

For Petitioner : Mr.M.J.Jaseem Mohamed

ORDER

[Made by **S.M.SUBRAMANIAM, J.,**]

The present writ petition has been instituted to assail the order dated 22.01.2026 passed by the Debts Recovery Appellate Tribunal, Chennai, in I.A.No.1784 of 2025 in A.I.R.No.2381 of 2025.

2. An order under Section 14 of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (54 of 2002) [hereinafter “SARFAESI Act” for the sake of brevity], came to be passed by the Chief Judicial Magistrate, Tiruvallur. Challenging the said order, an appeal under Section 17 of the SARFAESI Act was filed by the petitioner before the Debts Recovery Tribunal.

3. Having suffered an order from the hands of the Debts Recovery Tribunal, an appeal was filed under Section 18 of the SARFAESI Act before the Debts Recovery Appellate Tribunal. Under Section 18 of the SARFAESI Act, the appellant has to deposit 50% of the amount of debt due, as claimed by the secured creditors or determined by the Debts Recovery Tribunal,

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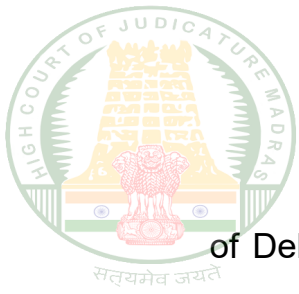
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whichever is less. The third proviso to Section 18 contemplates that the Appellate Tribunal may, for the reasons to be recorded in writing, reduce the amount to not less than 25% of debt referred to in the second proviso. Thus, the Appellate Tribunal may exercise its discretion, considering the mitigating factors, to reduce the pre-deposit amount from 50% to 25%. It is needless to state, that such discretion must be exercised judiciously considering the facts of each case.

4. In the present case, the learned counsel for the petitioner would urge this Court by stating that the debt in the present case is Rs.23,35,860/- as per the notice issued by the respondent Bank dated 19.07.2019. However, the Appellate Tribunal has erroneously calculated the debt due by adding the interest claimed by the Bank to the said amount. In this context, the learned counsel for the petitioner would submit that the term “debt” means the due claimed by the Bank to the appellant and in the present case, as per the letter dated 19.07.2019, the debt due to the Bank is Rs.23,35,860/-. Thus, the present writ petition is to be considered.

5. This Court has considered the submissions as well as the applicable provisions.

6. Section 2(ha) of SARFAESI Act provides that the term “debt” shall have the meaning assigned to it in clause (g) of Section 2 of the Recovery



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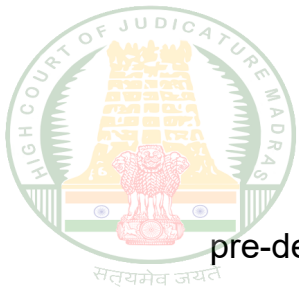
of Debts Due to Banks and Financial Institutions Act, 1993 (51 of 1993).

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Section 2(g) of the Act 51 of 1993 defines “debt” means any liability (inclusive of interest) which is claimed as due from any person or a pooled investment vehicle as defined in clause (da) of Section 2 of the Securities Contracts (Regulation) Act, 1956 (42 of 1956), by a bank or a financial institution or by a consortium of banks or financial institutions during the course of any business activity undertaken by the bank or the financial institution or the consortium under any law for the time being in force, in cash or otherwise, whether secured or unsecured, or assigned, or whether payable under a decree or order of any civil Court or any arbitration award or otherwise or under a mortgage and subsisting on, and legally recoverable on, the date of the application and includes any liability towards debt securities which remains unpaid in full or part after notice of ninety days served upon the borrower by the debenture trustee or any other authority in whose favour security interest is created for the benefit of holders of debt securities.

7. In view of the definition as stated above, the calculation made by the Debts Recovery Appellate Tribunal appears to be in consonance with the provisions of the Act, as the debt due includes interest. That being the factum, the petitioner is liable to deposit the said amount which is statutory

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pre-deposit contemplated under Section 18 of the SARFAESI Act for entertaining the appeal. In the present case, the Appellate Tribunal itself has given some concession by exercising its discretion and reducing the pre-deposit from 50% to 25% and that being the factum, the petitioner is not entitled to any further concession from the hands of this Court.

8. With the above observations, the Writ Petition stands dismissed. Consequently, connected miscellaneous petitions are closed. There shall be no order as to costs.

(S.M.S.,J.) (K.S.,J.)
16.03.2026

Index : Yes
Neutral Citation : Yes
Speaking order

mk

To

The Authorised Officer
HDFC Bank Ltd.,
Second Floor, ITC Centre
No.760, Anna Salai
Chennai-600 002.

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**S. M. SUBRAMANIAM, J.,
and
K. SURENDER, J.,**

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