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W.P.No.22229 of 2026

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 17.06.2026

CORAM :

THE HONOURABLE MR. SUSHRUT ARVIND DHARMADHIKARI,
CHIEF JUSTICE

AND

THE HONOURABLE MR.JUSTICE G.ARUL MURUGAN

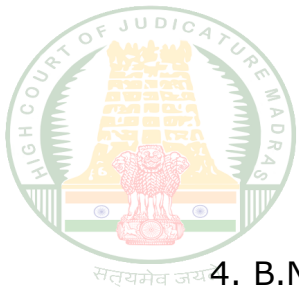
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Tamilnadu Mercantile Bank Ltd,
Rep. by its Branch Manager,
Kancheepuram Branch,
No.4A, Vanigar Street,
Kancheepuram-631 501

Petitioner(s)

Vs

1. Everest Mineral water
No.1/6-161 A, Pallam Street,
Edamichey Village, Porpandal Post,
Uthiramerur Taluk,
Kancheepuram District.
2. Ranganathan
S/o.Sesha Pillai,
No.1/6-161 A, Pallam Street,
Edamichey Village, Porpandal Post,
Uthiramerur Taluk,
Kancheepuram District.
3. M.Balaraman,
S/o.Late Murugesan Mudaliar,
No.5, MGR Street, Pallavan Nagar,
Sevilimedu Village, Kancheepuram District.



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4. B.Nagamani
W/o.Balaraman,
Sevilimedu Village, SF 29, MGR Street,
Palavan Nagar, Kancheepuram District.

Respondent(s)

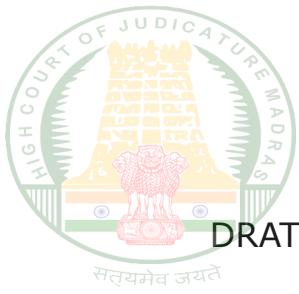
PRAYER: Petition filed under Article 226 of the Constitution of India seeking issuance of a writ of certiorarified mandamus calling for the records relating to the impugned order passed by the Learned Debts Recovery Appellate Tribunal, Chennai in I.A. No.1743 of 2025 in A.I.R. No.1411 of 2025 dated 26.03.2026 and quash the same and consequently direct the learned Debt Recovery Appellate Tribunal, Chennai, to condone the delay of 1683 days in filing the appeal and to restore the appeal and entertain the same on merits.

For Petitioner(s): Mr. G.Paul Bennett

ORDER

(Order of the Court was made by the Hon'ble Chief Justice)

The present writ petition has been filed under Article 226 of the Constitution of India praying for the issuance of a writ of certiorarified mandamus to call for the records relating to the impugned order dated 26.03.2026 passed by the Debt Recovery Appellate Tribunal (DRAT), Chennai, in I.A.No.1743 of 2025 in A.I.R. No.1411 of 2025, quash the same, and consequently direct the



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DRAT to condone the delay of 1683 days in filing the appeal and restore the appeal for adjudication on merits.

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2.1. The brief facts leading to the filing of this writ petition are as follows: The petitioner bank had advanced loan facilities to the first respondent/firm. Due to default in repayment, the account turned into a Non-Performing Asset (NPA). The bank initiated proceedings before the Debts Recovery Tribunal (DRT-III), Chennai, in O.A.No.625 of 2014. By order dated 15.10.2020, the DRT allowed the principal amount of Rs.12,75,538/-, but denied *pendente lite* and future interest, citing circumstances beyond the control of the respondents.

2.2. Aggrieved by the denial of interest, the petitioner bank preferred an appeal before the DRAT, Chennai, being A.I.R.No.1411 of 2025, along with an interlocutory application I.A.No.1743 of 2025 seeking condonation of delay of 1683 days. The petitioner attributed the delay to administrative processes, movement of files, change of officials, and the unfortunate demise of the counsel who was handling the matter.



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2.3. The DRAT, by the impugned order dated 26.03.2026, dismissed the application for condonation of delay. While the DRT acknowledged that the petitioner had arguable case on merits regarding the wrongful denial of interest, it held that the delay of 1683 days was not sufficiently explained. The Tribunal noted that the free copy of the DRT order was supplied on 09.11.2020, yet the appeal was filed only after receipt of the copy on 22.05.2025. The death of the counsel on 28.05.2023 was not accepted as a sufficient cause for the entire period of delay. However, the DRAT granted liberty to the appellant to approach the DRT for appropriate action, including the claim of interest for delayed payment of the amount. Hence, the present writ petition.

3. Learned counsel for the petitioner submitted that the DRAT failed to adopt a liberal approach in condoning delay, especially when public money is involved. It was argued that DRAT adopted a hyper technical approach in dealing with the issue of limitation and failed to appreciate that substantial justice should prevail over procedural technicalities.



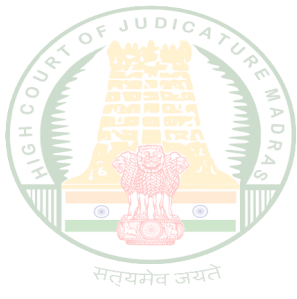
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4. It is undisputed that the provision for condonation of delay exists under the statute. As held by the Supreme Court in *Baleshwar Dayal Jaiswal vs. Bank of India & Ors.*¹, the DRAT has the power to entertain an appeal after the expiry of the period of limitation if sufficient cause is shown. This power is derived from Section 18(2) of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002, which incorporates the provisions of the Recovery of Debts and Bankruptcy Act, 1993, specifically the proviso to Section 20(3) of the RDB Act. The relevant observation of the Supreme Court is reproduced hereunder:

"15. As a result of the above discussion, the question is answered in the affirmative by holding that delay in filing an appeal under Section 18(1) of the SARFAESI Act can be condoned by the Appellate Tribunal under proviso to Section 20(3) of the RDDB Act read with Section 18(2) of the SARFAESI Act. The contrary view taken by the Madhya Pradesh High

1 (2016) 1 SCC 444



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*Court in Seth Banshidhar Kedia Rice Mills (P) Ltd.
case [AIR 2011 MP 205] is overruled."*

[emphasis supplied]

5. However, the existence of the power to condone delay does not mandate its exercise in every case where merits exist. The discretion must be exercised judiciously based on the "*sufficient cause*" demonstrated by the applicant. In the present case, the delay is of 1683 days (approximately 4 years and 7 months). The explanation offered includes administrative delays within the bank and the death of the counsel.

6. While the death of a counsel can be a valid ground for condonation, it must be proximate to the delay. In this case, the DRT order was passed on 15.10.2020, and the certified copy was received on 09.11.2020. The counsel expired on 28.05.2023. The petitioner failed to explain the delay from November 2020 to May 2023, a period of nearly two and a half years, during which the counsel was alive. Furthermore, even after the death of the counsel in May 2023, the appeal was filed only in May 2025. The explanation of "administrative processing" for such a long duration,



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without specific details of file movements or approval hurdles, lacks credibility.

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7. While the DRAT is empowered to condone delay, it is not an automatic right. The DRAT must be satisfied that there was sufficient cause for not filing the appeal within the prescribed period. In this case, the DRAT correctly found that the petitioner did not act with due diligence. The mere fact that the appeal has merits cannot override the requirement of explaining the delay satisfactorily, particularly when the delay is inordinate and the explanation is vague.

8. Moreover, a crucial aspect of this case is the relief already granted by the DRAT in the impugned order itself. The DRAT, while dismissing the delay condonation application, explicitly observed: *"Therefore, the Appellant is at liberty to approach the DRT for appropriate action including the claim of interest for the delayed payment of Rs.12,75,538/-."* This direction provides an efficacious alternative remedy to the petitioner. The petitioner, if so advised, can approach the DRT to claim interest for the period of delayed



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payment by the respondents. This ensures that the bank is not prejudiced financially, which was the primary grievance of the petitioner.

9. In view of the fact that the DRAT has already granted liberty to the petitioner to work out its rights before the DRT for claiming interest on the delayed payment, we do not see any reason to entertain this writ petition.

In the result, this writ petition is dismissed. No costs.

(SUSHRUT ARVIND DHARMADHIKARI,CJ) (G.ARUL MURUGAN,J)
17.06.2026

Index : Yes/No
Neutral Citation : Yes/No
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THE HON'BLE CHIEF JUSTICE
AND
G.ARUL MURUGAN,J.

(sasi)

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