IN THE HIGH COURT OF JUDICATURE AT BOMBAY
NAGPUR BENCH, NAGPUR

WRIT PETITION NO.2553 OF 2026

[Shri Sandeep Laxman Chavan and others **Vs.** State of Maharashtra, through Ministry of Finance, New Delhi, and another]

Office Notes, Office Memoranda of Coram, appearances, Court's orders of directions and Registrar's orders.	Court's or Judge's order

Shri Shantanu M. Pande, Counsel for Petitioners.
Shri I.J. Damle, Assistant Government Pleader for Respondent No.1-State.
Shri M.Y. Wadotkar, Counsel for Respondent No.2.

CORAM : ANIL S. KILOR AND RAJ D. WAKODE, JJ.
DATE : 27th MARCH, 2026.

1. Heard Shri S.M. Pande, learned counsel for the petitioners; Shri I.J. Damle, learned Assistant Government Pleader for the respondent No.1-State; and Shri M.Y. Wadotkar, learned counsel for the respondent No.2.

2. On 7th January, 2026, the interim order was passed by this Court in Writ Petition No.135 of 2026, which is reproduced as under :

> *"1. Heard learned counsel for the petitioners.*
>
> *2. The contention is that the Debt Recovery Tribunal (DRT) has rejected the Interim Application No.1889 of 2025 filed by the petitioners in S.A. No.65 of 2024 praying for stay yesterday i.e., on 6th January 2026 and now put up the matter on 5th February 2026 for further consideration.*
>
> *3. Learned counsel for the petitioners submits that since his interim application is rejected yesterday i.e., on 6th January 2026 only and now he wants to challenge the aforesaid order in appeal before*

DRAT Mumbai for seeking protection. There is no Presiding Officer at preset at DRAT Mumbai and the charge of DRAT Mumbai is with DRAT Chennai. However, he has no time to rush to DRAT Chennai for seeking interim relief as the letter dated 15th December 2025 at Annexure-C issued by the authorized Officer, HDFC Bank stating that there will be taking possession today at 12.00 noon.

4. In view of the above, issue notice to the respondents, returnable on 21" January 2026.

5. In the meantime, the respondent- Bank is directed not to take physical possession of the property as mentioned in the letter dated 15th December 2025 at Annexure-C for a period of two weeks.

6. In the meantime, the petitioners are permitted to avail the remedy by following appeal before the learned DRAT Chennai.

7. The observations made by this Court in the present interim order are considering the present situation and hence, DRAT Chennai is requested not to get influenced by the present observations while deciding the stay application."

3. In consequence of the aforesaid order, I.A. No.1889 of 2025 filed by the petitioners in S.A. No.65 of 2024 was accordingly rejected by the learned Debts Recovery Tribunal at Nagpur on 6th January, 2026.

4. In view of above and the protection granted by this Court, the petitioners approached the learned Debts Recovery Appellate Tribunal, Mumbai, sitting at Chennai, by filing Misc. Appeal No.48 of 2026. The

petitioners in the said appeal had filed I.A. No.48 of 2026 seeking urgent relief of restraining the respondent-Bank from taking physical possession of the property mortgaged. The said I.A. was heard by the learned Debts Recovery Appellate Tribunal and accordingly the impugned order was passed on 24th March, 2026. In the aforesaid order, the learned Debts Recovery Appellate Tribunal had observed that the petitioners shall make the pre-deposit of 50% of ₹1,06,05,407/- to entertain the appeal, as required under Section 18(1) of the Securitisation and Reconstruction of Financial Assets and Eforcement of Security Interest Act, 2002 (for short, 'SARFAESI Act'). Accordingly, the learned Debts Recovery Appellate Tribunal went on to pass the order with the following operative directions :

> *"In the circumstances stated above, this Tribunal directs the Petitioner/Appellant make the pre-deposit of 50% of ₹1,06,05,407/- to entertain the Appeal as required under Section 18(1) of the SARFAESI Act.*
>
> *Admittedly, 50% of ₹1,06,05,407/- comes ₹53,02,703.50p (Rounded off to ₹53,02,703/-).*
>
> *Therefore, Petitioners/Appellants shall deposit ₹53,02,703/- in two equal instalments, 1st instalment of ₹26,51,351.50p shall be paid on or before 25.03.2026 by 11.00 AM and 2nd instalment ₹26,51,351.50p shall be paid on or before 15.04.2026.*
>
> *If 1st instalment of ₹26,51,351.50p is deposited on or before 11.00 AM tomorrow i.e. 25.03.2026, the possession scheduled for*

tomorrow i.e. 25.03.2026 is to be deferred till the next date of hearing.

If the Petitioners/Appellants fail to deposit the 1st instalment, the Respondent Bank is at liberty proceed further in accordance with law.

It is made clear that on failure to deposit of either of the instalments, the Appeal will stand rejected. On making such deposit by Petitioners/Appellants, the Registrar, DRAT, Mumbai is to invest the same in the Nationalized Bank, from time to time, till further orders are passed.

List the case on 17.04.2026 for reporting compliance."

5. Thus, the petitioners were directed to deposit the aforesaid 50% amount, i.e. ₹53,02,703/- (Rounded-off), in two equal instalments. The first instalment of ₹26,51,351.50 was to be paid on or before 25th March, 2026 by 11.00 A.M. and the second instalment of ₹26,51,351.50 has to be paid on or before 15th April, 2026.

6. Shri Pande, learned counsel for the petitioners, submits that for the reasons stated in the petition, the petitioners were not in a position to deposit the first instalment on or before 25th March, 2026, however, he submits that the petitioners are ready to file an undertaking to deposit the first instalment by 30th March, 2026 by 11.00 A.M., if this Courts grants extension of time till 30th March, 2026.

7. Shri Wadotkar, learned counsel for the respondent No.2-Bank, has strongly opposed such request. While doing so, he has invited the attention of this Court to the possession notice dated 7th March, 2026 issued by the Authorized Officer of the respondent No.2-Bank, whereby it was intimated that the physical possession of the secured assets as per the order dated 4th May, 2024 passed by the learned Chief Judicial Magistrate, Yavatmal, under Section 14 of the SARFAESI Act, 2002 shall be taken on 27th March, 2026, i.e. today.

8. In view of the fact that the petitioners are undertaking to comply with the order dated 24th March, 2026 passed by the Debts Recovery Appellate Tribunal, Mumbai, sitting at Chennai, however with a request to grant time to deposit the first instalment till 30th March, 2026 by 11.00 A.M., this Court in its considered opinion is inclined to grant such time to the petitioners. The petitioners shall file an undertaking before this Court that they will deposit the first instalment of Rs.26,51,351.50 before the Debts Recovery Appellate Tribunal, Mumbai till 30th March, 2026 by 11.00 A.M. The petitioners shall also undertake to strictly comply with the schedule of the second instalment of equal amount to be paid on or before 15th April, 2026. Subject to such compliance by the petitioners, the physical possession of the secured assets, which is to be taken today, i.e. on 27th March, 2026, shall be deferred till 30th March, 2026. If the petitioners fail to deposit the first

instalment till 30th March, 2026 by 11.00 A.M., the respondent No.2-Bank shall be at liberty to take physical possession of the secured assets on 30th March, 2026, as indicated in the notice dated 7th March, 2026, and for such purpose, no separate notice shall be required to be issued by the respondent No.2-Bank to the petitioners. If the first instalment is deposited on 30th March, 2026, the protection granted by this Court shall continue to operate till 15th April, 2026 in order to enable the petitioners to deposit the second instalment till the said date by 11.00 A.M. If the petitioners deposit the second instalment of ₹26,51,351.50 by 11.00 A.M., the interim protection granted by this Court to the possession of the petitioners shall continue till the returnable date. In case the petitioners default in paying the second instalment, the respondent No.2-Bank shall be at liberty to take physical possession of the secured assets of the petitioners on 15th April, 2026, in pursuance of the notice dated 7th March, 2026, which is at record page no.107 (Annexure-M-3).

9. At this stage, Shri Pande, learned counsel for the petitioners, has invited the attention of this Court to the Demand Drafts dated 21st January, 2025 and 10th February, 2025, by which the petitioners had deposited an amount of ₹15,00,000/- with the Registrar, Debts Recovery Appellate Tribunal, Mumbai. Shri Pande submits that the amount, which is already deposited with the Debts Recovery Appellate Tribunal, Mumbai, shall be adjusted in the first instalment. We order accordingly to adjust

such amount of ₹15,00,000/- in the first instalment, to be deposited by the petitioners.

10. The petitioners to file an undertaking to the effect as recorded above during the course of the day.

11. Issue notice before admission to the respondents, returnable on 17th April, 2026.

12. Shri I.J. Damle, learned Assistant Government Pleader, waives service of notice for the respondent No.1-State; and Shri M.Y. Wadotkar, learned counsel, waives service of notice for the respondent No.2-Bank.

13. The learned Assistant Government Pleader for the respondent No.1-State and the learned counsel for the respondent No.2-Bank to immediately communicate this order to the concerned Authorities.

14. Steno copy of this order be issued to the learned counsel for the parties to act upon.

(RAJ D. WAKODE, J.) **(ANIL S. KILOR, J.)**

LANJEWAR