**IN THE DEBT RECOVERY APPELLATE TRIBUNAL**
**AT CHENNAI**

**Dated the 8th day of May, 2026**

**PRESENT : HON'BLE MR. JUSTICE G. CHANDRASEKHARAN**

**CHAIRPERSON**

**MA (SA) 36/2026**

**(Arising out of IA 4416/2025 in S.A. No. 899/2025 on the file of DRT, Madurai)**

Between

M/s. Khaja Moideen Leather Company,
Rep. by its Propretor,
Mr. Maideen Pichai Rawther,
S/o Peermohamed
Address of the Registered office of the appellant:
No.16/55Periyanna Maistry Street,
Periamet, Chennai 600 003. … Appellant

And

1. Authorised Officer,
   Indian Bank,
   Stressed Asset Management Branch,
   100-101, 3rd Floor, East Avani Moola Street,
   Madurai 625 001.

2. M/s. Asraf Skin Merchant,
   Rep. by its Proprietor,
   Mr. Mohammed Asraf Ali,
   No. 37 V.V. Koil Street,
   Periamet, Chennai 600 003.

3. Mr. Mohamed Asraf Ali,
S/o. Abdul Malik,
No. 27/12 Alagapuram Main Road,
Suramangalam, Salem 636 005.

4. Mrs. Juviraiya Banu,
W/o Zakir Hussain,
No 127E, Bengalapettai,
Madurai Road, Pallipatti,
Begampur, Dindigul 624 002. ...Respondents

Counsel for Appellant : Mr.N. Padmanabhan

Counsel for Respondents : M/s. T. Sundar Rajan– R1

M/s. S. Vardhini -R2 to R4

**ORDER**

This appeal is filed against the interim order passed by the learned Presiding Officer, DRT, Madrai, in IA 4416/2025 in SA 899/2025 on 07.11.2025.

2. It is the submission of the learned counsel for the appellant that he was a successful bidder in the sale held under the SARFAESI Proceedings and the sale was confirmed in favour of the appellant and the appellant has made all the payments. Depite payment, securitization application in SA 899/2025 was filed by the applicants before the DRT/ respondents 2 to 4 herein. Learned Presiding Officer, DRT, Madurai, directed the Bank not to issue sale certificate subject to payment of entire due amount of Rs.3,60,00,000/- in two equal instalments by the applicants/respondents 2 to 4 herein. This order is against the well settled principle that the borrower/guarantor had lost the right of redemption once the sale notice is published. In view of the Stay granted,

appellant is not able to get the sale certificate and take possession of the property. Therefore, he wants to set aside the order of the learned Presiding Officer, DRT, Madurai, in IA 4416/2025 in SA 899/2025.

3. In reply, learned counsel for the first respondent-Bank submitted that because of the interim order passed by the learned Presiding Officer, DRT, Madurai in the Stay application, first respondent-Bank is not able to issue the sale certificate. Learned counsel for the first responden-Bank seeks that the appeal may be disposed.

4. Learned counsel for R2 to R4 submitted that the applicants/respondents 2 to 4 herein complied all the conditions as per the order passed by the learned Presiding Officer, DRT, Madurai and filed an application for taking possession of the property from the Bank.

5. Considered the rival submissions and perused the records.

6. It could be seen from the records that SA 899/2025 filed to set aside the sale notice dated 04.10.2025 and the consequential sale held on 29.10.2025. In the pending SA 899/2025, lA 4416/2025 was filed for staying the further proceedings. Learned Presiding Officer, DRT, Madurai passed an order, without going into the merits of the case and considering the submissions of the learned counsel for both the parties, directed the Bank not to issue sale certificate till 31.12.2025 subject to payment of amount as aforesaid. If the payment is not made, respondent-Bank was given liberty to proceed further and stay stands vacated automatically. It is now informed that sale was held on 29.10.2025 prior to the date of passing of this order on 07.11.2025. Once sale is held, the consequential action is the confirmation of sale and issuance of sale certificate.

7. The submission of the learned counsel for the respondents 2 to 4 that on compliance of the conditional order, they are entitled to redeem the property and take possession of the property, is not correct and not in accordance with law. The right of redemption is lost once publication of sale notice. Be that as it may, it is only the interim order passed in IA 4416/2025. No final order was passed in the said IA. Therefore, this Tribunal directs the learned Presiding Officer, DRT, Madurai to dispose the IA 4416/2025 on merits and in accordance with law taking into consideration the fact that right of redemption is lost once the sale notice is published. The learned Presiding Officer, DRT, Madurai Is also directed, if possible, to dispose the SA 899/2025 as expeditiously as possible on merits and in accordance with law.

8. In this view of the matter, this appeal is disposed as indicted above directing the learned Presiding Officer, DRT, Madurai to dispose the IA 4416/2025 immediately and SA 899/2025 as expeditiously as possible on merits and in accordance with law. Parties are directed to bear their own costs. Pending IAs, if any, shall stand closed.

*[Dictated to Steno (ra) in open court, transcribed by her, corrected and signed by me, this 8th day of May, 2026]*

**Sd/-**
**[Justice G. Chandrasekharan]**
CHAIRPERSON