

Appeal No..122 of 2025 -DRAT-Kolkata

**IN THE DEBTS RECOVERY APPELLATE TRIBUNAL AT
KOLKATA**

**HON'BLE MR. JUSTICE ANIL KUMAR SRIVASTAVA
CHAIRPERSON**

Appeal No.122 of 2025
(Arising out of S.A. No. 250 of 2022 in DRT Visakhapatnam)

1. Union Bank of India, having its Head Office at Union Bhavan, 239 Vidhan Bhavan Marg, Nariman Point, Opposite Vidhan Bhavan, Mumbai-400021 and carrying on its Banking business all over the country through its diverse branches being represented by the Authorised Officer, Union Bank of India, Kovur Branch, Near Mythili Centre, Main Road, Kovur, SPSR Nellore District, Andhra Pradesh, Pin 524137.

...Appellants

-Versus-

1. Smt. Vinnakota Prabavathi. Wife of V. Srinivasa Rao, resident of H. No. 3-81, Vinnakotavari Street, Padugupadu, Kovvur, SPSR Nellore District, Andhra Pradesh, Pin – 524137.
2. Smt. M. Sasikala, wife of Manohar Bommisetty, residing at 2-11, KR Palem, Supurpet, SPSR Nellore District, Pin 5234121.

....Respondents

Counsel for Appellants

Mr. Dipanjan Datta, Mr. Subhajit Chowdhury,

Counsel for Respondents

None

JUDGMENT

: 30th June,2026

THE APPELLATE TRIBUNAL :

Instant Appeal is preferred against an order dated 21st July, 2025 passed by Learned Debts Recovery Tribunal Visakhapatnam in S.A. No. 250 of 2022 (**Smt. Vinnakota**

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Prabhavath, versus The Authorised Officer, Union Bank of India and another).

2. Feeling aggrieved by the Order, Bank preferred the Appeal.

3. Heard the Learned Counsel for the Appellants. Despite put in appearance, none appears for the Respondents today at the time of hearing.

4. In brief, the facts of the matter are that the Respondents herein, who is the Securitisation Applicant, is the borrower of the Appellant Bank for an amount of Rs.30 lacs who created the mortgage of the schedule property in favour of the Bank. Demand Notice under Section 13(2) of the SARFAESI Act, 2002 was issued on 07.04.2021. Possession Notice was issued on 21.08.2021. E-Auction Sale Notice was issued on 21.02.2022 for sale of the schedule property along with other properties which was published in 'Eenadu' Daily Newspaper on 24.03.2022. Reserve price was fixed at Rs.26 lacs. Auction was conducted on 24.03.2022 for an amount of Rs. 26,10,000/- against the reserve price of Rs.26 lacs. Sale Certificate is issued in favour of the Respondent No. 2/ Auction Purchaser. Securitisation Application was filed challenging the Sale Notice dated 21.02.2022 publication of sale Notice 24.03.2022 and all the measures initiated by the Bank under the Securitisation Act.

5. Opposition filed by the Bank before the Learned DRT challenging the S.A. on the ground of limitation as well as

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stating that all the steps in accordance with law were taken by the Bank.

6. Learned DRT recorded a finding that on the point of Demand Notice and other points, S.A. is time barred. This finding is not challenged by the Securitisation Applicants. Accordingly, attained finality. Thereafter, Learned DRT allowed the S.A. on the ground that the reserve price was fixed at Rs.49 lacs while Sale was conducted for Rs.26,10,000/-. Hence, the schedule properties were sold at a price lower than the reserve price. Accordingly, allowed the SARFAESI Application.

7. Learned Counsel for the Appellant Bank would submit that Learned DRT had erred in passing the impugned order as there were two different accounts of the borrower wherein the Learned DRT has considered a Valuation Report of some other account of the borrower while in the present case the schedule property as mentioned in Notice under Section 13(2) of the Act was the same as was shown in the S.A. filed by the borrower which is as under:

SCHEDULE OF PROPERTY

All that part and parcel of land measuring 60 Sq.yds or 62.66 Sq.mts site and 390 Sq.ft of Ground floor slab building and upstairs of 390 Sq.ft building situated in ward NO.1. Seelamsettyvari street, Adjoining Main Road, d.no.1-1-168, Asst no.177, HSC No.5924. Kovur SPSR Nellore District and bounded by:

East :Site of Mogili Mukunda Rao

South :Perla Chavadi

West : shop wall or Lala balagi dass to some extent and lala gokul dass to some extent

North: Seelamsettyvari Street

8. It is further submitted that the Valuation Report of the same was obtained from the approved valuer which is in accordance with that Valuation Report, Reserve price was fixed and sale was conducted.

9. Having gone through the record, I found that the Notice under Section 13(2) of the Act was issued for the schedule properties which are mentioned above. S.A. was also filed by the Appellant describing the same property as the schedule property. Valuation Report was also obtained by the Bank from the approved valuer namely Sri C. Ravi Shankar wherein the boundaries of the schedule properties were given as under:

13	Boundaries of the property		
	Boundaries of the Site as Document (V. Srinivasa Rao Site)		
	East	:	Site of M. Mukunda Rao
	South	:	Peerlachavidi
	West	:	Lala Bala Das Shop wall to some extent & Lala Gokul Das Shop to some extent t wide Road
	North	:	Seekamsetty Vari Street

10. These boundaries tallies with the boundaries of the schedule properties. On the Basis of Valuation Report wherein the reserve price was fixed at Rs. 26,10,000/-, it appears that Learned DRT has considered some other Valuation Report while passing the impugned order. Accordingly, impugned order cannot sustain and is liable to be dismissed. Appeal is liable to be allowed. However,

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matter is remanded back to DRT to decide it afresh after considering the Valuation Report as referred above.

ORDER

Appeal is allowed. Impugned order dated 21st July, 2025 is as far as it relates to allowing the S.A. on the issue of valuation is set aside. Rest of the findings are confirmed. Matter is remanded back to the Learned DRT to decide it afresh after affording an opportunity of hearing to the parties.

No Order as to costs.

File be consigned to Record Room.

Copy of the Judgment/ Final Order be uploaded in the Tribunal's Website.

Order signed and pronounced by me in the open Court on this the 30th day of June, 2026.

(Anil Kumar Srivastava,J)
Chairperson

Dated 30th June, 2026
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