DEBTS RECOVERY APPELLATE TRIBUNAL, DELHI

Appeal (EDRAT No.997/2026)
Arising out of SA NDN No.845/2026 (DRT-II, Chandigarh)

Item No. 3

Gulab Singh
V.
Central Bank of India and others

05.08.2026 Hon'ble Dr. Justice Sudhir Kumar Jain

Present: Ms. Aishwarya Srivastava, Advocate for the appellant

This matter is taken up through Hybrid hearing.

ORDER (ORAL)

I.A. No.1170/2026 (application for waiver of pre-deposit)

1. Ms. Aishwarya Srivastava, Advocate for the appellant stated that the appellant has already deposited 25% of the amount as mentioned in the demand notice dated 23.10.2023 and prayed for waiver of the balance 25%. Since the appellant has already made pre-deposit of 25%, the condition of pre-deposit in the present case stands complied with. The application is decided accordingly.

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2. The appellant filed S.A. bearing no.NDN no.845/2026 titled as **Gulab Singh V. Central Bank of India** which is pending before DRT-II, Chandigarh. The appellant stated that there was a delay of 204 days in filing the S.A. and for condonation of the delay the appellant had filed an application bearing I.A. No.391/2026. DRT-II, Chandigarh vide the impugned order dated 06.04.2026 dismissed the application and as consequence of which S.A was also ordered to be dismissed as barred by limitation. The relevant portion of the impugned order dated 06.04.2026 is reproduced as under:-

> **5. The issue that arises for consideration is whether this Tribunal has the jurisdiction to condone delay of 204 days in filing the Securitisation Application beyond the statutory period prescribed under the SARFAESI Act, 2002.**

6. The SARFAESI Act is a special statute which prescribes a specific and limited period of 45 days for filing a Securitisation Application under Section 17. It is a settled proposition of law that where a special statute provides a complete code, including limitation, the application of general provisions such as Section 5 of the limitation Act stands excluded unless expressly provided. The legislative intent under the SARFAESI Act is to ensure expeditious recovery of secured debts, which necessarily requires strict adherence to the prescribed timelines. In the absence of any enabling provision, this Tribunal cannot assume jurisdiction to condone delay beyond the statutory period.

7. The Hon'ble Karnataka High Court in Kailasam P. vs. Karnataka Bank Ltd. (2025) (DB) has categorically held that the Debts Recovery Tribunal has no power to condone delay beyond the prescribed period of 45 days under Section 17 of the SARFAESI Act, and that the limitation is mandatory.

8. Even otherwise, the explanation furnished by the applicant does not inspire confidence. The plea of lack of knowledge of SARFAESI proceedings, despite serious allegations of fraud, prior litigation, and issuance of notices is not supported by any cogent material. The application does not disclose specific dates or sufficient particulars to satisfactorily explain the entire period of delay of 204 days.

9. So far as the contention of the applicant that he had approached the Hon'ble Punjab and Haryana High Court by way of a writ petition is concerned, the same does not advance the case of the applicant. Mere filing or pendency of a writ petition before the Hon'ble High Court does not, by itself, operate as a ground for exclusion or extension of the statutory period of limitation prescribed under Section 17 of the SARFAESI Act. In the absence of any specific order granting exclusion of time or protection in terms of limitation, the period during which such writ petition remained pending cannot be automatically excluded. The statutory mandate of filing the Securitisation Application within 45 days remains unaffected and binding.

10. It is well settled that condonation of delay cannot be granted as a matter of course. The applicant must furnish a reasonable, bona fide, and complete explanation covering the entire period of delay. Bald Assertions of ignorance or general allegations, without substantiation, do not constitute sufficient cause. The explanation offered in the present case is vague, unsupported and insufficient to meet the legal threshold.

> **11. In view of the foregoing discussion, this Tribunal holds that it has no jurisdiction to condone delay beyond the statutory period prescribed under the SARFAESI Act. Accordingly, I.A No.391/2026 is dismissed. Consequently, the accompanying Securitisation Application is also held to be barred by limitation and is dismissed.**

3. Ms. Aishwarya Srivastava, Advocate for the appellant stated that a conjoint reading of Sections 17(7) of the SARFAESI Act with Section 24 of the RDB Act and Section 37 of the SARFAESI Act would reveal that the DRT is empowered to condone the delay, if any, in filing the S.A. She relied upon various judgments more particularly the judgments delivered by the Punjab and Haryana High Court in **M/s Fair Style Embroidery Works V. Debts Recovery Tribunal and others**, 2025 SCCOnLine P&H 7868 and **Surinder Mahajan V. Debts Recovery Appellate Tribunal**, 2013 SCCOnLine P&H 7088 in support of her arguments.

4. It is also reflecting from the impugned order that DRT-II, Chandigarh has not considered the judgments delivered by the Punjab and Haryana High Court. After considering all facts the impugned order dated 06.04.2026 is set aside and the matter is remanded back to DRT-II, Chandigarh for fresh consideration and disposal on the point of limitation after taking into consideration the judgements delivered by Punjab and Haryana High Court and other judgments as may be cited by the counsel for the appellant. The appellant is directed to appear before the DRT on 14.08.2026 for further direction.

5. The pre-deposit made by the appellant be returned to the appellant after verification and as per rules.

Sd/-

(Dr. Justice Sudhir Kumar Jain)
Chairperson

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