Presented on : 13.02.2023
Registered on : 14.02.2023
Decided on : 20.04.2026
Duration : Y M D
03-02-07

IN THE DEBTS RECOVERY TRIBUNAL
AT AURANGABAD

SECURITISATION APPLICATION NO.157 OF 2024

Nandkumar Madhukarrao Bakshi,
Age : 64 years, Occu. Agriculturist,
R/o lot No.23, Sankalpanagar,
Beside Datta Mandir, Mayur Park Road,
Aurangabad – 431 003 Maharashtra ..**Applicant**

Versus

1. State Bank of India
   Through the Authorised Officer,
   Having Branch/office at Stressed
   Asset Recovery Branch (SARB),
   Plot No.1, Town Centre, CIDCO,
   Aurangabad, - 431 003 Maharashtra

2. M/s Morya Lawns,
   Through Partners –
   (i) Mrs. Chitra Raghunath Mukim,
   (ii) Mrs. Usha Sanjay Tongaonkar and
   (iii) Mr. Nandkumar Madhukarrao Bakshi
   Having office at Plot No.12, "Hari Krupa",
   Vivek Nagar, N-2, CIDCO, Aurangabad - 431003v

3. Mrs. Chitra Raghunath Mukim,
   R/o Plot No.16-A, "Shrivatsa",
   Kalpataru Housing Society, NPart-II,
   Garkheda, Aurangabad – 431 009

4. Mrs. Usha Sanjay Tongaonkar,
   R/o Plot No.12, "Hari Krupa",
   Vivek Nagar, N-2, CIDCO,
   Aurangabad – 431 003 Maharashtra

5. Sunil Bhimrao Gadekar,
   Age : 54 years, Occu. Business,
   R/o Plot No.14, Besides Auditors Society,
   S.No. 176, Dwarkanagari, Harsul,
   Chh. Sambhajinagar – 431 001
   (Auction Purchaser) ….**Respondents**

APPEARANCE :

Applicant : Mr. Satyajit R. Vakil, Advocate

Respondent No.1 : Mr. S.V. Adwant, Advocate
Respondent Nos.2 to 4 : None present
Respondent No.5 : Mr. Vivek Kulkarni, Advocate
(Auction Purchaser)

CORAM: DR. J.R. CHAUHAN, PRESIDING OFFICER

JUDGMENT

(Pronounced on : 20.04.2026)

1. This Securitisation Application (S.A.) under Section 17 of the Securitisation and Reconstruction of Financial Assets and

Enforcement of Security Interest Act, 2002 (hereinafter referred to as "SARFAESI Act") has been filed by the applicant for the following reliefs:

"*(i) The Hon'ble Tribunal may be pleased to declare the statutory notice dated 28/11/2016 issued by the respondent No.1 under Sec.13 (2) of the SARFAESI Act as illegal and or void ab initio;*

(ii) The Hon'ble Tribunal may be pleased to quash and set aside the order dated 20.01.2022 passed by the learned District Magistrate at Aurangabad in Securitisation Application No.115/2021 under Sec.14 of the SARFAESI Act.

(iii) The Hon'ble Tribunal may be pleased to quash and set aside the pre-possession notice dated 16.01.2023 passed by the circle Officer at Phulambri.

(iv) The Hon'ble Tribunal may kindly be pleased to declare the recovery proceedings initiated by the respondent No.1 as against the property "land Gat No.438, admeasuring 10 Hectare 69 R, to the extent of an area admeasuring 0 Hectare 60 R owned by Mr. Nandkumar Madhukarrao Bakshi, situated at Phulambri, Tq. Phulambri, Dist. Aurangabad", as illegal and contrary to the provisions of the SARFAESI Act, 2002.

(v) Any other suitable and equitable relief, as this Hon'ble Tribunal may deem fit and proper in the facts and

circumstances of the present case be granted to the applicant in the interest of justice."

2. The brief facts of this Securitisation Application (S.A.) are that the present applicant and respondent Nos.3 and 4 were the partners of respondent No.2 partnership firm, namely, M/s Morya Lawns. In the year 2014, the applicant had availed the Term Loan facility of Rs.5.00 lakh on 29.10.2014 against the registered mortgage of the secured asset. Further, the respondent No.2 firm had availed two different credit facilities i.e. a Term Loan of Rs.60.00 lakh and a Cash Credit (CC) facility for Rs.8.00 lakh. And both the loans were secured by the registered mortgages, registered on 27.03.2015 and 20.10.2015, respectively. A simple mortgage was executed in favour of Phulambri branch of respondent No.1 bank regarding Term Loan facility of Rs.5.00 lakhs, creating the security interest over the secured asset, by registered mortgage in the office of Sub-Registrar at Phulambri vide day book Sr. No.2233 on 29.10.2014.

3. It is further contended that the loan account of the applicant and respondent Nos.2 to 4 had been classified as Non-Performing Asset (NPA) on 05.11.2016 due to non-payment of the loan account. Thereafter, the respondent No.1 bank had issued a demand notice dated 28.11.2016 under Section 13 (2) of the SARFAESI Act for discharge of their full liabilities to the bank within 60 days from the date of notice disclosing outstanding liabilities as Rs.84,71,241/-. The respondent No.1 has allegedly issued possession notice on 07.03.2017 under Rule 8(i) of the Security Interest (Enforcement) Rules, 2002 (hereinafter referred to as "the Rules"). The physical possession of the said secured asset had never been taken by the bank and present application inter alia challenges the said possession notice by filing Securitisation Application No.44/2017 on 12.04.2017. In the meanwhile, the applicant had also approached respondent No.1 bank for OTS and the respondent No.1 bank had sanctioned OTS vide sanction letter dated 27.01.2022 and agreed to accept the payment of Rs.62,48,036.99 towards full and final settlement. In compliance

with the same, the applicant deposited an amount of Rs.42.25 lakhs till 04.05.2022. However, due to financial crunch, the applicant could not manage the remaining amount of Rs.20,23,036.99.

4. It is further averred that the respondent No.1 bank, on 25.05.2021, preferred an application against the respondent No.2 partnership firm to the District Magistrate, Aurangabad under Section 14 of the SARFAESI Act, 2002, concealing the fact that the CC facility sanctioned in the year 2014 was not availed by respondent No.2 partnership firm as this loan facility was sanctioned to the applicant in his individual capacity and rest of the two facilities were sanctioned to respondent No.2 partnership firm i.e. a different legal entity. The respondent No.1 obtained the order under Section 14 of the SARFAESI Act by suppressing the material fact and affidavit in support of the application under Section 14 is not according to the Proviso to Section 14 of the SARFAESI Act. The learned District Magistrate at Aurangabad had passed an order dated 20.01.2022 and directed respondent No.2 to handover the possession of secured asset to respondent No.1. The order dated

20.01.2022 is *per incuriam* as against the present applicant and the same deserves to be quashed and set aside. The applicant has challenged this symbolic possession notice and auction sale by filing Securitisation Application No.44/2017 and the applicant could not pursue the said Securitisation Application as he was having talks with respondent No.1 for OTS and on 29.11.2022, the said Securitisation Application No.44/2017 was dismissed by the Tribunal.

5. It is further stated that on 29.01.2023, the applicant received a notice dated 16.01.2023, issued by the Circle Officer, Phulambri, thereby informing that the physical possession of the secured asset was going to be taken on 16.02.2023 at 11.00 AM in compliance with the order dated 20.01.2022 passed by the District Magistrate, Aurangabad. The Circle Officer has issued the said order dated 16.01.2023 under the sub-delegated powers, which is not sustainable.

6. The impugned notice dated 16.1.2023 and order dated 20.01.2022 passed by the learned District Magistrate are illegal and

liable to be quashed on the grounds that the demand notice under Section 13 (2) of the SARFAESI Act was not issued in accordance with the rule of law. There was complete silence on the point of individual liability of the applicant and that of respondent No.2 firm. The affidavit filed by the Authorized Officer was not in accordance with the provisions of the SARFAESI Act. The District Magistrate, vide order dated 20.01.2022, has unauthorizedly empowered the Tahsildar to authorize any other officer subordinate to him to take the possession of the secured asset. The notice dated 16.01.2023 issued by the Circle Officer, Phulambri needs to be quashed and set aside, it being against the principle of law. The respondent No.1 never registered the security interest with the Central Registry in accordance with the provisions of the SARFAESI Act and the applicant prayed for allowing the present Securitisation Application.

7. The respondent No.1 bank filed its reply at Exhibit-7, alleging therein that the applicant agreed for Rs.62,48,036/- during 2021-22 and deposited an amount of Rs.42,25,000/- only. Therefore, the

compromise settlement had failed. The applicant's right to redeem the secured assets has already been extinguished in view of Section 13(8) of the SARFAESI Act. The amount of Rs.42,25,000/- deposited by the borrower till 26.08.2022 has been adjusted against the amount of loan. No payment was made by the applicant as per OTS proposal and the applicant is consistent defaulter. The applicant availed mortgage loan of Rs.5.00 lakhs at Phulambri Branch on 29.10.2014 and executed simple mortgage in favour of the bank. The applicant along with respondent Nos.3 and 4 forming partnership firm, namely Morya Lawns, being respondent No.2, approached the TV Centre Branch, Aurangabad for seeking financial assistance for business activity and accordingly availed term loan of Rs.60.00 lakhs and Cash Credit of Rs.8.00 lakh on 23.02.2015. Respondent No.2 mutually agreed for registered mortgage of land Gat No.438,admeasuring 60R Phulambri, Aurangabad-Jalgaon Road, Phulambri, District Chhatrapati Sambhajinagar, owned by the applicant, to secure above loan and executed simple mortgage in favour of TV Centre Branch,

Aurangabad at Sub-Registrar, Phulambri on 20.10.2015. The particulars of amount due and outstanding under each loan account have been shown in the notice dated 28.11.2016 under Section 13(2) of SARFAESI Act, 2002. Respondent No.1 had correctly issued symbolic possession notice under Rule 8(i) of the Security Interest (Enforcement) Rules, 2002. For taking physical possession of the secured asset through District Magistrate, application made duly supported by Demand Notice under Section 13(2) dated 28.11.2016, wherein it is clearly indicated all types of facilities availed by the applicant and other borrowers and did not suppress the facts regarding the cash credit facility of Rs.5.00 lakhs. The security interest was registered with CERSAI on 09.06.2020. The respondent No.1 bank has proceeded against the applicant as per provisions of the SARFAESI Act and the Rules made thereunder and the District Magistrate has passed the order dated 20.01.2022 as per the provisions of SARFAESI Act and the notice dated 16.01.2023 issued by the circle Officer are not liable to be set aside on any of the grounds as alleged by the applicant.

8. It is further alleged that the applicant failed and neglected to make the payment of said credit facilities and despite repeated remainders and requests, the applicants had neither made payment of the due amount of loan in any of the accounts and the said loan was classified as NPA on 05.11.2016. After non-compliance of demand notice by the applicant, issued under Section 13(2) of the SARFAESI Act, symbolic possession of the secured asset was taken by following all the procedure as per SARFAESI Act and the Rules made thereunder, but the respondent bank has put the mortgaged property for e-auction sale by issuing notice under Rule 8 (6) of the Security Interest (Enforcement) Rules, 2002. The sale notice was also published in English Daily "The Indian Express" on 23.06.2025 and Marathi Daily "Loksatta" on 23.06.2025. The bank has issued said notice to the applicant through speed post on 23.06.2025 which was delivered to the applicant on 24.06.2025. On 25.06.2025, the respondent bank also affixed notice dated 21.05.2025 under Rule 8(6) of the Security Interest (Enforcement) Rules, 2002 on the mortgaged property. The respondent bank

followed the procedure and sale scheduled was fixed for 10.07.2025 and respondent bank has successfully received bid for the mortgaged property in e-auction held on 10.07.2025. The highest bidder i.e. auction purchaser – respondent No.5 deposited 25% amount of the purchase price, including EMD amount and is also ready and willing to pay the remaining 75% amount of purchase price to the respondent bank. The secured asset has been sold for an amount of Rs.1,75,00,000/- and the auction purchaser has already deposited an amount of Rs.43,75,000/- i.e. 25% of the bid amount and now the auction purchaser is pursuing with the bank for completion of the sale process. The applicant has failed to avail opportunity for repayment of the amount as per compromise offered for Rs.54,60,000/- during 2018, but the applicant communicated, vide letter dated 17.11.2018, showing inability to deposit the amount and paid only 5% of the offer amount being Rs.2,73,000/- on 26.09.2018. The OTS offer for Rs.52,61,505/- given by the bank on 30.09.2019 which was not responded by the applicant and lastly on 27.01.2022, the OTS offer for Rs.62,48,036/- was made,

which was accepted by the applicant, but he deposited only Rs.42,25,000/- and failed to deposit the remaining amount and thus, the OTS had also failed and therefore, sufficient time was given to the applicant to redeem the suit property. The respondent No.1 bank denied all other allegations of the applicant and dismissal of the S.A. with heavy costs was prayed for.

9. The respondent No.5/Auction Purchaser, namely, Sunil Bhimrao Gadekar has also filed reply vide Diary No.744/2026, contending therein that he has participated in the e-auction process and declared as highest bidder for an amount of Rs.1,75,00,000/- of the sale price as per terms and conditions of the sale. The respondent No.5 has deposited 25% amount i.e. Rs.43,75,000/- of sale price. The present respondent No.5 has received an e-mail dated 18.07.2025 sent by respondent No.1 bank, informing about filing of I.A. Diary No.1539/2025 by the applicant. Till that time, the present Auction Purchaser was unaware about the pendency of present S.A. Thereafter, respondent No.5 submitted letter dated 22.07.2025 to respondent No.1 bank, stating that he is ready and

willing to pay remaining amount of Rs.1,31,25,000/- to complete the sale formalities. The respondent No. 5 received letters dated 23.07.2025 and 25.07.2025 from respondent No.1 bank, informing that the matter is pending before the Debts Recovery Tribunal and informed about the order dated 10.07.2025 that acceptance of remaining 75% of bid amount is subject to decision of DRT. It is further submitted that the borrower is enjoying the benefits of the said secured asset and he is ready and willing to deposit 75% amount of the sale process and prayed that he may be permitted to deposit 75% amount of the auction sale or the amount deposited by respondent No.5 may be directed to be refunded along with interest at the rate of 18% per annum. Further it is prayed that the Securitisation Application is devoid of merits and the same may be dismissed with costs.

10. The applicant has produced on record following documents as per list of documents (Exhibit-4).

Sr. No.	Description of document	Exhibit
1	Copies of loan application dated 29.10.2014 and sanction memo dated 29.10.2014	AW-1/1

2	Copy of loan application dated 23.02.2015	AW-1/2
3	Copy of statutory demand notice dated 28.11.2016	AW-1/3
4	Copy of OTS sanction letter dated 27.01.2022 along with some of the available receipts of payment of Rs.42.25 Lakh	AW-1/4
5	Copy of application under section 14 of the Act of 2002	AW-1/5
6	Copy of order dated 20.01.2022 passed by the District Magistrate at Aurangabad	AW-1/6
7	Copy of NPA Certificate dated 05.01.2022	AW-1/7
8	Copy of Index-II in respect of Mortgage Deed dated 29.10.2014	AW-1/8
9	Copy of statement of all three accounts	AW-1/9
10	Copy of envelope through which the notice/letter dated 29.11.2022 issued by the Registrar, DRT, Aurangabad was received and the postal tracking report thereof.	AW-1/10
11	Copy of notice dated 16.01.2023 issued by the Circle Officer at Phulambri	AW-1/11

11. The applicant has also produced following documents along with I.A. (Diary) No.1539/2025.

Sr. No.	**Particulars of document**	**Exhibit**
12	Copy of paper publication of sale notice dated 21.06.2025	12

13.	Copies of receipts of amount deposited	13
14.	Copy of letter dated 07.03.2023, issued by respondent bank	14

12. The respondent No.1 bank has not filed any document on record, but has referred the documents as are submitted by the applicant and respondent No.5/auction purchaser on record.

13. The respondent No.5/Auction Purchaser has produced on record following documents along with his reply filed vide Diary No.744/2026, as per list of documents.

Sr. No.	**Particulars of the document/s**	**Annexure**
1	Copy of sale intimation letter dated 10.07.2025 received to auction purchaser and copy of letter dated 22.07.2025 submitted by the intervenor/auction purchaser to respondent No.1 bank	A-1 Colly
2	Copies of letters dated 23.07.2025 and 25.07.2025 issued by respondent No.1 bank and order dated 10.07.2025 passed by this Tribunal.	A-2 Colly

14. I have heard the learned counsel for the parties and gone through the written notes submitted on behalf of the applicant as well as the brief notes of arguments submitted by respondent No.1

bank. I have also gone through the other material filed on record thoroughly and carefully. My findings along with reasons are as under.

15. The learned counsel for the applicant argued that the auction sale notice dated 21.06.2025 is bad in law as the said notice was issued under Rule 8(6) of the Rules and auction was scheduled on 10.07.2025. It was further submitted that even the respondent bank has admitted this fact that the notice was issued under Rule 8(6) of the Rules, but the bank no-where pleaded that this was subsequent sale and only 15 days' notice was required as per Rule 9(1) of the Rules and prima facie, the sale notice dated 21.06.2025 is illegal and the sale conducted under this notice on 10.07.2025 is liable to be set aside.

16. It is further submitted on behalf of the applicant that the applicant moved I.A. (Diary) No.1539/2025 seeking stay to the auction scheduled on 10.07.2025 and this Tribunal, vide order dated 10.07.2025, restrained the respondent bank not to confirm the sale without permission of this Tribunal and accept only 25% of the

auction/bid amount and sale has not been proceeded in the eye of law and no interest was created in favour of the auction purchaser and the applicant moved I.A. (Diary) No.1658/2025, seeking direction against the bank to accept an amount of Rs.50,00,000/- and the applicant was ready to adjust the loan account as per book outstanding amount which was Rs.84,77,845/-, whereas the order dated 09.05.2024 directing the bank to adjust the amount of Rs.57,25,000/- in the book outstanding, but the respondent bank claimed outstanding amount or closure amount of Rs.1,40,00,000/-. He also submitted that there are various discrepancies in the manual calculation of the bank because as on 30.06.2025, balance was disclosed by the bank as Rs.1,16,30,039/-. Further, as on 25.07.2025, it was disclosed as Rs.1,42,65,307/- and lastly, pursis was filed by the bank on 11.08.2025 wherein outstanding amount was shown as Rs.1,41,37,816/- and there was no system generated statement of account along with the certificate of the bank. It was also submitted that there was no proof of service of redemption notice placed on record. It was also argued that the

applicant/borrower is still ready to adjust the entire loan account only against the book outstanding amount after adjusting amount of Rs.57,25,000/- already paid by the applicant under the settlement and in support of his argument, he placed reliance upon the judgment dated 18.07.2025, delivered by the Hon'ble Debt Recovery Appellate Tribunal (DRAT), Kolkata in ***Appeal No.03 of 2025 (Arising out of S.A. No.46 of 2019 in DRT Visakhapatnam)*** in the matter of ***The Authorized Officer, Canara Bank and Anr. Vs. Sree Vijayasri Lakshmi Traders and Ors.***

17. On the other side, it was submitted by the learned counsel for the respondents/bank that the loan account was classified as NPA on 05.11.2016, demand notice under Section 13 (2) of the SARFAESI Act was issued on 28.11.2016, symbolic possession was taken on 07.03.2017, e-auction notice was issued on 15.03.2017 and sale was scheduled for 21.04.2017. The e-auction notice was also got published in two newspapers on 21.03.2017. The applicant challenged the possession notice dated 07.03.2017 and e-auction notice dated 15.03.2017 by filing Securitisation

Application No.44/2017 on 12.04.2017. An opportunity of compromise was provided to the applicant for an amount of Rs.54,60,000/-, but the applicant communicated his inability to pay the said amount after making payment of 5% of the amount offered and that compromise failed in the year 2018. It is further submitted that the bank offered benefit under One Time Settlement (OTS) for an amount of Rs.52,61,505/- to the applicant under "SBI OTS-2021" Scheme, but the applicant did not respond thereto. The bank, on 27.01.2022, offered the OTS for Rs.62,48,036/-. The applicant deposited an amount of Rs.42,25,000/- and thereafter he failed to pay the rest of the amount within the stipulated timeframe as per terms and conditions of the scheme and thus, the OTS failed. The Securitisation Application No.44/2017 was dismissed on 29.09.2022.

18. It was further argued that the present S.A. filed by the applicant, thereby seeking declaration that the demand notice is illegal and further challenged the order dated 20.01.2022 passed by the learned District Magistrate. This S.A. was filed on 13.02.2023.

It was further submitted that the applicant has not challenged the auction notice dated 21.06.2025 and the sale held on 10.07.2025. It is further submitted that respondent No.5/auction purchaser participated in the e-auction process and highest bid was received from respondent No.5 for an amount of Rs.1,75,00,000/- and 25% of the sale price was deposited by him and he was willing to deposit remaining 75% of the amount, but due to the restraint order passed by this Tribunal on 10.07.2025, the bank did not accept the remaining sale consideration.

19. It was also submitted that the applicant/borrower has avoided to repay their dues and the applicant/borrower never prayed for redemption of the suit property on paying the total outstanding amount of the loan, but made an offer to pay the amount at his own calculation even after adjusting part paid amount of settlement, which was not completely honoured by the applicant and now after sale, in view of amended Section 13(8) of the SARFAESI Act and the law laid down by the Hon'ble Apex Court in the case of ***Celir LLP vs. Bafna Motors (Mumbai) Pvt. Ltd. and Ors; AIR 2023 SC***

4568 and ***M. Rajendran and others vs. KPK Oils and Protiens India Pvt. Ltd. and Others; 2025 SCC OnLine SC 2036***, the right of redemption of mortgage is available to the borrower under the SARFAESI Act only till the publication of auction notice and not thereafter. It is further submitted that the respondent bank has proceeded against the applicant/borrower as per provisions of the SARFAESI Act and the Rules made thereunder and prayed for dismissal of the S.A. filed by the applicants.

20. The learned counsel for respondent No.5/auction purchaser submitted that respondent No.5 had participated in the e-auction process and was declared highest bidder for an amount of Rs.1,75,00,000/- and he had deposited 25% amount of the sale price i.e. Rs.43,25,000/-. He further argued that the auction purchaser was ready and willing to pay remaining amount of Rs.1,31,25,000/- to complete the sale formalities, but he received an e-mail on 18.07.2025 from respondent No.1 bank informing that the matter is pending before DRT and vide order dated 10.07.2025, it has been ordered by this Tribunal that acceptance of remaining 75% of the

bid amount is subject to decision of DRT in S.A. It was further argued that auction purchaser is ready and willing to deposit 75% of the sale price, if permitted and if not permitted, he may be allowed to seek refund of the 25% amount of sale price along with interest @ 18% per annum. He further submitted that the S.A. has no merit and prayed for dismissal of the same.

21. After having heard learned counsel for the parties and going through the material on record, I am of the considered view that present Securitisation Application is liable to be dismissed for the reasons recorded hereinafter.

22. The applicant and respondent Nos.2 to 4 availed loan facilities from respondent No.1 bank being Rs.5.00 lakhs on 29.10.2014, additional loan of Rs.60 lacs on 25.03.2015 and further additional loan of Rs.8.00 lacs on 30.09.2015. The loan account of the applicant and borrowers was declared NPA On 05.11.2016 and thereafter, demand notice (Exh-AW-1/3) under Section 13(2) of the SARFAESI Act was issued to the applicant and borrowers on 28.11.2016. The symbolic possession of the mortgaged property

was taken on 07.03.2017. The first sale notice was issued on 15.03.2017 and the sale was scheduled to be conducted on 21.04.2017. In order to challenge these proceedings, the applicant filed S.A. No.44 of 2017 on 12.04.2017, which was dismissed on 29.09.2022.

23. When S.A. No.44/2017 was pending before the Tribunal, an opportunity to the applicant and borrowers for settlement of the loan accounts was provided by the bank in the year 2018 for an amount of Rs.54,60,000/-, but this compromise failed. Further, the bank offered OTS for Rs.52,61,505/- to the applicant on 30.09.2019 under the scheme "SBI OTS-2019", but the applicant did not respond to the settlement. Lastly, the settlement of Rs.62,48,036/- offered by the bank, was accepted by the applicant on 27.01.2022 (Exh-AW-1/4) and the applicant deposited an amount of Rs.42,25,000/-, but thereafter, he failed to pay the balance amount within the timeframe stipulated as per terms and conditions of the scheme and this OTS had also failed. No doubt, the first two settlements granted by the bank were not supported by any

documentary evidence, but the settlement took place on 27.01.2022 (Exh-AW-1/4) has been admitted by the applicant in this S.A. Therefore, it is the applicant who failed to honour the settlement (Exh-AW1/4).

24. The respondent bank issued second sale notice dated 07.04.2025, but the second sale had also failed and lastly, the sale notice (Exh-12) was issued on 21.06.2025 and the sale was held on 10.07.2025. It may be noted here that the applicant has not challenged the auction notice dated 21.06.2025 or proceedings of sale in this S.A., as he has not filed any amended S.A. incorporating such pleadings. In such circumstances, any challenge to this auction proceeding cannot be entertained. It may be observed that respondent No.5/auction purchaser moved intervention application vide Diary No.52/2026 and even after impleading the auction purchaser as party – respondent No.5, the applicant added only name of auction purchaser in the memo of parties of the S.A. and he did not file amended S.A. by incorporating the pleadings challenging the auction sale held on 10.07.2025 in view of e-

auction notice dated 21.06.2025. Hence, the applicant has failed to file amended S.A. challenging the e-auction notice dated 21.06.2025. Therefore, on this ground also, the claim of the applicant is not sustainable.

25. In S.A., the applicant has raised another issue to the effect that he has raised loan of Rs.5.00 lacs on 29.10.2014 in his individual capacity, whereas other two loans were taken by respondent No.2 firm through its partners and the respondent bank has merged his individual liability and by concealing this fact, obtained the order from the District Magistrate on 20.01.2022 (Exh-AW1/6). When the applicant himself has admitted the factum of OTS of Rs.62,48,036/- accepted by him on 27.01.2022 with the bank pertaining to all the three loans and even he deposited an amount of Rs.42,25,000/- under the said settlement, but the applicant failed to deposit the remaining amount within stipulated time as per terms and conditions of the scheme, then he cannot take this plea at this stage that the bank has wrongly issued demand notice of all the

loans and obtained order from the District Magistrate pertaining to all three loans.

26. The applicant has also moved I.A. (Diary) No.1658/2025 seeking permission to deposit an amount of Rs.50,00,000/- either with the Tribunal or with the respondent bank and after said payment, the e-auction sale conducted on 10.07.2025 or the bid, if any is received, may be cancelled. The applicant/borrower has no-where pleaded in clear words that he is ready to redeem the mortgaged property by making payment of total outstanding loan amount existing in the loan accounts. Even in para 3 of I.A. (Diary) No.1658/2025, he has made reference of the OTS held on 27.01.2022 for Rs.62,48,036/- and he deposited an amount of Rs.42,25,000/-, but could not adjust the entire amount under settlement within the period stipulated under OTS and submitted his own calculation and claimed adjustment of the already paid amount during pendency of the present S.A. or at the time of settlement. Therefore, the applicant/borrower never came forward to redeem the suit/mortgaged property on payment of entire outstanding loan

amount despite the fact that the sale was held on 10.07.2025 and even sufficient opportunity was granted to the applicant even after passing order dated 10.07.2025. Hence, the applicant has no right to redeem the suit property in view of the judgment in the matters of ***Celir LLP vs. Bafna Motors (Mumbai) Pvt. Ltd. and Ors*** (supra) and ***M. Rajendran and others*** (supra).

27. Admittedly, the sale notice dated 21.06.2025 was issued for subsequent sale and for subsequent sale, 15 days' notice was required to be issued. The respondent bank has issued sale notice dated 21.06.2025 (Exhibit-12) produced by the applicant along with I.A. (Diary) No.1539/2025, which was issued under rule 8(6) and 9(1) of the Rules, whereas sale was conducted on 10.07.2025. More so, after publication of the sale notice, the right of the applicant to redeem the suit property is extinguished and hence, the law laid down in the judgment of Hon'ble DRAT, Kolkata in the matter of ***The Authorized Officer, Canara Bank and Anr.*** (supra), relied upon by the learned counsel for the applicant, has no bearing on the facts of the present case.

28. In conclusion, the cumulative effect of the evidence produced on record establishes strong case against the applicant. Thus, after having given my thoughtful consideration to the material on record and submissions made on behalf of the parties, in the light of foregoing reasons and my findings as above, the present Securitisation Application has no merit and hence, the same is liable to be dismissed.

29. In the result, I pass the following order:

ORDER

(A) The Securitisation Application No.157 of 2024 is hereby dismissed with no order as to costs.

(B) The respondent bank is directed to accept remaining 75% of the auction price from the Auction Purchaser – respondent No.5 and proceed further with the sale proceedings pertaining to the secured/mortgaged assets as per law.

(C) The interlocutory applications, if any pending, stand disposed of in terms of this order/judgment.

(D) File be consigned to the Record Room.

(E) Copy of this judgment and order be uploaded on the website.

(Dr. J.R. Chauhan),
PRESIDING OFFICER,
DEBTS RECOVERY TRIBUNAL,
AURANGABAD

Aurangabad

Date : 20.04.2026