Fair Order

IN THE DEBTS RECOVERY TRIBUNAL AT MADURAI

DATED THIS 10th DAY OF APRIL, 2026

PRESENT: SEEMA SINHA
[PR. DISTRICT & SESSIONS JUDGE - Retd]
PRESIDING OFFICER

SA No. 568/2023

Mr. V. Balaji,
S/o. Mr. Varatharajan,
No. A.19, Galadway, D-Mart,
Avaniapuram,
Madurai – 625 012. --- Applicant

-Vs-

The Authorized Officer,
Karur Vysya Bank,
Madurai Kamarajar Salai Branch,
Rokha Towers,
248-B-B1-C, C2 Kamarajarsalai,
Madurai – 625 009. --- Defendant Bank

Appearance of Advocates:
Mr. T. Navaneethakrishnan ---- ***Counsel for the Applicant***
Mr. P. Madhan Alexandar ---- ***Counsel for the Defendant Bank***

This SARFAESI Application was heard in the presence of Counsels for the Applicant and the Defendant Bank and fixed for passing final order before me and upon hearing the arguments of the Counsels and having stood over for consideration till this day, this Tribunal delivered the following:

O R D E R

1. This Application has been filed under Sec.17(1) of the SARFAESI Act 2002 by the Applicant praying that this Hon'ble Tribunal may be pleased to set aside the Possession Notice dated 12.10.2023 issued by the Defendant Bank U/s. 13(4) of SARFAESI Act r/w Rule 9 of Security Interest Enforcement

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Rules, 2002 in respect of Schedule Mentioned Properties and thus render justice.

2. The brief averments of the Application filed by the Applicant are as follows:-

The Applicant has availed Housing Loan Facility from the Defendant Bank during the year 2022. It is submitted by the Applicant that from the date of availing the said loan amount, the Applicant has been paying the loan dues as agreed to the Defendant Bank. The Applicant further submitted that the Applicant doing real estate business. In these circumstances, the Applicant met with some business loss and hence, he could not able to run its business effectively and earn income from the same. But however, the Applicant has been making payments towards the loan dues. In the meanwhile, the Applicant was put up for false case and his account was also freezed by the DCP Police, Virudhunagar. As such, the Applicant has suffered a loss and could not able to pay the loan dues.

It is further submitted that in these circumstances, to the great shock and surprise, the Defendant has sent a notice u/s. 13(2) of the SARFAESI Act to the Applicant on 21.06.2023 by demanding a sum of Rs. 51,39,576.25p towards the said loan. Having received the said notice, the Applicant met the Defendant Bank Manager and informed about the difficulties in running his business and requested him to grant some more time. But the Defendant Bank has not responded even though the Applicant has made repeated request. Under these circumstances, the Defendant Bank affixed the Possession Notice dated 12.10.2023 u/s. 13(4) of SARFAESI Act. Even then the Applicant requested the Bank to grant short time to get it in normal course of business and to manage his business and to pay the same to the Defendant Bank. But the Defendant Bank has not considered his bonafide request.

It is further submitted that the Defendant Bank has not properly followed the procedure prescribed under the SARFAESI Act, while issuing the Impugned Possession Notice. Now, the Defendant Bank is taking hectic steps to take the Physical Possession of the Schedule Mentioned Property. If the Defendant Bank is allowed to do so the Applicant will be put to irreparable loss and hardship. Further, it is stated that the interest charged by the Defendant is arbitrary against section 34 of C.P.C. Further, it is claimed that the Defendant has charged rate of interest, which is against RBI guidelines and master circular of RBI. Being aggrieved, the Applicant is constrained to file present appeal u/s. 17 of the SARFAESI Act on the following grounds,

Main Grounds:-

1. The act of the Defendant Bank in issuing the Possession Notice dated 12.10.23 is arbitrary and liable to be set aside.

2. The value of the Schedule Mentioned Properties has not been mentioned in the Impugned Possession Notice.

3. The Defendant Bank has not considered the representation of the Applicant seeking some more time for payment of dues, which is against the principles of natural justice.

4. The Defendant wrongly classified the Applicant loan account as NPA.

5. The Defendant Bank is charging more interest against the provisions of section 34 of Civil Procedure Code.

6. The wrong schedule is mentioned in the Possession Notice.

7. The Defendant Bank has not furnished the Statement of Accounts.

DESCRIPTION OF THE IMMOVABLE PROPERTY

Madurai District, Madurai North Registration District, Madurai North Sub Registration District, Madurai North Taluk, Paravai 2nd Bit Village, Old R.S.No. 226/3, As per UDR Patta No. 1092, UDR S.No. 166/3 0.41.0 ares Acre 1 Cent 1 Southern side Cents 50 ½ presently as per Sub-division New Patta No. 1388 UDR R.S.No. 166/3A2, 0.20.5 ares i.e. Cents 50 ½ divided into house plots, Madurai Lacal planning Authority Na.Ka.No. 3428/2019/MATHI2, approval No.Ma.Va/Ma.OD, Thi KOD.No.15/2020. As per layout Plot No. 3 & 4, Vacant site and building constructed thereon bounded:
North : Plot No. 2 belongs to Karthick,
East : Venkatesan Land, Pattatharasi Amman Kovil
South : Plot No. 5, belongs to Aravind Krishnan,
West : 9.15 meter wide common road,

Measuring
Plot No. 3
East West on Northern side 42 '9'
East West on Southern side 54 '2'
South North on Eastern side (14 '5' + 15 '6') 29 '11'
South North on Western side 25 '0'
Total Extent : 1301 Sq.ft

Plot No. 4

East West on Northern side 54 '2'

East West on Southern side 55 '8'
South North on Eastern side 25 '0'
South North on Western side 25 '0'
Total Extent : 1372 Sq. ft
Total Extent Plot No. 3 and Plot No. 4: 2673 Sq.ft.

The Applicant has submitted the following List of documents in support of his claim in the SA, which are as follows:

S.No.	Date	Particulars
1.	21.06.23	13(2) Demand Notice
2.	12.10.23	13(4) Possession Notice
3.	--	Letter sent by Inspector of Police

3. On the other hand, the Counsel for the Defendant Bank appeared before this Tribunal and filed Vakalat, Reply Statement & Typed set of papers wherein it is submitted that the issuance of Possession Notice was neither arbitrary, nor against principles of natural justice. The Applicant has never made any request with regard to extension of time of loan repayment. Further it is stated that it is not being mandatory to mention the value of the property in the Possession Notice. The action of the Defendant Bank was not against the prescribed norms, rules & guidelines of RBI and that the Defendant Bank has followed all the rules & procedures as contemplated under the SARFAESI Act.

It is further submitted that the Defendant Bank classified the Applicant's account as NPA, in accordance with the guidelines, relating to assets classification as issued by the RBI and that the Defendant Bank has intimated the Applicant with regard to NPA classification. The Defendant Bank charged interest as per the agreed contractual term in accordance with the guidelines of RBI. The Defendant Bank has mentioned the exact outstanding amount in the Possession Notice. Further, it is stated that the affixture of Possession Notice was neither illegal & nor bad in the eye of law. The Defendant Bank has mentioned the correct Schedule of Property in the Possession Notice. The Defendant Bank has furnished the Statement of Account to the Applicant 'as & when' and 'then & there' as requested by him.

It is further submitted that the Bank has issued Demand Notice and the same was returned without proper service and subsequently the Defendant Bank published the Demand Notice. Thereafter, the Bank has taken symbolic possession of the property & issued Possession Notice and the Possession Notice was duly served on the Applicant and affixed the Possession Notice on the conspicuous part of the property and the Possession Notice was also published both in Tamil & in English daily. The Applicant has not sent any reply to the 13(2) Demand Notice. Non sending reply to 13(2) Demand Notice is fatal to his case.

It is further submitted that there is no procedural irregularity on the part of the Defendant Bank in issuing Demand Notice & Possession Notice under the SARFAESI Act & Rules and that the alleged procedural irregularity mentioned in the SARFAESI Application are not factually & legally correct and that the Defendant Bank has conducted the SARFAESI Proceedings only as per the provisions & procedures of the SARFAESI Act & Rules. Hence, if the Possession Notice is set-aside, the bank will be put to untold hardships & irreparable loss & injury and on the other hand no prejudice will be caused to the Applicants.

Therefore, it is prayed that this Hon'ble Tribunal may be pleased to dismiss the Application with cost and thus render justice.

TYPED SET OF DOCUMENTS FILED BY THE DEFENDANT BANK

S.No.	Date	Particulars
1	21.06.23	Demand Notice with return covers
2	06.08.23	Demand Notice Paper Publication in English daily
3	06.08.23	Demand Notice Paper Publication in Tamil Daily
4	12.10.23	Possession Notice with return covers
5	18.10.23	Possession Notice Paper Publication in English daily
6	18.10.23	Possession Notice Paper Publication in Tamil daily
7	12.10.23	Photography showing affixture of Possession Notice
8		Statement of Account

ADDITIONAL TYPED SET OF DOCUMENTS FILED BY THE DEFENDANT BANK

S.No.	Date	Particulars
1	18.10.23	Original Possession Notice Paper Publication in English daily
2	18.10.23	Original Possession Notice Paper Publication in Tamil Daily

4. *ON THE BASIS OF ABOVE PLEADINGS, THE POINT WHICH ARISES FOR CONSIDERATION IS: -*

Whether the Applicant is entitled to get the reliefs as prayed for?

5. Having heard the parties and after going through the entire documents available on records, I find that the Applicant availed Home Loan Facility from the Defendant Bank during the year 2022. Initially, the Applicant was regular in repayment of loan amount. However, due to some loss in his real estate business, the Applicant could not earn income from the business. However, he has been making payments towards the loan dues. In the meantime, his account was freeze by DCP, Virudhunagar.

Further, I find that the Defendant Bank has issued Demand Notice to the Applicant and also filed the copy of Demand Notice dated 21.06.2023 issued u/s. 13(2) of SARFAESI Act to the Applicant for a sum of Rs. 51,39,576.25p (Rupees Fifty-One Lakhs Thirty-Nine Thousand Five Hundred and Seventy-Six and paise Twenty-Five only). The Bank has also filed return covers with postal remarks "No such person in the addresses" (Page nos. 1 to 10 of Bank's Typed set of papers). The Bank has also made Paper Publication of Demand Notice dated 21.06.23 in both Tamil and English dailies (page nos. 11 & 12 of bank's typed set of papers). The Applicant also admitted that he had approached the Bank after the receipt of Demand Notice dated 21.06.23 and requested the Bank Manager to grant some more time for repayment, but no proof has been filed.

Thereafter, the Defendant Bank had issued Possession Notice dated 12.10.2023 u/s. 13(4) of SARFAESI Act and filed returned covers (page no. 13 to 23 of Bank's typed set of papers). The Applicant in his averment stated that the Bank has affixed the Possession Notice dated 12.10.23 in the conspicuous place of the property. I also find that the Bank has filed original Paper Publication made in respect of Possession Notice dated 12.10.2023 in both English & Tamil dailies published on 18.10.2023 (Page nos. 1 & 2 of Additional Typed set filed by the Defendant Bank).

I also find that the Applicant has not produced any proof of evidence that he made representations to the Defendant Bank to furnish the copy of Statement of Accounts. The Applicant also claimed that the Bank has wrongly classified the Applicant's loan account as NPA, however, the Applicant has not filed any substantial evidence to prove his allegation. The Applicant also claimed that the description of schedule of property is wrongly mentioned in the Possession Notice, however, I find that there is no such error in the Schedule of Property given in the Possession Notice.

In the result,

SA No. 568/2023 stands dismissed. No costs.

Consequently, all pending IAs (if any) are also disposed of. No costs.

Dictated to PA (DK), taken down, transcribed, typed by her, corrected and pronounced by me in the Open Court in this the 10th April, 2026.

sd/-
(SEEMA SINHA)
PRESIDING OFFICER

Dictated & corrected by me
sd/-
(SEEMA SINHA)
PRESIDING OFFICER

Uploaded on 21.04.2026