**IN THE DEBTS RECOVERY TRIBUNAL II,
AT BENGALURU**

Dated this 08th Day of May, 2026

Present: Sri. T. RAJESH
Presiding Officer

SA.No.270/2025

BETWEEN:

1. M/s. Sri Shankar Plywood
And Board Industries,
Having office at Plot No. 361,
KIADB Hassan Growth Centre,
HN Pura Road, Hassan – 573201,
Rep by its Proprietor,
Mrs. Hansa Manohar Patel.

2. M/s. Shankar Timbers,
A Partnership Firm,
Having its Office at No. 289, Mysore Road,
Kenchenahalli, Bangalore – 573201,
Rep by its Partner,
Sri. Mahoharlal Vishram Patel.

3. M/s. Sri Shankar Veeners Industries,
Having its office at Plot No. 361,
KIADB Hassan Growth Centre,
HN Pura Road, Hassan – 573201,
Rep. by its Proprietor,
Mrs. Vandana Hiralal Patel.

4. M/s. Shankar Vijay Saw Mills,
Having its office at Belur Road,
Near Vijaya Nagar Extension,
Hassan – 573201,

Rep by Sri. Manoharlal Vishram Patel.

5. Manoharlal Vishram Patel,
S/o Mr. Vishram S Patel,
Residing at Belur Road,
Beside Shri Shankar Vijay Saw Mill,
Guddenahalli Koppalu,
Hassan, Karnataka – 573201.

...APPLICANTS

AND:

1. The Karur Vysya Bank Limited,
Having its Registered Office at,
No. 20, Erode Road,
Vadivel Nagar, L.N.S., Karur, Tamil Nadu – 639002.

Also at:
No. 366, Opposite Hotel Southern Star,
B.M. Road, Hassan, Karnataka – 573201.

Also at:
No. 6, 1st Floor, Shri Vasavi Temple Road,
Visweshwarapuram Branch, Near Sajjan Rao Circle,
Bangalore, Karnataka- 560004.

2. Sadaqath A,
S/o Abdul Hameed,
aged about 42 years.

3. Sufhiyan Ali Khan,
S/o Akram Khan,
Aged about 35 years.

4. Syeda Kudsiya Taj,
S/o Syeda Shaheen Razvi,
Aged about 25 years.

Defendant No. 2-4 are R/a,
Ward No. 8, Deluxe Hotel,
Ameer Mohalla, Hassan – 573201.

...RESPONDENTS

Counsel on record/appeared for:

Applicants : M/s. Dua Associates
Respondent 2 to 4 : Muhammed Khan M Pathan

FINAL ORDER

1. The E-auction sale notice dated 15.11.2024 issued by the respondent as per the measures of the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002, herein referred to as 'SARFEASI Act' or in short 'the ACT' is under challenge by the borrowers who admitted to have availed 4 credit facilities from the 1st respondent.

2. The creation of security interest in lieu of the security for the said amount is also not in dispute, the applicants are not seriously disputing the defaults occurred in the account which the applicants attribute mainly to Covid-19 pandemic. The issuance of demand notice dated 15.09.2021 through a newspaper publication is also admitted in the pleadings. It is also stated that the possession notice dated 18.11.2021 was issued apart from publication of the same in two dailies. It is further the admitted by the applicant that the 5th applicant had already impugned the possession notice and sale notice by filing three Section 17 applications which came to be dismissed on 09.12.2022, wherein in pursuant to the direction of this Tribunal a remittance of Rs. 50 lakh was made. Applicants also admits that the physical possession of the property is already taken which the applicants

alleging is by using force, though the applicants admits that a S.14 order had been passed by the Ld. Magistrate empowering the 1st respondent to take possession.

3. The bank though issued sale notice dated 26.07.2023 which came to be impugned before the Hon'ble High Court wherein the Hon'ble High Court has granted a conditional stay. It is also stated that the applicants made proposal for OTS to the defendant bank, which according to the applicants was not favorably considered or acted upon by the 1st respondent. On the above premises the E-auction sale notice issued fixing the sale on 04.12.2024 is also impugned before the Hon'ble High Court by filing W.P No. 32600/2024 and the Hon'ble High Court by the order dated 05.12.2024 directed the respondent not to confirm the sale subject to applicants remitting 25 percent of the outstanding amount in 4 weeks. However it is contended by the applicants that the case came to be withdrawn on 12.02.2025 by an inadvertent omission from the applicants counsel and an IA 2/2025 came to be filed seeking recalling the order which stands allowed by the Hon'ble High Court on 28.02.2025 which reads as:-

> "Consequently, the writ petition stands disposed of permitting the petitioner to deposit Rs. 2,55,00,000/- along with the accured interest and solatium in favour of the auction purchaser calculated at the rate of 6% p.a from the date of the deposit made by the auction purchaser. If the said amount is deposited the respondent

> bank shall pay the said amount of solatium to the auction purchaser and close the account of the petitioner as satisfied. In the even of failure of petitioner to comply with the directions issued by this court, the respondent Bank may issue the sale certificate in favour of the auction purchaser"

4. The applicants had informed the respondent bank about the amount already paid by the applicants to the respondent bank and seeking consideration of the said amount in compliance with the direction of the Hon'ble High Court. Since no reply has been made by the respondent bank another writ petition was filed as WP No. 9270/2025 which stands disposed off with an observation that applicants to ger clarification regarding the amount payable as per WP No. 32600/2024 in that writ petition.

5. Pursuant to the above observation of the Hon'ble High Court an application was filed in WP No. 32600/2024 wherein the Hon'ble High Court vide order dated 17.04.2025 passed an order which reads as follows:-

> "Consequently, the writ petition stands disposed of permitting the petitioner to deposit Rs. 2,55,00,000/- along with the accured interest and solatium in favour of the auction purchaser calculated at the rate of 6% p.a. from the date of the deposit made by the auction purchaser and the respondent bank shall also take in to account all the amounts paid by the petitioners as indicated in paragraph No. 6, if not already taken into account."

6. It is also contended by the applicant that an amount of Rs. 75 Lakhs was paid on 12.05.2025 and an additional sum of Rs. 1,91,37,136/- (Rupees One Crore Ninety-One Lakh Thirty-Seven Thousand One Hundred Thirty-Six Only) on 14.05.2025 totaling to Rs. 2,66,37,136/- (Rupees Two Crore Sixty-Six Lakh Thirty-Seven Thousand One Hundred Thirty-Six Only) and also issued two letters informing the bank about the said payment. The applicants thereafter preferred another application as WP No. 13309/2025 before the Hon'ble High Court seeking direction to the respondent bank to consider the letter dated 08.03.2025, wherein before the Hon'ble High Court it was informed that the sale certificate in favour of the defendants Nos. 2 to 4 had been issued on 29.03.2025 and submits that the entire consideration for the sale certificate was received on 25.03.2025. Hence according to the applicants, the issuance of sale certificate is contrary to the order dated 28.02.2025 in WP No. 32600/2024 and only to cover up the misdeeds of the respondent. Even though a petition was filed to implead the auction purchaser and to amend the Writ Petition incorporating a prayer to challenge the sale certificate the Hon'ble High Court disposed of the writ petition relegating the parties to this Tribunal.

7. In the grounds to the SA the applicant is contending that the sale certificate and the preceding sale notice are all bad in law and liable to be set aside. It is also contended that issuance of sale certificate is in violation of

the orders of the Hon'ble High Court and hence said action is null and void. It is also pointed out that the respondent bank has received substantial amount even prior to the schedule of auction and the unnecessary haste shown by the respondent bank is unjustified. The applicants further contends that since there is due compliance of the order dated 28.02.2025, the respondent bank should not have issued the sale certificate dated 29.03.2025.

8. The applicants further submits that though the valuation of the property taken at the instance of the respondent indicated around 11.50 crores, and the distress value is fixed at 10,36,70,100/- ; the reserve price of the schedule property is fixed at 5.55 crore and 5.50 crore in the sale notices. Hence on the above reasons the impugned measures leading to the issuance of E-auction sale notice and the consequential sale certificate is prayed to be set aside.

9. Along with the SA the applicant has produced the following documents:-

- Copy of the possession notices published in "Kannada Prabha" and " New Sunday Express".
- Copy of the order dated 22.12.2021 passed in Crl.Misc 08/2021
- Copies of the letter dated 23.12.2022, 20.06.2023 and 17.07.2023
- Copy of the response dated 24.07.2023 issued by the defendant bank

- Copy of the panchanama along with typed copy
- Copies of the account statements
- Copy of the daily order in WP No. 17749/2023
- Copy of the letter dated 20.08.2024
- Copies of the receipts depicting payments made to the defendant bank
- Copy of the E-auction sale notice dated 27.09.2024
- Copy of the E-auction sale notice advertised in the newspaper dated 15.11.2024.
- Copy of the valuation report of the schedule property dated 09.07.2024
- Copy of the Writ petition in WP No. 32600/2024
- Copy of the interim order dated 03.12.2024 passed by the Hon'ble High Court of Karnataka in WP No. 32600/2024
- Copy of the order dated 28.02.2025 passed by the Hon'ble High Court of Karnataka in WP NO. 32600/2024
- Copy of the letter dated 08.03.2025 issued by the applicants
- Copy of the order dated 27.03.2025 passed by the Hon'ble High Court of Karnataka in WP No. 9270/2025
- Copy of the order dated 28.02.2025 as modified by the Hon'ble High Court dated 17.04.2025 in WP No. 32600/2024
- Copy of the Writ Petition filed in WP No. 13309/2025
- Copies of the letters dated 13.05.2025 and 14.05.2025
- Copy of the account statements indicating all payments being made.
- Copy of the sale certificate dated 29.03.2025
- Copies of amendment application and impleading application filed in WP No. 13309/2025

- Copies of the memo dated 17.07.2025 and order dated 17.07.2025 in WP No. 13309/2025

10. The 1st respondent filed there objection contending that the application is not maintainable either in law or on facts. It is also contented that the present application is filed after suppression of material facts. The respondent had further detailed the facts about disbursement of facilities and creation of Security Interest in lieu of the credit facilities. It is also stated that as the loan accounts were not property serviced resulting substantial amount became in the account due. Since the account turned NPA on 23.03.2021 a demand notice dated 12.8.2021 was issued and as no repayments were forth coming possession notice dated 18.11.2021 was issued published and affixed as required by the statute.

11. It is also stated that actual possession of the property was taken on 14.7.2023 pursuant to the order of the Ld. Magistrate. The respondent had also stated about earlier sale notice issued in the measures and Writ petitions filed impugning the same. In respect of the sale notice which is the subject matter of the SA, it is stated that the applicant had preferred the writ petition which stood withdrawn on 12.2.2025. It is also admitted that in IA.2 of 2025 a direction had been passed by the Hon'ble High Court directing deposit of Rs.2,55,00,000/- along with solatium payable to the auction

purchaser. According to the respondent since the remittance was not made as directed by the Hon'ble High Court the sale certificate was issued.

12. Apart from the above, the 1st respondent had also given parawise rebuttal of the statement of facts. In respect of the challenging to the alleged non service of the demand notice, the 1st respondent contents that the challenge against said measures the measures has been lapsed. Hence according to the 1st respondent the sale certificate is issued only as the applicant failed in compliance of direction of Hon'ble High Court. Along with the objection the respondent had produced the sale certificate.

13. The respondents 2 to 4; namely the auction purchasers filed their objection disputing the contentions as taken by the applicant. It is contented that the application is barred by limitation. It is also pointed out that orders passed in SA.10 of 2021 and SA.11/2021 are binding on the applicant. The respondents 2 to 4 had further submitted that they are Bonafide's purchasers. Apart from the above the auction purchaser reiterated the contentions as to the alleged failure of the applicant in compliance of direction of the Hon'ble High Court.

14. Heard the Ld. counsels for applicant and respondents. The only issue that arise for consideration in this matter is as to the legality of issuance of sale notice and consequential sale leading to the issuance of sale certificate.

15. The first and foremost contention taken by the applicant as to the alleged non-service of demand notice is countered by the 1st respondent contending that the challenge as the alleged non service is barred by limitation. Reliance was placed on "*Arce Polymer's Pvt Ltd v/s M/s. Alphine pharmaceuticals Pvt Ltd and others 2022 (2) SCC 221* where in the Hon'ble Supreme Court held as follows.

> *"Para 18 " In the present case, it is clear from a bare perusal of the letter dated 7thNovember 2016 sent by the Bank to its Zonal Manager that =the Bank actively considered the Borrower's request for extension of the moratorium period. The Borrower did not submit the viability report and failed to bring in Rs. 45,00,000/-(Rupees forty five lakhs only). Post this default also there were negotiations with assurances and promises by the Borrower. Displaying forbearance, the Bank granted indulgence as action under the SARFAESI Act was deferred for nearly one year from 7th November 2016 till 6th October 2017. Thereafter, negotiations were held on 30th October 2017, 6th November 2017 and 8th November 2017. The email dated 30th November 2017 addressed by the Bank to the Borrower highlights the dilatory and tricky approach of the Borrower as it had failed to submit details of the additional collateral security offered along with the legal opinion and the engineer's valuation report. Even visit to the proposed collateral security property was not arranged. The Borrower again tried its luck and submitted a restructuring proposal vide communication dated 18th December2017, but this did not fructify into an acceptable settlement. The Bank having lost faith could not rely on the Borrower. Only thereafter, the Bank proceeded with the auctions under the SARFAESI Act on 28th March 2018 and 14th June 2018. The Borrower then kept silent. As the earlier auctions failed, the Bank issued notice dated 20th August 2018 informing the Borrower about the fourth auction to beheld on 11th*

September 2018 at a reduced reserve price. The Borrowerchallenged the actions taken by the Bank after the Subject Property had changed hands and third party interests had been created. Taking into consideration the entire facts of the case, which perspicuously reflect disingenuous conduct on part of the Borrower to gain indulgence, unfulfilled assurances and promises, their unwillingness to pay, and in light of the law laid down by this Court, we are of the view that the Borrower has waived and is estopped from challenging violation ofS.13(3A) of the SARFAESI Act and hence, the first issue is decided in favour of the Bank. Given the aforesaid position we do not think we are required to examine the second point, i.e. whether in an application under S.17 of the SARFAESI Act, which can be filed when a Borrower is aggrieved by any of the measures referred to in sub-section (4) to S.13 within forty five days from the date such measures are taken, the Borrower can challenge other measures, steps and procedures which preceded the ultimate sale even if barred by the limitation period of forty five days."

16. It is true that the applicant had been pursuing his grievances by filing writ petition where in the main grievance put forward was non-consideration of his proposals for settlement. In the above scenario it is relevant to refer principal of waiver. The Hon'ble Supreme Court in "Arce polymers decision: (supra) had gone into the above question and laid down that

"para 14 Waiver is an intentional relinquishment of a known right. Waiver applies when a party knows the material facts and is cognizant of the legal rights in that matter, and yet for some consideration consciously abandons the existing legal right, advantage, benefit, claim or privilege. Waiver can be contractual or by express conduct in consideration of some compromise. However, a statutory right may also be waived by implied conduct, like, by wanting to take a chance of a favourable decision. The fact that the other side has acted on it, is sufficient consideration. It is correct that

waiver being an intentional relinquishment is not to be inferred by mere failure to take action, but the present case is of repeated positive acts post the notices under S.13(2) and (4) of the SARFAESI Act. Not only did the Borrower not question or object to the action of the Bank, but it by express and deliberate conduct had asked the Bank to compromise its position and alter the contractual terms. The Borrower wrote repeated request letters for restructuring of loans, which prayers were considered by the Bank by giving indulgence, time and opportunities. The Borrower, aware and conscious of its rights, chose to abandon the statutory claim and took its chance and even procured favourable decisions. Even if we are to assume that the Borrower did not waive the remedy, its conduct had put the Bank in a position where they have lost time, and suffered on account of delay and laches, which aspects are material. Action on the Subject Property was delayed by more than a year as at the behest of the Borrower, the Bank gave them a long rope to regularise the account. To ignore the conduct of the Borrower would not be reasonable to the Bank once third-party rights have been created. In this background, the principle of equitable estoppel as a rule of evidence bars the Borrower from complaining of violation."

17. In view of the well settled position as above this Tribunal is of the view that the question as to whether the proper service of demand notice is not by principals of estoppel as well as waiver.

18. The second question whether the confirmation of sale and issuance of sale certificate is in violation of orders restraining the same is to be looked into in the light of the orders passed by the Hon'ble High Court on 28.2.2025 in IA 2 of 2025, where by the Hon'ble High Court had recalled the order dismissing the writ petition "as withdrawn". The Hon'ble High court while

allowing IA 2 of 2025 had passed the following direction. "*Consequently, the Writ petition stands disposed of permitting the petitioner to deposit Rs.2,55,00,000/- along with the accrued interest and solatium in favour of the auction purchaser calculated at the rate of Rs.6% p.a from the date of the deposit made by the auction purchaser. It is further ordered by the Hon'ble High Court that "In the event of failure of the petitioner to comply with the directions issued by the court, the respondent bank may issue the sale certificate in favour of the auction purchaser*".

19. It is clear that by virtue of above order the Hon'ble High Court had not fixed any time limit for making payment. But on the basis of same alone it cannot be said that there is no force in the contentions of the 1st respondent that the applicant failed to remit the amount as directed by the Hon'ble High Court in four weeks' time. The Hon'ble High Court had passed the above direction based on the submission made on behalf of the Bank that the Writ petition can be disposed of permitting petitioner to deposit the amount with in a period of four weeks, as evident from para 5 of the order.

> *" Ld. Counsel for the respondent would further submits that the writ petition can be disposed of permitting the petitioner to deposit the said amount within a period of four weeks, failing which, the respondent may*

be permitted to proceed to issue the sale certificate in favour of the auction purchaser".

On the above set of facts the applicant cannot content that the issuance of sale certificate is during the subsistence of interim order. Especially on the Hon'ble High Court while disposing of the writ petition. WP.13309 of 2025 on 1217/2025 had not made any observation in that regard.

20. It is also contented that applicant sought for a clarification as to the amounts already remitted and the Hon'ble High Court had on 17.4.2025 clarified that all the remittance made by the applicant post issuance of sale notice is to be taken into account. It is the main grievance of the applicant that the bank had though issued the sale certificate on 29.3.2025 had not divulged the same when the clarification order was passed by the Hon'ble High court. Hence it is not with in the competence of this Tribunal interpret the orders of the Hon'ble High court rather than accepting the literal meaning. Hence this Tribunal is not entitled to accept the contention of the applicant that the issuance of sale certificate is in violation of dictions of Hon'ble High Court.

21. The question whether the challenge as to measures are hit by limitation is to be answered in favour of the applicant as while disposing of the Writ petition on 17.7.2025, the Hon'ble High Court had made a clear

observation that time spent in the writ petition to be placed before this Tribunal for consideration as to limitation. It is born out from records that the sale notice was under challenge in WP.32600 of 2024 and WP.13309 of 2025 is filed on 26.4.2023. WP.13309 of 2025 is disposed of on 17.07.2025 and this SA is filed on 31.7.2025. In view of above facts this Tribunal finds question as to limitation in favour of the applicant.

22. The next contention taken by the applicant that the bank had handed valuation report to various real-estate brokers. The applicant had produced the valuation procured by the Bank on 09.07.2024 as Annexure 12 which was also produced by 1st respondent, where in the property is valued at Rs.11,51,89,000/- (Rupees Eleven Lakhs Fifty-One Thousand Eighty-Nine Hundred only). The valuer had also given a distress value specifically mentioning that the in case of sale by bank the value is fixed at Rs.10,36,70,100 (Rupees ten crore Thirty-six lakhs seventy thousand one hundred only). A reference to the reserve price as fixed by the applicant in the impugned sale notice shocks the conscience of this Tribunal as the same evidences a clear case of gross under valuation. Against the valuation of more than 11 crores and distress value of Rs.10 crores the Reserve price was fixed at Rs.5.50 crores.

23. The Bank had virtually disregarded the valuation provided by the Approved Valuer, which shall be the basis of fixing the Reserve Price. In the case in hand the Reserve Price is fixed and sale is conducted according to the whims of the Secured Creditor. The Respondent no1 had not put forth any valid reason, much less any reason, why the Reserve Price is fixed at Rs 5.5 Crores, which is even less than half the distress sale value fixed by the Bank's valuer

24. It is beyond dispute that very wide powers have been conferred on banks and financial institutions under the Act to realise the amounts due to them. The said powers include the power to take over possession of securities with a right to transfer it by sale as well. As held consistently by the Apex Court, every wide power, the exercise of which has far - reaching repercussion, has inherent limitation on it also. Such powers can be exercised only to effectuate the purposes of the Statutes concerned. The responsibility is far graver in legislation senacted for general benefit and common good. Test of reasonableness is also strict in such cases. The exercise of such powers have to be tested on the touchstone of fairness and justice. That which is not fair and just is unreasonable and what is unreasonable is arbitrary. Power to take possession of a property of the defaulter and transfer the same by sale requires the authority to act cautiously, honestly, fairly and reasonably. Lack

of reasonableness or even fairness at either of the two stages renders the take over and transfer invalid.

25. The authority should justify the action assailed on the touchstone of justness, fairness, reasonableness and as a reasonable prudent owner. Right to property is a constitutional right protected under Art.300A of the Constitution, which mandates that no person shall be deprived of his property save by authority of law. When the provisions of the Act and the Rules made there under are analysed and understood in the background of Art.300A of the Constitution, it is clear that when it comes to the question of realising the dues of the secured creditors by bringing the property entrusted with them for sale to realise money advanced without approaching any Court or Tribunal, the secured creditor is a trustee and he cannot deal with the property in any manner it likes The secured creditor, in the circumstances, is duty bound to ensure that maximum price is received from the secured asset and that no one is taking advantage of the vulnerable possession in which the borrower is placed on account of the proceedings against him. In other words, the secured creditor is bound to ensure that the rights of the owner of the security is not infringed in any manner. Merely because a secured interest in a secured asset is created by the borrower in favour of the secured creditor, the said asset cannot be disposed of in a casual or light - hearted manner. Hence The provisions of the SARFAESI Act, 2002 and the Rules, 2002 have

been enacted to ensure that the secured asset is not sold for a song. It is expected that all the banks and financial institutions which resort to the extreme measures under the SARFAESI Act, 2002 for sale of the secured assets to ensure, that such sale of the asset provides maximum benefit to the borrower by the sale of such asset. Therefore, the secured creditors are expected to take bonafide measures to ensure that there is maximum yield from such secured assets for the borrowers.

26. It is relevant in this context to refer to the following observations made by the Apex Court in *Ram Kishun v. State of U. P., 2012 KHC 4365 : 2012 (11) SCC 511 : 2012 (3) KHC SN 5 : 2012 (5) SCALE 673 : AIR 2012 SC 2288*:

"Undoubtedly, public money should be recovered and recovery should be made expeditiously. But it does not mean that the financial institutions which are concerned only with the recovery of their loans, may be permitted to behave like property dealers and be permitted further to dispose of the secured assets in any unreasonable or arbitrary manner in flagrant violation of the statutory provisions" The above principles make it clear that though the recovery of public dues should be made expeditiously, it should be in accordance with the procedure prescribed by law and that it should not frustrate a constitutional right as well as the human right of a person to hold a property and that in the event of a fundamental procedural error occurred in a sale,

the same is liable to be set aside. In the decision of *Mathew Varghese v. M. Amritha Kumar and Others 2014 (5) SCC 610 : (AIR 2015 SC 50)*, the Supreme Court held as

"43. ...though the recovery of public dues should be made expeditiously, it should be in accordance with the procedure prescribed by law and that it should not frustrate a constitutional right, as well as the human right of a person to hold a property and that in the event of a fundamental procedural error occurred in a sale, the same can be set aside." (Emphasis supplied).

27. Taking view of the fact that the Secured Asset is sold for a song in consequential to fixation of Reserve Price much lower than the distress value given by the approved valuer, this Tribunal is of the view that issuance of E-Auction notice fixing the reserve price as above vitiates the same and also the sale conducted pursuant to the same, warrants setting aside the same and in sequel to the same the Sale Certificate issued is also to be set aside. The contention taken by the respondents that the Application is to be dismissed for the sole reason that by virtue of section 13(8) of the Act as the Applicant's right of redemption is already lost when the first sale notice is published will not stand in way of this Tribunal in interfering with sale and setting aside the same, as the Applicant is not impugned the measures putting forth his right of redemption. When the sale is conducted in gross

violation of the provisions of statue and is vitiated, this Tribunal being the statutory forum cannot be a silent or mute spectator.

28. In the result

1) SA.270 of 2025 stands allowed.

2) The E-auction sale notice dated 15.11.2024 issued by the 1st respondent and the sale conducted pursuant to same are found invalid and is set aside. Needless to say, the sale certificate issued by the 1st respondent dated 29.03.2025 is also set aside.

3) The 1st respondent is directed to refund the amounts remitted by the Auction purchaser namely respondents 2 to 4 with interest there in @8% (simple) from the date of remittance.

4) The 1st respondent is directed not to mulct the cost of issuance publication and conduct of e-auction on the applicant and if any debit is already made in this regard necessary reveal is to be made forthwith.

5) Applicant is also allowed a cost of Rs.1,00,000/- (Rupees One Lakhs) which is to adjusted at the time of settlement or closure of the account.

6) The 1st respondent to communicate this order to the concerned SRO in order to facilitate cancellation of sale certificate and in the failure of the Bank it will be open for the applicant to forward this order and the concerned SRO to take steps for cancellation of sale certificate, if the same is registered.

7) All pending IAs stands closed. Issue copies in accordance with rule 16 of the Debt Recovery Tribunal (procedure) rule.

(Dictated to PY directly on the Computer, after its transcription, corrected and pronounced by me in the open Court on this the 08th day of May, 2026)

Sd/-

(T. RAJESH)
PRESIDING OFFICER