

IN THE DEBTS RECOVERY TRIBUNAL-III, CHENNAI

Dated this the 24th day of June, 2026

Present: SMT. S.V. GOWRAMMA
Presiding Officer

IA No.1168 of 2026

In

SA No. 83 of 2026

M/s. Ravina Healthcare Pvt, Ltd.
Rep. by its Managing Director
Dr. A. Sreenivasalu
No.99, Poonamallee High Road,
Maduravoyal,
Chennai – 600 095.

...Applicant

-Vs-

The Authorized Officer,
Union Bank of India,
Asset Recovery Branch, Chennai,
No.168, Second Floor, Lighi Chetty Street,
Parrys Corner, Chennai – 600 001.

...Respondent

Counsels on record / appeared:

Counsel for Applicant : Mr. R. Thiagarajan

Counsel for Respondent: : M/s. N. Venkateswaran

ORDER ON IA No.1168/2026 In SA 365/2026

1. The applicant has filed the present SA challenging the Section 14 order dated 22.04.2026 passed by Ld. CJM, Tiruvallur in Crl.M.P.No.658 of 2026 along with IA No.1168 of 2026 for Interim stay of the section 14 order

and the total outstanding amount due as per Section 14 order is Rs.21,92,42,034.62/-

2. The applicant is a public healthcare institution running a 100 bedded multi-speciality hospital has availed various credit facilities approximately Rs.23.46 crores towards construction of hospital building, procurement of medical equipment. The directors of the firm namely, Dr. Ayya Srinivasalu and Mrs. Ayya Vijayalakshmi had infused personal funds. Subsequently the respondent bank has renewed the total exposure of Rs.23,46,00,000/- in the year 2021.

3. It is submitted that there is a temporary revenue increase during the pandemic period and faced decline in patient during post-pandemic period, even in spite of such circumstances had regularly repaid the loan amount till the period of March 2025. The respondent bank classified the account as NPA on 29.04.2025 due to overdue of few instalments. The respondent bank has classified the loan account as NPA without following RBI guidelines and issued Demand Notice dated 02.05.2025 to pay the balance outstanding amount of Rs.20,54,39,554/- as on 29.04.2025.

4. The symbolic possession of the property was taken on December 2025 followed by the issuance of Sale notice dated 23.12.2025 which was challenged in SA No.57 of 2026 and the Tribunal had granted Interim order of stay with a direction to pay Rs.2.5 crores in IA No.183 of 2026 on or before 10.30 a.m. on 28.01.2026. The applicant has approached the Hon'ble High Court of Madras in W.P.No.3010 of 2026 seeking for extension

to pay Rs.2.5 crores and as the applicant failed the petition came to be dismissed.

5. Subsequently, the respondent bank has issued another Sale notice dated 02.04.2026 scheduling the sale to be held on 30.04.2026 which was challenged by the applicant in SA No.260 of 2026 before Hon'ble DRT III with an IA No.843 of 2026 for interim order of stay. The Tribunal vide order dated 30.04.2026 had dismissed the IA No.843 of 2026 and the property was sold to the third party for Rs.34.41 crores.

6. Further, the respondent bank has approached Ld. CJM, Tiruvallur and obtained Section 14 order dated 22.04.2026 in CrI.M.P.No.658 of 2026 which is challenged in the present SA along with IA No.1168 of 2026 for Interim stay.

7. The applicant has already paid an amount of Rs.29.30 crores to the respondent bank and the bank have sold the property grossly undervalued where the property is worth Rs.70 crores. The respondent bank has appropriated all the incoming operational funds including insurance claim settlements.

8. It is submitted that the respondent bank has failed to follow the RBI guidelines and MSME restructuring principles against the running healthcare institution. The respondent bank failed to consider the protection under Section 31(j) of SARFAESI Act before the judicial forums and also charged heavy interest to the outstanding liability of the applicant.

Hence, on these grounds the applicant prays to stay the proceedings pursuant to the Section 14 order dated 22.04.2026.

9. The respondent bank has filed a detailed counter to the IA No.1168 of 2026 along with supportive documents and strongly opposes for any grant of Interim order of stay to the proceedings under Section 14 order dated 22.04.2026 as the applicant has filed the present SA to thwart and to restrain the respondent bank to recover the total outstanding amount due from the applicant.

10. The auction was successfully held on 30.04.2026 pursuant to the sale notice dated 02.04.2026 in favour of M/s. Apex Speciality Hospitals Pvt, Ltd. for an amount of Rs.34,41,00,000/-. Further, the auction purchaser has paid the 25% of the bid amount Rs.8,60,25,000/-, thus the auction sale was confirmed in favour of the auction purchaser. Hence, the present SA is not maintainable and liable to be dismissed.

11. The applicant in the IA No.1168 of 2026 for Interim stay has admitted the availing of credit facilities in the year 2014 which were enhanced and renewed periodically in the year 2021 amounting to Rs.23.46 crores. Further, the respondent bank has mentioned the Events of Default, consequences of EOD in the credit sanction letter dated 12.11.2011.

12. It is submitted that the applicant has misused the Cash credit facility by continuously utilizing more than limit of Rs.2.50 crores to pay the monthly instalments of Term Loans which is in violation of Terms and conditions of the credit sanction letter which was made by the applicant

from 30.09.2022. Further, the outstanding amount is Rs.1,40,77,582.20 which is more than Rs.2.50 crores and the outstanding amount due in 29.04.2025 is Rs.3,90,77,582.20 /-, hence all the loan accounts were classified as NPA as per the RBI guidelines.

13. Subsequently, the respondent bank has issued Demand Notice dated 02.05.2025 calling upon to pay Rs.20,54,39,554/- as on 29.04.2025 and the applicant was failed to make any representation to the demand made. The respondent bank has proceeded further and issued the Section 13(4) Possession Notice dated 27.10.2025 which was duly served, affixed and published in two Newspapers as per SIE Rules.

14. Further, the respondent bank has issued the Sale notice dated 23.12.2025 fixing the auction on 28.01.2026 which was challenged by the applicant before this Tribunal in SA No.57 of 2026 and vide order dated 27.01.2026, the Tribunal had directed the applicant to pay Rs.2.5 crores. The applicant has approached the Hon'ble Madras High Court in W.P.No.3010 of 2026 and W.M.P.No.11038 of 2026 to extend the period of deposit to which was allowed on 12.03.2026 and directed the applicant to pay Rs.2,50,00,000/- on or before 16.03.2026. Aggrieved by the same, the respondent bank has filed W.M.P.No.12909 of 2026 to vacate the stay in W.M.P.No.11038 of 2026 which was dismissed for non-compliance of interim order with a cost of Rs.5,00,000/- to be paid by the applicant in favour of the respondent bank.

15. Subsequently, the respondent bank has issued another sale notice dated 02.04.2026 fixing the auction sale on 30.04.2026 and complied with Rule 8 and 9 of SIE Rules. Further, the auction was successfully held on 30.04.2026 and M/s. Apex Speciality Hospitals for Rs.34,41,00,000/-. The applicant has filed SA No.260 of 2026 along with IA No.843 of 2026 for interim stay and the Tribunal had dismissed the IA for non-compliance of the earlier Interim Order.

16. The applicant has filed an appeal before the Hon'ble DRAT in AIR No.1213 of 2026 to set aside the order passed by this Tribunal in IA No.843 of 2026, the Hon'ble DRAT had heard both the sides and directed the applicant to make 30% of the outstanding amount in two instalments, first instalment to be paid on or before 30.06.2026 and second instalment to be paid two weeks thereafter.

17. Further, the respondent bank has obtained Section 14 order dated 22.04.2026 in CrI.M.P.No.658 of 2026 before the Ld. CJM, Tiruvallur. Aggrieved by the same, the applicant has filed the present SA along with IA No.1168 of 2026 for interim stay of proceedings under Section 14. The respondent bank has countered the contentions raised by the applicant para wise along with supporting documents and prays for dismissal of the present IA.

Heard both sides of the Counsels and perused the records of the case

18. The applicant is the borrower who had availed credit facilities aggregating to Rs.20,37,00,000/-., in fact, the applicant does not dispute the availing of the credit facilities and creating mortgage of the property. The applicant availed the loan for construction of Hospital building and requirements of medical equipments which was considered and sanctioned in the year 2015 and respondent renewed the sanction proposal to the exposure of Rs.23,46,00,000/- in the year 2021.

19. The contention of the applicant that the loan account was regularly maintained till March 2025 is unsustainable as due to default in the repayment, the loan account was classified as NPA on 29.04.2025. The applicant has admitted the issuance of the Section 13(2) Demand Notice dated 02.05.2025 calling upon the borrower and guarantor to repay the amount of Rs.20,54,39,554/- due as on 29.04.2025.

20. As the applicant failed to liquidate the liability, respondent bank has proceeded further and issued Section 13(4) Possession Notice during December 2025 followed by the issuance of the 1st Sale notice dated 23.12.2025 fixing the sale to be held on 28.01.2026. Aggrieved by the issuance of Sale notice, the applicant has filed SA No.57 of 2026 along with IA No.183 of 2026 for stay of the auction proceedings. Considering the same, the Tribunal had directed applicant to deposit Rs.2.5 crores on or before 28.01.2026. Aggrieved by the Interim order passed by the Tribunal, the applicant has approached the Hon'ble High Court in W.P.No.3010 of 2026 and undertook to pay Rs.2.5 crores. However, it is seen that the

applicant has failed to comply with the extension of time granted to comply with Interim order passed by the Tribunal, hence the W.P.No.3010 of 2026 came to be dismissed.

21. Subsequent to the dismissal of W.P.No.3010 of 2026, the respondent bank has issued another sale notice dated 02.04.2026 fixing the sale to be held on 30.04.2026 which was challenged by the applicant in SA No.260 of 2026 along with IA No.843 of 2026 for stay of the auction sale which came to be dismissed on 30.04.2026 on account of non-compliance of the Interim order of stay on conditional payment and failure to establish the bonafides of the applicant. As there was no stay, the secured creditor has sold the property to M/s. Apex Specialty Hospitals Pvt, Ltd. for a sum of Rs.34,41,00,000/-.

22. Now, the present SA is filed challenging the Section 14 order dated 22.04.2026 in CrI.M.P.No.658 of 2026 before the CJM, Tiruvallur along with IA No.1168 seeking for interim stay on the grounds that the respondent bank has appropriated all incoming operational and insurance claim settlements and also ignored the RBI guidelines in MSME Restructuring and have violated the Section 31(j) of SARFAESI Act.

23. The present IA No.1168 of 2023 is an application for interim stay, it is matter on record that the applicant till date did not comply with the Interim order passed in the earlier SA No.57 of 2026 nor the extension of time given by the Hon'ble High Court.

24. In fact, the applicant has preferred an appeal against the order passed by this Tribunal in IA No.843 of 2026 in SA No.260 of 2026 contending that the applicant has made substantial payment which was paid by the STAR Health Insurance directly to the loan account of the petitioner considering the same the loan amount would be Rs.2.00 crores and Hon'ble DRAT has directed the applicant to make a pre deposit of Rs.6,77,10,000/- which has to be paid in two instalments within a period of four weeks. The 1st instalment of Rs.3,38,55,000/- to be paid on or before 30.06.2026 and 2nd instalment of Rs.3,38,55,000/- to be paid on or before 14.07.2026.

25. As the appeal filed before the Hon'ble DRAT is impugning the Interim order in IA No.843 of 2026 passed by this Tribunal in SA No.260 of 2026 in challenging the Sale. The present SA is filed challenging the Section 14 order dated 22.04.2026 which is a separate measure and the applicant cannot take stand that the direction of the Hon'ble DRAT to deposit the waiver amount in two instalments is to be considered for stay.

26. As per the facts, circumstances of the case of applicant and respondent bank, it is clear that the applicant is challenging the measures initiated by the respondent bank and has been filing Securitization Applications and after obtaining the Interim order have not complied till date. Taking into consideration that the property is already sold to M/s. Apex Specialty Hospitals Pvt, Ltd. and the 3rd party interest is also created on secured asset, granting of stay at this juncture would lead to multiplicity

of proceedings, the Tribunal feels it apt not to grant any Interim order of stay. Hence, the IA No.1168 of 2026 stands dismissed.

List the matter on 22.07.2026 for further arguments.

Sd/-

(S.V. GOWRAMMA)
PRESIDING OFFICER,
DRT-III, CHENNAI

(Dictated to Steno (Mogesh), transcribed by him, corrected, signed and pronounced by me on this the 24th day of June, 2026)