

08.07.2026

Case Citation: (2026) ibclaw.in 548 DRT
08.07.2026

Miscellaneous Application No.3 of 2026 stands allowed vide separate order. The order dated 27.02.2026 passed in IA No.2261/2025 is recalled only to the limited extent of the adjudication of the application for condonation of delay.

Registry is directed to list the IA No.2261/2025 for hearing on 10.08.2026. The parties shall appear on the said date without awaiting any further notice.


Presiding Officer

8IN THE DEBTS RECOVERY TRIBUNAL - 1, KARNATAKA
AT BENGALURU

PRESENT: SRI IMTIAZ ALI
PRESIDING OFFICER

Dated the 8th day of July, 2026

MISCELLANEOUS APPLICATION No.3 OF 2026
IN
INTERLOCUTORY APPLICATION No.2261 OF 2025
IN
UNREGISTERED SECURITISATION APPLICATION Dy. No.2423 OF 2025

Between

Guruprasad,
S/o M V Balakrishna,
Aged about 48 years,
R/at No.35/1, Sadanandanagar,
7th Main, M V Garden,
NGEF Layout,
Bengaluru-560038.

.....Petitioner/Applicant

And

1. Union Bank of India,
Asset Recovery Branch,
Bengaluru North,
No.1/1, 1st Floor,
“Jeevan Sampige”,
2nd Main Road, Sampige Road,
Malleswaram, Bengaluru-560003,
Represented by its Authorized Officer.
2. Manpreet Sachdev,
S/o Jagjeet Sachdev,
Aged about 51 years,
Residing at No.16, 3rd Cross,
HAL II Stage, Indiranagar,
Bengaluru-560008.
3. Navadeep Sachdev,
W/o Manpreet Sachdev,
Aged about 51 years,
Residing at No.16, 3rd Cross,
HAL II Stage, Indiranagar,
Bengaluru-560008.
4. N Thangavelu,
S/o S Neethi Gopal,

Aged about 44 years,
Residing at No.009, 4th Floor,
Site No.40/41, Sai Jyothi Residency,
Manjunatha Layout, Munnekolala,
Marathahalli Post,
Bengaluru-560037.

5. Ramya A,
W/o N Thangavelu,
Aged about 38 years,
Residing at No.009, 4th Floor,
Site No.40/41, Sai Jyothi Residency,
Manjunatha Layout, Munnekolala,
Marathahalli Post,
Bengaluru-560037.

..... Respondents/Defendants

This Miscellaneous Application having been heard on 04.05.2026 in the presence of Advocate Sri Venkitaraman for the petitioner/applicant, and Advocate Prabhu Rao C B for the 1st respondent/1st defendant, Advocates M/s Stanley Sam and Dr Latha G Nair for the 4th & 5th respondents/4th & 5th defendants, and 2nd & 3rd respondents/2nd & 3rd defendants being absent, and stood over to this day for consideration, the Tribunal delivered the following: -

ORDER

Miscellaneous Application No.3/2026 was filed on 05.03.2026 under S.22(2)(e) of the Recovery of Debts and Bankruptcy Act, 1993 (as amended from time to time) –r/w Rule 18 of the DRT (Procedure) Rules, 1993 (as amended from time to time) – hereinafter referred to as ‘the Act’ praying to recall the order dated 27.02.2026 passed in IA 2261/2025 in USA Dy. No.2423/2025 and hear and dispose the SA on merits. The petitioner is none other than the applicant in the SA.

2. The case set out by the petitioner/applicant in the MA No.3/2026 in brief is as follows: - The applicant is neither borrower nor guarantor in respect of the alleged transaction between 1st to 3rd defendants. The applicant is the absolute owner of the schedule B property and the applicant has not created any valid security in favour of the 1st defendant bank. The petitioner/applicant approached the Hon’ble High court of

Karnataka in WP No.18410/2024 which was disposed of granting liberty to the petitioner/applicant to approach this Tribunal under S.17 of the Act. The Hon'ble High Court granted liberty to approach this Tribunal, therefore exclusion of time spent before the Hon'ble High Court is necessary to give meaningful effect to such liberty. The impugned order has resulted in rejection of the SA without adjudication of the petitioner's independent rights and therefore requires reconsideration and hence this application.

3. The 1st respondent/1st defendant contended that the application is not maintainable. The entire pleadings in the MA is of novation to the pleadings of the SA and writ petition which is not permissible under law. The 1st respondent had sold the schedule B property in public auction on 08.02.2018 and same had attained finality by virtue of the sale certificate dated 31.03.2018 and after the lapse of 8 years the petitioner/applicant before this Tribunal which is abuse process of law. Hence dismiss the application.

4. The only point arises for consideration is as to whether the relief prayed for by the petitioner/applicant can be granted?

5. The Point: - The Miscellaneous Application has been filed under Section 22(2)(e) of the Recovery of Debts and Bankruptcy Act, 1993 read with Rule 18 of the Debts Recovery Tribunal (Procedure) Rules, 1993 seeking recall/review of the order dated 27.02.2026 passed in IA No.2261/2025 in unregistered SA Diary No.2423/2025, whereby the application for condonation of delay was rejected.

6. The petitioner/applicant contends that while dismissing the application for condonation of delay, this Tribunal failed to consider the specific plea that the applicant had been bonafide prosecuting the remedy before the Hon'ble High Court of Karnataka against the order passed under Section 14 of the SARFAESI Act. It is submitted that the

writ petition No.18410/2024 was disposed of on 04.08.2025 leaving it open to the petitioner/applicant to avail the remedy under Section 17 of the SARFAESI Act and that the SA was thereafter instituted on 02.09.2025. It is further contended that the order dated 27.02.2026 does not advert the said plea. The 1st respondent/1st defendant opposed the application contending that the present application is an attempt to seek a rehearing on the merits of the order and that the remedy, if any, lies by way of an appeal.

7. Heard the learned counsel for the parties and perused the record.

8. It is well settled that the Tribunal cannot exercise review jurisdiction as if it were sitting in appeal over its own order. At the same time, Section 22(2)(e) empowers the Tribunal to review its decision where an error apparent on the face of the record is made out. A review is maintainable where a material plea specifically raised and have direct bearing on the issue decided has remained completely unnoticed.

9. A perusal of the IA No.2261/2025 discloses that the applicant has specifically pleaded that, after the order dated 13.05.2024 passed under Section 14 of the SARFAESI Act, the applicant had approached the Hon'ble High Court of Karnataka and that the writ petition No.18410/2024 came to be disposed on 04.08.2025 granting liberty to avail the remedy under Section 17 of the SARFAESI Act. The said facts were relied upon as constituting sufficient cause for the delay in filing the SA.

10. A perusal of the order dated 27.02.2026, however, shows that there is no discussion whatsoever regarding the aforesaid plea or the effect, if any, of the proceedings before the Hon'ble High Court while adjudicating the question of condonation of delay. Whether the plea ultimately merits acceptance or rejection is a matter to be decided on merits. Nevertheless, the omission to consider a material plea directly bearing on the issue of limitation constitutes an error apparent warranting exercise of review jurisdiction.

11. It is clarified that the order of the Hon'ble High Court does not, by itself, extend the period of limitation or direct condonation of delay. The question whether the period spent before the Hon'ble High Court constitutes sufficient cause is required to be independently examined by this Tribunal after hearing both parties.

12. Accordingly, the Miscellaneous Application is allowed. The order dated 27.02.2026 passed in IA No.2261/2025 is recalled only to the limited extent of the adjudication of the application for condonation of delay. IA No.2261/2025 is restored to file and shall be heard afresh on its merits after affording an opportunity of hearing to both parties. It is made clear that no opinion is expressed on the merits of the application for condonation of delay or on the maintainability of the Securitisation Application.

13. Registry is directed to list IA No.2261/2025 for hearing on 10.08.2026. The parties shall appear on the said date without awaiting any further notice.

14. No order as to costs.

[Dictated to my PA, transcribed by him, corrected and pronounced by me in the open Tribunal on this the 8th day of July, 2026]

[IMTIAZ ALI]
PRESIDING OFFICER

IN THE DEBTS RECOVERY TRIBUNAL - 1,
KARNATAKA AT BANGALORE

PRESENT: SRI IMTIAZ ALI
PRESIDING OFFICER

Dated the 8th day of July, 2026

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And

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No.1/1, 1st Floor,
“Jeevan Sampige”,
2nd Main Road, Sampige Road,
Malleswaram, Bengaluru-560003,
Represented by its Authorized Officer,
and four others.Respondents/defendants

ORDER

8.7.26