IN THE DEBTS RECOVERY TRIBUNAL-III, CHENNAI

Dated this the 09th day of July, 2026

Present: SMT. S.V. GOWRAMMA
Presiding Officer

SA No. 83 of 2026

M/s. Pranav Foundation Pvt, Ltd.
Rep. by its Director Mr. Chinnappan Subramani,
No.72 – A.L. Block 21 street,
Anna Nagar, Chennai – 600 102.

...Applicant

-Vs-

1. The Authorized Officer,
IDBI Bank Ltd.,
No.115, Anna Salai, Saidapet,
Chennai – 600 015.

2. Mr. J. Amanullah,
Old No.2, New No.22, Zackriya Colony,
4th Street, Choolimedu,
Chennai – 600 094.

...Respondents

Counsels on record / appeared:

Counsel for Applicant	:	M/s. E. Tharun Roshan
Counsel for 1st Respondent	:	M/s. NVS & Associates
Counsel for 2nd Respondent	:	M/s. R. Thiagarajan

ORDER ON SA 83/2026

The present Securitization Application [SA] is filed under sub section [1] of S.17 of the Securitization and Reconstruction of Financial Asset and Enforcement of Security Interest Act,2002 (for short the 'Act') challenging the action and the measure taken by the secured creditor under the Security Interest Enforcement Rules, 2002 [for short the Rules].

2. The applicant has challenged the Sale held on 30.12.2025 pursuant to the Sale notice dated 09.12.2025 and the outstanding amount due as per Sale notice is Rs.51,04,14,037.96/-

3. **Pleadings of the applicant:**

3.1 The applicant is a private limited company incorporated in the year 1997 engaged in the business of developing and promoting residential, commercial complexes by way of Joint Development Agreements. The applicant is represented by its Director Mr. Subramani, and Mr. A. Ranganathan and his family members were running community hall and marriage hall in the schedule property.

3.2 The applicant and its associates had availed credit facilities of Rs.9,17,00,000/- and Rs.3,93,00,000/- from IDBI Bank to be repaid in 180 EMIs of Rs.12,21,207/- at 14% vide sanction letter dated 08.09.2014 and mortgaged the schedule property as collateral security vide MODT dated 24.09.2014 registered as Doc.No.4596 of 2014 for an amount of Rs.13,10,00,000/- and also executed Loan agreements and power of attorney dated 15.09.2014 and 28.11.2014.

3.3 In the year 2016, the applicant approached the respondent bank for another term loan of Rs.15,00,00,000/- which was sanctioned on 29.04.2016 based on the rent receivables of the applicant. The applicant has executed Demand Promissory Note and Agreement of Loan dated 30.04.2016. The applicant has informed the respondent bank that M/s. JSK Business Services Pvt. Ltd. is lessee under Lease Deed dated 09.10.2014 authorized the bank to receive rentals into Escrow Account vide letter dated 30.04.2016 and agreed to credit rentals directly into the said account.

3.4 It is submitted that the applicant was regular in the repayment of instalments without any default and also made substantial payment till March 2019. Further, due to financial difficulties, business constraints and Covid-19 pandemic, the applicant was unable to continue regular payments. As per the recall notice, the total outstanding amount is Rs.23,70,24,662.42 as on 10.06.2019 and the loan account was classified as NPA in or about November 2019.

3.5 The respondent bank has issued Section 13(2) Demand Notice dated 07.09.2019 for an outstanding amount of Rs.23,70,24,662.42 and also issued Section 13(4) Possession Notice dated 14.11.2019 under Rule 8(1) of SIE Rules. Subsequently, the respondent bank has approached the Ld. CMM, for taking physical possession of the property. The Ld. CMM appointed advocate commissioner who has failed to give prior intimation, hence the applicant has lost the opportunity to contest the proceedings.

3.6 Further, the respondent bank has issued several sale notices for sale of the property without any proper valuation of the amenities and other assets in the marriage hall and commercial complex. The authorized officer has failed to prepare inventory or Panchanama as required under Rule 4,6,7 of SIE Rules and there is no description of the movables in the statutory notices and affixture of demand notice only had details of immovable property.

3.7 It is submitted that the respondent bank has issued the 1st sale notice on 19.04.2021 under Rule 8(6) without any date and time of auction which is contrary to the statutory requirement and corrigendum dated 28.04.2021 which was challenged in SA No.163 of 2021. On 24.11.2021 the Tribunal had disposed the SA No.163 of 2021 as infructuous and directed respondent bank not to burden applicants with publication and imposed cost of Rs.15,000/-.

3.8 The respondent issued multiple sale notices i.e., 09.12.2021, 07.02.2022, 03.03.2022, 05.03.2022, 23.01.2023, 27.01.2023, 26.06.2024, 04.10.2024, 23.10.2024, 12.11.2024 which failed due to the objections raised by Tirumal Tirupati Devasthanams regarding the Title disputes and pendency of T.O.S.No.06 of 2012 before the Hon'ble Madras High Court which was disposed on 29.04.2024.

3.9 The respondent bank without considering the disputes has repeatedly issued sale notices which is in violation of mandatory 30 days period and to increase expenses and burden of applicant's loan account. Further, the applicant has approached respondent bank and submitted various OTS proposals which were rejected by the respondent bank due to the value of security. The applicant has challenged the sale notice dated 15.11.2025 fixing the auction to be held on 05.12.2025 in SA No.823 of 2025 which was disposed as infructuous. Meanwhile, the applicant tried to revive its business by inducting investors and to restructure the management, however the present director had taken steps to make the company financially viable to repay all the liabilities.

3.10 The authorized valuer of SBI vide report dated 30.01.2018 valued the movable amenities at Rs.19,86,00,000/- fixing the forced sale value of Rs.55,36,33,000/-, but the respondent bank has sold the property at throw away price in spite of the property being situated in Purasawalkam. The respondent bank has sold the property on 30.12.2025 for Rs.24,80,00,000/- against the reserve price of Rs.24,75,00,000/- pursuant to the Sale notice dated 09.12.2025 without any disclosure of amenities, proper valuation, inventory, Panchanama.

3.11 The respondent bank issued the Possession notice dated 14.11.2019 under Rule 8(1) for immovable and failed to proceed under Rule 4(1) for movable assets. Further, the respondent bank has adjusted sale proceeds from another guarantor's home loan account without any consent of the guarantor. In the grounds, it is contended that the measures initiated by the respondent bank under the SARFAESI Act is bad in law and in violation of Article 14 and 300-A of constitution of India.

3.12 The classification of loan account as NPA is contrary to the RBI guidelines when the applicant is regularly servicing the loan account till March 2019. The Demand Notice dated 07.09.2019 is defective in nature as it does not disclose the correct outstanding amount and failed to consider the objections/ representations made by the applicant as mandated under Section 13(3A). The respondent bank has failed to serve the Section 13(4) possession notice property under Rule 8 of SIE Rules.

3.13 It is submitted that the respondent bank has failed to comply with Rule 4,6 and 7 of SIE Rules in respect of the movable assets without inventory nor panchanama was prepared at the time of taking the physical possession of the property. Further, the respondent bank has failed to consider the amenities in the schedule property when evaluating the schedule property for auction sale and there is no proper description of the schedule property in the Demand Notice, Possession Notice, and Sale notice.

3.14 The Demand Notice does not contain the details of hypothecated movables and failed to issue Possession Notice under Rule 4(1) for movable assets. The respondent bank has failed to obtain proper valuation report before the issuance of the impugned sale notice and failed to comply with Rule 9 of SIE Rules. On these grounds, the applicant prays to set aside the Sale held on 30.12.2025 pursuant to the Sale notice dated 09.12.2025.

4. **Objections of the respondent bank**

4.1 The respondent bank in their counter contend that the applicant borrower had availed 3 mortgage loans to the extent of Rs.28,10,00,000 vide sanction letter dated 08.09.2014 with bearing No. HL00093608 for mortgage loan of Rs.9,17,00,000/- and Rs.3,93,00,000/-. Further, the respondent bank vide sanction letter dated 29.04.2016 had sanctioned loan facility of Rs.15,00,00,000/- for applicant and co-obligants who are jointly liable to repay to the loan amount.

4.2 The applicant created equitable mortgage of the schedule mentioned properties by way of Memorandum of Deposit of Title Deeds dated

24.09.2014 which is registered as Doc.No.4596 of 2014 before the SRO, Purasawalkam. The applicant through its Authorized signatory and other co-obligants have executed the Demand Promissory Note dated 30.04.2016 for sum of Rs.15,00,00,000/-. The respondent bank has sanctioned the loan against the rent receivables as M/s. JSK Builders had accepted the property as per Lease Deed dated 09.10.2014 and the lessee is authorized to collect the rent into Escrow account.

4.3 The lessee M/s. JSK Business services Pvt. Ltd., had agreed to credit the lease rents into Escrow Account No.0777102000007580 opened by the 1st respondent bank vide letter dated 30.04.2016 and the applicant and other co-obligants have executed Power of Attorney dated 30.04.2016 authorizing the 1st respondent bank to collect the rents and also executed Deed of Assignment of Rent Receivables dated 30.04.2016. The applicant has extended the mortgage on 02.05.2016 vide Doc.No.2162 of 2016 before the SRO, Purasawalkam.

4.4 The applicant has entered into Owner – Builder Joint Development Agreement dated 28.01.2012 with the Co-obligants namely, C. Jaichander, Ms. Cavala Jaishree, C. Raja Rajeswari and Lakshminarayana and as per the agreement the applicant was allotted 50% of the built-up area in the property. The owners of the property had executed Sale deed dated 09.03.2017 in favor of the applicant herein and registered as Doc.No.1951 of 2017 with SRO, Purasawalkam. Further, the applicant through Authorized signatory had executed another MOTD dated 30.08.2019 which is registered as Doc.No.5111 of 2019 with SRO, Purasawalkam which evidence that applicant's 50% share is mortgaged for loan amount of Rs.28,10,00,000/- whereas the applicant has already deposited original title deeds registered in their favor with 1st respondent bank.

4.5 After availing credit facilities, the applicant failed to maintain the financial discipline and the lessee M/s. JSK Business Services Pvt. Ltd., failed to credit the rents as per undertaking dated 30.04.2016 into the Escrow account. Therefore, as the loan account was irregular, respondent bank has issued Recall notice dated 02.07.2019. Subsequently, the respondent bank has classified the loan account as NPA and issued the Section 13(2) Demand Notice dated 07.09.2019 to the applicant and other co-obligants calling upon them to pay the total outstanding amount of Rs.23,70,24,662.42/- within the period of 60 days.

4.6 The Demand Notice dated 07.09.2019 was duly served to the applicant and co-obligants who failed to make any payments. The respondent bank has issued Section 13(4) Possession Notice dated 14.11.2019 to the applicant and co-obligants, published the Possession Notice in two Newspapers on 19.11.2019 within the period of 7 days and also affixed on the schedule property on 14.11.2019. Further, the respondent bank has proceeded and filed Section 14 application before the Ld. CMM, Egmore to take physical possession of the property. The application came to be allowed vide order dated 22.01.2021 by appointing Advocate Commissioner to take physical possession of the schedule mentioned property. Subsequently, the respondent bank has taken physical possession of the property on 09.04.2021 by taking inventory and Panchanama of the movable assets and sealed the schedule property.

4.7 The applicant has challenged the Section 14 order dated 22.01.2021 passed by the Ld. CMM, Egmore in TSA No.153 of 2022 before the Hon'ble DRT II which came to be dismissed on 28.03.2023. The movable assets in the schedule property were handed over to Ketoliciouz Pvt on 22.06.2022, Mr. E. Basheer Ahmet & Ors on 17.07.2023 in before of the applicant as per the direction of Hon'ble DRT II order dated 11.05.2022 and 18.04.2023 in SA No.182 of 2021 where the applicant is party to the SA proceedings.

4.8 It is submitted that the respondent bank has issued various Sale notices from the year 2021 to 2025 which did not fructify and the Sale notice dated 09.12.2025 issued intimating the applicant and co-obligants that the auction sale to be held on 30.12.2025. The respondent bank has disclosed the known encumbrances on the sale notice and the applicant has failed to challenge the sale notice dated 09.12.2025 and also lost their right of redemption by not remitting the entire outstanding amount due before the auction sale.

4.9 The Sale notice dated 09.12.2025 was sent to the applicant and co-obligants, published in two Newspapers. On 30.12.2025 the 2nd respondent was declared as highest bidder for an amount of Rs.24,80,00,000/- against the reserve price of Rs.24,75,00,000/- and the auction sale was confirmed in favor of the 2nd respondent herein. The 1st respondent bank has issued the Sale confirmation to 2nd respondent on 30.12.2025 after the payment of entire sale consideration amount, the 1st respondent bank has issued Sale certificate dated 08.01.2026 to the 2nd respondent herein.

4.10 The respondent bank informed about the sale of the schedule property under the SARFAESI Act vide letter dated 07.02.2026 and stated that sale consideration amount Rs.24,80,00,000/- has credited towards the applicant's loan account and informed that Rs.27,52,49,935.82/- is the remaining due as on 12.01.2026 which has to be paid within 15 days. However, the applicant has failed to repay the balance dues and after losing their right of redemption under Section 13(8) has filed the present SA to set aside the auction sale held on 30.12.2025.

4.11 The applicant has filed an IA No.291 of 2026 to restrict the 2nd respondent not to alienate nor create encumbrance on the property which was taken up on 11.02.2026. Subsequently, the applicant has approached the Hon'ble Madras High Court in W.P.No.8810 of 2026 with a prayer to dispose the IA No.291 of 2026 within a time frame and sought for interim protection against the 2nd respondent not to alienate the property until disposal of IA No.291 of 2026 in SA No.83 of 2026. Further, the Hon'ble Madras High Court on 05.03.2026 directed the applicant to make payment of Rs.25 crores within a period of four weeks and disposed the Writ Petition.

4.12 Aggrieved by the Order, the 2nd respondent has approached the Hon'ble Supreme Court in SLP(C) No.11918/2026 and the Hon'ble Supreme Court vide order dated 02.04.2026, has stayed the Interim stay order of Hon'ble High Court and directed the 2nd respondent to maintain status quo with regard to the property in question. The respondent bank has countered the contentions raised by the applicant para wise and countered every ground raised by the applicant herein. Hence, the 1st respondent bank prays to dismiss the present SA.

Objection raised by 2nd Respondent:

4.13 The 2nd respondent has filed a detailed counter inter alia contending that the borrower has availed Rs.13,10,00,000/- and Rs.9,17,00,000/- on 18.09.2014 and had created equitable mortgage by way of Memorandum of Deposit of Title Deeds on 24.09.2014 in favor of the 1st respondent bank. The 1st respondent has sanctioned Rs.15,00,00,000/- against the rents receivable on 29.04.2016 and M/s. JSK Business Services Pvt. Ltd., has submitted a letter dated 30.04.2016 along with undertaking to the 1st respondent bank.

4.14 The applicant has executed fresh MODT on 02.05.2016 in favor of the 1st respondent bank and failed to remit the monthly instalments regularly to the respondent. Subsequent to the default committed by the applicant, the 1st respondent has issued the Section 13(2) Demand Notice on 07.09.2019 and Section 13(4) Possession Notice dated 14.11.2019. Further, the applicant has challenged the sale notice dated 28.04.2021 scheduling the sale to be held on 02.06.2021 in SA No.163 of 2021 which was not fructified for want of bidders and the SA came to be dismissed of as infructuous. Further, the applicant has submitted One Time Settlement proposal to the 1st respondent bank which came to be rejected on 07.02.2022.

4.15 The respondent bank has issued several sale notices i.e., 03.03.2022, 05.03.2022, 23.01.2023, 27.01.2023, 20.06.2024 which were not fructified for want of bidders. The applicant has submitted fresh OTS proposal which also came to be rejected on 30.09.2024 and the respondent bank has issued Sale notices i.e., 04.10.2024, 23.10.2024, 12.11.2024 which were not fructified for want of bidders.

4.16 The applicant has produced another One Time Settlement proposal and came to be rejected on 18.11.2024 and also challenged the Sale notice dated 09.12.2025 in SA No.823 of 2025 before this Tribunal and came to be disposed of as infructuous for want of bidders. Further, the respondent bank has issued another Sale notice dated 09.12.2025 fixing the sale to be held on 30.12.2025 and 2nd respondent herein has participated in the auction sale and declared has highest bidder by the 1st respondent bank for an amount of Rs.24,80,00,000/-.

4.17 The 2nd respondent has paid EMD amount of Rs.2,47,50,000/-, Rs.3,72,50,000/- on 30.12.2025, Rs.18,35,20,000/- on 08.01.2026 and Rs.24,80,000/- towards the TDS, totaling to Rs.24,80,00,000/-. Hence, the 2nd respondent has paid entire sale consideration amount with the 1st respondent bank within the stipulated time period as per Rule 9 and the bank has issued Sale certificate upon receipt of the entire sale consideration amount and the physical possession of the property was handed over to 2nd respondent herein.

4.18 Further, the 2nd respondent has paid Rs.80,00,000/- towards the property tax payable to Greater Chennai Corporation and Rs.11,45,366/- towards Chennai Metro and Water Sewage Tax and electricity charge of Rs.15,01,311/-. The 2nd respondent has also paid Rs.87,59,616/- to clear the entire premises and spent Rs.1,94,06,293/- for renovation towards the building. The applicant has filed W.P.No.8810 of 2026 and W.M.P.No.9477 of 2026 under Article 226 of Constitution of India before the Hon'ble High Court of Madras to direct this Tribunal to dispose IA No.291 of 2026 in SA No.83 of 2026.

4.19 The Hon'ble High Court of Madras vide order dated 05.03.2026 directed the applicant to deposit Rs.25 crores within a period of 4 weeks from the date of receipt of the order and in compliance of the said order, the Hon'ble DRT III to dispose the present SA in accordance with Law. The 2nd respondent herein has challenged the order dated 05.03.2026 before the Hon'ble Supreme Court of India in SLP.No.11918 of 2026 and the Hon'ble Supreme Court has issued notice returnable by 4 weeks vide order dated 02.04.2026 and stayed the impugned order passed by Hon'ble High Court of Madras and also directed the 2nd respondent to maintain status quo with regard to the property in question.

4.20 The applicant has failed to comply with the conditional order passed by Hon'ble High Court of Madras to pay Rs.25 crores within 4 weeks and the

1st respondent bank has issued Sale certificate dated 08.01.2026 in favor of the 2nd respondent herein. Further, the 2nd respondent has availed Rs.18 crores from M/s. Kotak Mahindra Bank Ltd., and paying Rs.21,00,000/- per month as instalment and cannot able to register the Sale certificate in accordance with law unless the present SA is dismissed.

4.21 It is submitted by the 2nd respondent that there is no illegality in the measures taken by the 1st respondent bank in bringing the property to auction sale under SARFAESI Act. Further, the 2nd respondent has made extensive arrangements and preparations for renovation of entire building to improve the infra structure of the building. The applicant has raised various allegations in the present SA without any basis and the respondent bank has conducted more than 10 auction sale which were unsuccessful for want of bidders. Hence, the 2nd respondent prays not to grant any interim stay and to dismiss the IA for stay and the present SA.

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

5.1 It is discernible from the records that the applicant has availed credit facilities from the respondent bank and executed several documents as follows;

i. Memorandum of Deposit of Title Deeds dated 24.09.2014 registered as Doc.No.4596 of 2014 before the SRO, Purasawalkam
ii. Demand Promissory Note dated 30.04.2016 for Rs.15,00,00,000/-

iii. Irrevocable Power of Attorney in favour of 1st respondent bank dated 30.04.2016

iv. Deed of Assignment of Rent Receivables dated 30.04.2016

v. Extension of equitable mortgage by way of Memorandum of Deposit of Title Deeds dated 02.05.2016 registered as Doc.No.2162 of 2016 before the SRO, Purasawalkam

vi. Memorandum of Deposit of Title Deeds dated 30.08.2019 registered as Doc.No.5111 of 2019 before the SRO, Pursawalkam for applicant's 50% share of mortgaged property for loan amount Rs.28,10,000/-

5.2 It is seen that M/s. JSK Business Services Pvt, Ltd. has entered into lease as per the Lease Deed dated 09.10.2014 and also agreed to credit the lease rental amount into the Escrow Loan Account No.0777102000007580 vide letter dated 30.04.2016 opened by the 1st respondent bank. Further, the applicant and co-obligants had executed irrevocable Power of Attorney dated 30.04.2016 authorizing the 1st respondent bank to receive the lease rents and also executed Deed of Assignment of Rent receivables dated 30.04.2016.

5.3 Due to default in repayment made by applicant and lessee M/s. JSK Business Services Pvt, Ltd. failed to credit the rent into Escrow Loan account as per the undertaking dated 30.04.2016, the respondent bank has classified the loan account as NPA on 11.05.2019 and bank has issued the Recall notice dated 02.07.2019 calling upon to pay a sum of Rs.23,70,24,662.42/- within the period of 15 days from the date of receipt. The recall notice sent to applicant and other co-obligants through RPAD and evidently the applicant has received the notice as per the acknowledgement card produced at Page No.214 of respondent's counter.

5.4 The respondent bank has proceeded further and issued Section 13(2) Demand Notice dated 07.09.2019 calling upon the applicant and other co-obligants to pay the total outstanding amount due of Rs.23,70,24,662.42 within the period of 60 days and also referred to Section 13(13) and Section 13(8) of SARFAESI Act not to transfer the secured assets without prior consent of IDBI Bank and the redemption clause under Section 13(8). The Demand Notice was duly sent through RPAD, evidently received by the applicant and other co-obligants from the acknowledgment card produced at Page No.227 to 230 of respondent's counter.

5.5 Even after the receipt of Section 13(2) Demand Notice dated 07.09.2019, the applicant failed to discharge their entire liabilities nor made any representation to the demand made. Hence, the respondent bank has proceeded further and issued Section 13(4) Possession Notice dated 14.11.2019 which is sent through RPAD and admitedly received by the applicant and co-obligants as evident from the Acknowledgement cards produced at Page No.241 to 246 of 1st respondent's counter.

5.6 It is pertinent to note that the applicant has challenged the Section 14 order in TSA No.153 of 2022 before Hon'ble DRT II which came to be dismissed on 28.03.2023 by considering the issuance of Section 13(2) Demand Notice dated 07.09.2019, Section 13(4) Possession Notice dated 14.11.2019. Hence, the contention with regard to the classification of loan account as NPA, issuance of the statutory notices is not sustainable and barred by *Res Judicata* as TSA No.153 of 2022 attained its finality vide order dated 28.03.2023 before the Hon'ble DRT II. Further, it is pertinent to note that the challenge to any measures under Section 13(2) Demand Notice and Section 13(4) Possession notice is not challenged within the period of 45 days and the same is barred by limitation under Section 17(1) of the Act.

5.7 The respondent bank has proceeded further and issued multiple sale notices i.e., 28.04.2021, 09.12.2021, 07.02.2022, 03.03.2022, 05.03.2022, 23.01.2023, 27.01.2023, 26.06.2024, 04.10.2024, 23.10.2024, 12.11.2024 and the applicant has challenged the Sale notice date 28.04.2021 before this Tribunal in SA No.163 of 2021 and SA No.823 of 2025 challenging sale notice dated 15.11.2025 which came to be dismissed as infructuous for want of bidders. The respondent bank has issued another Sale notice dated 09.12.2025 scheduling the sale to be held on 30.12.2025 and the sale held on 30.12.2025 pursuant to Sale notice dated 09.12.2025 is challenged in the present SA. The Tribunal on 11.02.2026 took the matter on board and as the sale was already held and auction purchaser was already a party in the SA as 2nd respondent, the Tribunal directed to take emergent notice on R2-auction purchaser and the matter stood adjourned to 28.04.2026 for counter of R1, R2.

5.8 Aggrieved by the same, the applicant has invoked the writ jurisdiction and filed a W.P.No.8810 of 2026 and W.M.P.No.9477 of 2026 before the Hon'ble High Court of Madras seeking disposal of IA 291/2026 – a stay application. The Hon'ble High Court directed applicant to make the payment of Rs.25 crores within a period of four weeks and directed the 2nd respondent not to make any encumbrance on the schedule property for a period of 30 days. The order of Writ Petition is extracted hereunder:

(i) that the writ petitioner can approach the Debts Recovery Tribunal by filing a memo to this effect along with a copy of this order in the pending SARFAESI Application in S.A.No.83 of 2026 immediately where the intention of the petitioner can very well be stated to the Debts Recovery Tribunal that the petitioner would deposit Rs.25 Crores within a period of four weeks from the date of receipt of a copy of this order.

(ii) On receipt of such memo to be filed in this regard by the petitioner along with the copy of this order, it is open to the Debts Recovery Tribunal-III, Chennai to decide I.A.No.291 of 2026 immediately not waiting till the further date of hearing that has already been slated to be on 28.04.2026 after hearing the parties concerned, i.e., Bank as well as auction purchaser on merits and in accordance with law.

(iii) Till such time, i.e., within thirty days period as indicated hereinabove, no further encumbrance be made by the second respondent in respect of the property in question.

(iv) Beyond thirty days period, if the petitioner is not complied with the assurance that has been indicated hereinabove as recorded in this order within thirty days' time or if any further order on merits is passed by the Debts Recovery Tribunal as directed above, it is open to the second respondent / auction purchaser to meddle with the property in the manner known to law as per the right accrued on him.

5.9 Further, the 2nd respondent being the auction purchaser of the schedule property has filed SLP No.11918/2026 on 23.03.2026 before the Hon'ble Supreme Court, which stayed the Order of Hon'ble High Court of

Madras dated 05.03.2026 till the next date of hearing. The order of the Hon'ble Supreme court dated 02.04.2026 is extracted hereunder:

1. Issue notice, returnable four weeks.

2. Operation of the impugned order is stayed, till the next date of hearing.

3. At the same time, the petitioner shall maintain status quo as on today with regard to the property in question.

5.10 It is pertinent to note that the Hon'ble Supreme Court has stayed the order passed by Hon'ble High Court of Madras dated 05.03.2026, hence the Tribunal proceeded to hear on the IA No.291/2026 and main SA.

5.11 The applicant has challenged the sale held on 30.12.2025, firstly on the issue of under valuation and the respondent bank has produced the Valuation report dated 08.12.2025 obtained before issuing the Sale notice dated 09.12.2025 and the relevant portion of the Valuation report produced at Page No.297 to 320 of respondent's counter is extracted hereunder for better appreciation of facts:

Guideline value of land from Registrar's Office	Rs.13,000/-
Adopted rate of valuation	Rs.20,000/-
Actual value of Building	Rs.6,61,70,000/-
Value of Building as per plan	Rs.5,58,31,235.46/-
Actual Total value	Rs.29,33,90,000/-
Total Value as per Plan	Rs.28,30,51,235.46/-
Amenities, Miscellaneous, Services	NA

5.12 It is seen that the secured creditor has obtained a valuation from an approved valuer as required under Rule 8(5) of SIE Rule and the valuator has valued the secured asset based on the guideline value, considered the building on the property and there is no under valuation as contended by the applicant.

5.13 Further it is apt to note that the present Sale notice is issued after the failure of multiple sale notices and considering the attempts made by the bank to sell the property, the Authorized officer has fixed the reserve price considering the valuation report given by the valuator. On contrary, the applicant has produced the valuation report dated 30.01.2018 which is 6 years old pertaining to the year 2018, and the applicant has failed to produce any recent valuation report to support their contention. Further, contention that the respondent bank has violated Rule 8(5) of SIE Rules cannot sustain as a mere statement that the valuation is low cannot aid the applicant to set aside the sale. On the other hand, the respondent bank has issued the Sale notice dated 09.12.2025 after obtaining the valuation report dated 08.12.2025 as per Rule 8(5) of SIE Rules, and the secured creditor has fixed the Reserve price of the property at Rs.24,75,00,000/- and sold the property at Rs.24,80,00,000/- which is more than the reserve price.

5.14 The only contention of the applicant in challenging the SA is that the amenities were not considered by the respondent bank which is contrary to the submissions as the amenities were not hypothecated as secured asset favoring the respondent bank, the so-called amenities were handed over to

Ketoliciouz on 22.06.2022 as per the direction of Hon'ble DRT I in SA No.182 of 2021 for better adjudication, the order is extracted hereunder:

> *This is petition filed by the tenant challenging the Act of the bank in taking possession of the property in question. 2nd respondent is the landlord. R1 has taken possession of the property. The Ld. Counsel for the appellant submits that certain movables are lying in the schedule property. He wants the same be given to the custody of the appellant for which an IA is filed. List of movables be supplied to the bank again. In view of the consensus among the counsel present, the IA/555/2021 is disposed of by the following order.*
>
> *Order*
>
> *The appellant is permitted to remove his/its belongings from the property taken into the possession of the R1 bank consequent to the orders of Ld. CMM, Egmore dated 22.01.2021 in the presence of the landlord or its authorised representatives. The counsel among themselves will fix a day of their convenience so that the applicant recovers all such belongings found in the premises. An inventory be done and a copy of the same be furnished to this court. It is made clear that all the items that may be found would be on as is whereis basis and since the list is not filed along with the IA, there shall not be any grouse of the applicant on such inventory. Thus the IA stands disposed of. Put up this matter for compliance and further orders by 21.06.2022.*

5.15 As per the order of the Tribunal, the respondent bank has handed over the amenities to the lessee M/s. Ketoliciouz in presence of applicant's authorized person Mr. A. Ranganathan who was present during the handing over of the amenities as evident from the spot proceedings dated 22.06.2022 which is produced by the bank at Page No.322 of respondent's counter. The spot proceedings are also acknowledged by Mr. A. Ranganathan who is represented by Mr. Pranav Foundations Pvt. Ltd., The list of amenities is extracted hereunder:

1. Commercial oven
2. Microwave oven
3. Deep Freezer
4. Computer
5. Printer
6. UPS
7. Food Processor
8. Gas Cylinder
9. Commercial Banner
10. Kitchen Utensils
11. Washing Sink
12. Kitchen Stand
13. Work Table
14. Cutting Table
15. Chimney
16. Fire Extinguisher
17. Packaged Items
18. Hand Blender
19. Fan
20. Lights
21. Raw Materials

5.16 It is seen that the Mr. Basheer Ahamed had filed IA No.1072 and 1073/2023 in TSA No.111/2023 application filed by R3 to R7 to implead themselves as necessary parties as the bank had taken the physical possession of the property as per the order of Ld. CJM contending that the advocate commissioner has taken physical possession without serving notice on the tenants and the articles belongs to tenant were lying in the property, hence Mr. Basheer Ahamed sought Tribunal's permission to take back their amenities lying in the premises. The Tribunal had directed the respondent bank to handover the belongings within a period of two weeks and the order passed by the Hon'ble DRT II on 18.04.2023 is extracted as under:

> *Counsel for both sides present. IA vide SR.No 1072/2023 and 1073/2023 is an application filed by the R3 and R7 to implead themselves respondents in this SA.*
>
> *This SA is filed with a prayer to set aside the order of the Ld. CMM, Egmore dated 22.01.2021 made in Crl. M.P. No.7556 of 2020 in so far as it relates to taking possession of the property more fully described in schedule to the SA. Ld. Counsel for the applicant would contend that the 2nd respondent is the owner of the property and the applicant is a statutory tenant. It is submitted that the Advocate Commissioner has taken physical possession of the property without serving any notice on the tenant and therefore various items / articles belonging to the applicant are lying in the demised premises which belong to the borrower. The Ld. Counsel for the applicant submits that they are limiting their claim for a direction to the 1st Respondent for permitting the applicant to take back their articles lying in the premises.*
>
> *Ld. Counsel appearing on behalf of the 1st Respondent as well as the borrower would submit that the respondent bank has no objection for the applicant to remove its belongings.*
>
> *Having heard the Ld. Counsels appearing on behalf of the parties, this Tribunal is of the view that the applicant may be permitted to remove its belongings lying in the demised premises and therefore applicant is directed to approach the respondent bank for release of its belongings within a period of two st weeks from the date of receipt of copy of the order and upon such request the 1 Respondent Bank is directed to permit the applicant to remove its belongings lying the schedule property within a period of one week there from.*

At this juncture the Ld. Counsel for the bank expressed their willingness to permit the petitioners in IA SR.No 1072/2023 and 1073/2023 to take back their articles, said readiness is recorded. It is reported that bank will extend the facility granted to the applicant in the SA to the petitioners in IA SR.No 1072/2023 and 1073/2023 also. The said submission is also recorded.

In view of the foregoing, the application filed by the petitioners seeking to impleaded in the SA as additional respondent is rejected as only the challenge of the applicant regarding the action taken by the respondent can be considered in an application filed under Section 17 of the Act and the grievance of the petitioners seeking to be impleaded cannot be considered in this SA. Hence, IA SR.No 1072/2023 and 1073/2023 are dismissed as not maintainable.

No other points are raised by the Counsels and hence SA stands disposed of as above.

5.17 Subsequently, Mr. E. Basheer Ahmed vide letter dated 27.04.2023 requested the bank to take their amenities to which the respondent bank has replied vide letter dated 14.06.2023 by requesting all the parties to be present at the time of handing over the amenities to Mr. E. Basheer Ahamed & Ors. which is duly acknowledged by the applicant herein as per the acknowledgement cards produced at Page No.342 of respondent's counter. Thus, the amenities were duly handed over to Mr. E. Ayub Khan who is the representative of Mr. E. Basheer Ahamed & Ors which is also communicated to M/s. Pranav Foundations Pvt. Ltd.

5.18 It is seen from the sale notice dated 09.12.2025 under the heading of 'Known Encumbrances' had mentioned that there is attachment warrant by the Hon'ble High Court of Madras in E.P.No.85 of 2023 in C.S.No.27 of

2021 filed by Mr. Basheer Ahamed against M/s. Pranav Foundations Pvt. Ltd. Therefore, it is seen from the records that the applicant has aware of the amenities were handed over to M/s. Ketoliciouz on 22.06.2022 and Mr. E. Basheer Ahamed on 17.07.2023. Hence, the contention of the applicant with regard to the amenities were not considered by the respondent bank is not sustainable and fails.

5.19 After taking physical possession of the property and after the dismissal of TSA No.153/2022 on 28.03.2023 before the Hon'ble DRT II, the respondent bank has proceeded further in issuing the sale notice dated 09.12.2025 and sold the property on 30.12.2025 by giving clear 15 days' notice as required under the Rule 9(1) of SIE Rules. It is not disputed by the applicant that the respondent bank had issued multiple sale notices which was challenged by the applicant before this Tribunal and the sale did not materialize and same was dismissed as infructuous.

5.20 It is also pertinent to note that the respondent bank as secured creditor has intimated about the redemption clause available to the applicant herein under Section 13(8) in the Section 13(4) Possession Notice dated 14.11.2019 and the applicant having failed to redeem the property as required under the Section 13(8), now cannot challenge the sale with flimsy and untenable contentions.

5.21 It is also a matter on record that the auction purchaser also confirms that there were no amenities on the schedule property while taking physical possession of the property and he had participated in the auction and declared as successful bidder. The auction purchaser has obtained loan amount of Rs.18.00 crores from M/s. Kotak Mahindra Bank Ltd., and paying monthly EMI of Rs.21 lakhs per month.

5.22 Further, the auction purchaser paid entire sale consideration and the respondent bank has issued sale certificate dated 30.12.2025. Additionally, the auction purchaser has paid Rs.80,00,000/- towards the property tax to Greater Chennai Corporation and Rs. 11,45,366/- towards the Chennai Metro and Water Sewerage Tax and Rs.15,01,311/- towards electricity charges and Rs.87,59,616/- for clearing the entire premises and Rs.1,94,06,293/- for renovation of the building.

5.23 It is seen that the applicant had invoked the writ jurisdiction seeking for a direction for this Tribunal to dispose the IA No.291/2026. The applicant has filed IA No.291/2026 seeking to restrain the 2nd respondent from interfering or further alienating the property which is sold on 30.12.2025. It is contended that the respondent bank has not prepared inventory or panchnama in respect of valuable amenities such as lifts, centralized air-conditioning systems, fixtures, fittings, amenities, electrical installations and other infrastructure available in the marriage hall and commercial complex, in violation of Rules 4,6 and 7 of the SIE Rules.

5.24 The IA No.291/2026 was considered along with the main SA and the 2nd respondent who is the auction purchaser has paid the entire sale consideration amount, the applicant had invoked the writ jurisdiction expressed his willingness to show bonafides and willing to deposit more than the sale consideration amount and on the basis of voluntary submissions, the Hon'ble High Court of Madras has directed the applicant to make

Rs.25.00 crores within a period of four weeks recording the same the W.P.No.8810 of 2026 and W.M.P.No.9477 of 2026 came to be dismissed, directing the applicant to approach Hon'ble DRT by filing a memo. It is seen from the records that the applicant has failed to deposit Rs.25 crores as voluntarily submitted before the Hon'ble High Court of Madras.

5.25 The auction purchaser has invoked the Special Leave Petition in SLP.No.11918/2026 and the Hon'ble Supreme Court has granted a stay on order of the Hon'ble High Court till next date of hearing.

5.26 The present SA is filed challenging the sale held, the Tribunal has to adjudicate the measures taken by the respondent bank and based on the documents made available before this Tribunal, the secured creditor has established that the measures taken is as per the Act and Rules. Hence, the IA No.291/2026 for restraining the 2nd respondent would not survive accordingly, IA No.291/2026 stands dismissed.

5.27 On perusal of records of the case, it is seen that the respondent bank as a secured creditor has duly followed the procedures as mandated under the Acts and Rules, has classified the loan account as NPA on 11.05.2019 and issued Section 13(2) Demand Notice dated 07.09.2019 and Section 13(4) Possession Notice dated 14.11.2019. Further, the respondent bank has issued several sale notices which were unsuccessful for want of bidders, the bank has issued another sale notice dated 09.12.2025 and the auction sale was held on 30.12.2025 for sale consideration amount of Rs.24,80,00,000/-.

5.28 The auction purchaser has participated in the auction who has been declared as successful bidder and upon payment of entire sale consideration the respondent bank has issued the sale certificate to the 2nd respondent herein, the auction purchaser has paid Rs.80,00,000/- towards the property tax to Greater Chennai Corporation and Rs. 11,45,366/- towards the Chennai Metro and Water Sewerage Tax and Rs.15,01,311/- towards electricity charges and Rs.87,59,616/- for clearing the entire premises and Rs.1,94,06,293/- for renovation of the building.

5.29 Upon examination of the facts, pleadings and the documents produced by the respective parties, the Tribunal comes to inevitable conclusion that the respondent bank has secured creditor has initiated the measures under the Act and have established due compliance of the procedures as mandated under the Acts and Rules made there under, On the other hand the applicant has failed to point out any illegality in the measures taken by the respondent bank in conducting the auction sale on 30.12.2025. The Tribunal concludes that the auction sale held on 30.12.2025 is in accordance with the Act and Rules made thereunder and the sale certificate dated 08.01.2026 in favor of the 2nd respondent is held as valid certificate issued in accordance with the Act. For the foregoing reasons the present SA is only to be dismissed.

6. Resultantly the present SA is dismissed. Interim Order granted, if any stands vacated, pending IAs are disposed of in terms of this final order. No order as to cost.

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 09th day of July, 2026)

ANNEXURES

LIST OF DOCUMENTS PRODUCED BY THE APPLICANT

Sl. No.	Description of Documents	Documents No.
1.	Sanction Letter issued by Respondent Bank for Rs. 13,10,00,000/- & Rs.9,17,00,000/- dated 08.09.2014	A-1
2.	Memorandum of Deposit of Title Deeds registered as Doc. No.4596/2014 dated 24.09.2014	A-2
3.	Sanction letter for Term loan against Rent Receivables for Rs.15,00,00,000/- dated 29.04.2016	A-3
4.	Letter from the Applicant to M/s. JSK Business Services Pvt. Ltd along with undertaking given to the bank dated 30.04.2016	A-4
5.	Memorandum of Deposit of Title Deeds dated 02.05.2016	A-5
6.	Valuation report of SBI authorised valuer dated 30.01.2018	A-6
7.	Recall notice issued by respondent bank dated 02.07.2019	A-7
8.	Memorandum of Deposit of Title Deeds dated 30.08.2019	A-8
9.	Demand Notice under Section 13(2) of SARFAESI Act dated 07.09.2019	A-9

10.	Possession Notice issued under Rule 8(1) dated 14.11.2019	A-10
11.	First Sale notice issued under Rule 8(6) dated 19.04.2021	A-11
12.	Order of this Hon'ble Tribunal in SA No.163 of 2021 dated 24.11.2021	A-12
13.	Sale notice dated 09.12.2021	A-13
14.	OTS rejection letter issued by the bank dated 07.02.2022	A-14
15.	Sale notice dated 03.03.2022	A-15
16.	Sale notice dated 05.03.2022	A-16
17.	Sale notice dated 23.01.2023	A-17
18.	Sale notice dated 27.01.2023	A-18
19.	Sale notice dated 20.06.2024	A-19
20.	OTS rejection letter issued by bank dated 30.09.2024	A-20
21.	Sale notice dated 04.10.2024	A-21
22.	Sale notice dated 23.10.2024	A-22
23.	Sale notice dated 12.11.2024	A-23
24.	OTS rejection letter issued by bank dated 18.11.2024	A-24
25.	Judgment of Hon'ble High Court in T.O.S.No.06 of 2012 dated 29.04.2024	A-25
26.	Order in SA No.823 of 2025 dated 09.12.2025	A-26
27.	Original Sale notice issued by respondent bank dated 09.12.2025	A-27
28.	Sale certificate issued in favour of the 2nd respondent dated 08.01.2026.	A-28

LIST OF DOCUMENTS PRODUCED BY THE 1st RESPONDENT

Sl. No.	Description of Documents	Documents No.
	LOAN RELATED DOCUMENTS	
1.	Sanction letter of the three mortgage loans dated 15.09.2014, 08.09.2014, and 29.04.2016	R-1
2.	Memorandum of Deposit of Title Deeds with Doc.No.4596 of 2014 dated 24.09.2014	R-2
3.	Demand Promissory Note for a sum of Rs.15,00,00,000/- dated 30.04.2016	R-3
4.	Lease Deed between applicant borrower and M/s. JSK Business Services Pvt, Ltd. dated 09.10.2014	R-4
5.	Letter by way of irrevocable instruction for deduction of EMI issued by the applicant borrower through its authorized signatory	R-5

	addressed to M/s. JSK Business Services Pvt, Ltd. dated 30.04.2016	
6.	Power of Attorney executed by applicant borrower through its authorized signatory and other co-obligants dated 30.04.2016	R-6
7.	Deed of assignment of rent receivables executed by applicant borrower and co-obligants dated 30.04.2016	R-7
8.	Memorandum of deposit of title deeds with Doc.No.2162 of 2016 dated 02.05.2016	R-8
9.	Owner – Joint Development agreement dated 28.01.2012	R-9
10.	Sale deed registered as Doc.No.1951 of 2017 in favour of the applicant borrower dated 09.03.2017	R-10
11.	Memorandum of deposit of title deeds with Doc.No.5111 of 2019 dated 30.08.2019	R-11
12.	Undertaking from JSK Business Services Pvt, Ltd. to pay rent/license cum service charges to the Loan account of the borrowers addressed to the respondent no.1 bank dated 30.04.2016	R-12
13.	Loan recall notice dated 02.07.2019	R-13
SARFAESI RELATED DOCUMENTS		
14.	Copy of the demand notice issued under Section 13(2) along with postal receipts, tracking report along with acknowledgement cards dated 07.09.2019	R-14
15.	Copy of the possession notice issued under Section 13(4) along with acknowledgement cards dated 14.11.2019	R-15
16.	Publication of Possession notice in English and Tamil Newspapers dated 14.11.2019	R-16
17.	Copy of the affixture of Possession notice dated 14.11.2019	R-17
18.	Order in Crl.M.P.No.7556 of 2020 passed by Ld. CMM, Egmore dated 22.01.2021	R-18
19.	Order in TSA No.153 of 2022 before the Hon'ble DRT II, Chennai dated 28.03.2023	R-19
20.	Sale notice along with postal receipts, acknowledgement cards and returned postal cover dated 09.12.2025	R-20
21.	Publication of Sale notice in English and Tamil Newspapers dated 10.12.2025	R-21
22.	Sale confirmation letter to respondent no.2 dated 30.12.2025	R-22
23.	Sale certificate was issued to the respondent no.2 dated 08.01.2026	R-23

24.	Intimation letter issued by respondent no.1 to the applicant borrower and co-obligants dated 07.02.2026	R-24
25.	Order of the Hon'ble Madras High Court in W.P.No.8810 of 2026 dated 05.02.2026	R-25
26.	Order of the Hon'ble Supreme Court of India in SLP (C) No.11918/2026 J.M. Amanullah Vs. M/s. Pranav Foundations Pvt, Ltd. & Another dated 02.04.2026	R-26
27.	Online case status of the Hon'ble Supreme Court of India in SLP (C) No.11918/2026 J.M. Amanullah Vs. M/s. Pranav Foundations Pvt, Ltd. & Another	R-27
28.	Valuation reports from an empanelled valuer of the bank dated 08.12.2025	R-28
29.	Order dated 11.05.2022 in SA No.182 of 2021 Keoleciouz Pvt, Ltd. Vs. IDBI Bank Ltd. before the Hon'ble DRT – I Chennai	R-29
30.	Spot proceedings along with authorisation letters of the applicant borrower and Ketoleciouz Pvt. Ltd. and letter to the IDBI Bank Ltd. on the inventory of the movable properties belonging to Ketoleciouz Pvt, Ltd. dated 22.06.2022	R-30
31.	Order in TSA No.111 of 2023 Ketoleciouz Pvt. Ltd. Vs. IDBI Bank Ltd. before the Hon'ble DRT II Chennai dated 18.04.2023	R-31
32.	Letter issued by E. Basheer Ahmed and Ors. to respondent no.1 bank dated 27.04.2023	R-32
33.	Letter issued by respondent no.1 bank to various parties along with Postal receipts, Acknowledgement cards dated 14.06.2023	R-33
34.	Letter issued by E. Ayub Khan to respondent no.1 bank dated 17.07.2023	R-34
35.	Letter issued by the respondent no.1 bank to the applicant borrower dated 20.07.2023	R-35
36.	Communications on the OTS between applicant borrower and respondent no.1 bank on various dates.	R-36
37.	Power of Attorney of the authorized signatory of the respondent no.1 bank dated 04.09.2023.	R-37

LIST OF DOCUMENTS PRODUCED BY 2nd THE RESPONDENT

Sl. No.	Description of Documents	Document No.
1.	Sale notice issued by 1st respondent dated 09.12.2025	R-1

2.	Payment of Rs.39,97,208/- dated 29.12.2025	R-2
3.	Payment of Rs.3,72,42,916/- dated 30.12.2025	R-3
4.	Payment of Rs.6,48,65,022/- dated 08.01.2026	R-4
5.	Payment of Rs.24,80,000 to the Income Tax Department dated 08.01.2026	R-5
6.	Sale certificate issued by the 1st respondent bank dated 08.01.2026	R-6
7.	Order made in W.P.No.8810 of 2026 dated 05.03.2026	R-7
8.	Order in SLP No.11918 of 2026 dated 02.04.2026	R-8
9.	Series of Property tax receipts dated 08.01.2026 and 31.01.2026	R-9
10.	Water tax receipt dated 30.01.2026	R-10
11.	Series of electricity charges receipt dated 23.01.2026 to 17.04.2026	R-11
12.	Photographs	R-12

SCHEDULE OF PROPERTY

All that piece and parcel of land measuring 11361 Sq. ft, stilt floor measuring 6500 Sq. ft., First Floor measuring 65OO Sq. ft, Second Floor measuring 6500 Sq. ft, Third Floor measuring 6500 Sq. ft, Fourth Floor measuring 6500 Sq. ft and Fifth Floor temporary shed measuring 6500 Sq. ft, thereon bearing new door no.58,59,60, Old door no. 13/5,13/6,13/7 in "JERMIAH ROAD', Vepery, Chennai- 600 007, (Formerly No.10, Church Road), comprised in O.S.No. 1475, R.S.No.897, Corresponding R.S.No.897 in Block No.l7 of Purasawalkam Village, Purasawalkam-Perambur Taluk, Chennai District, within the limits of corporation of Chennai and bounded on the

North by: Land in R.S.No.892

South by: Vepery Division

East by: Property Land in R.S.No.898,

West by: Property Land in R.S.No.895 and 896.

In all measuring 11361 Sq.ft of land and building thereon, with all amenities like EB Connection, water and Sewerage Connections, situated within the Registration District of Central Chennai and the sub-Registration District of Purasawalkam together with all Buildings and structure to the earth of Permanently fastened to anything attached to the earth both Present and future.

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