IN THE DEBTS RECOVERY TRIBUNAL-III, CHENNAI

Dated this the 20th day of July, 2026

Present: SMT. S.V. GOWRAMMA
Presiding Officer

SA No. 74 of 2024

1. Mr. D. Duraiswamy,
   S/o Mr. Damodharan,
   Flat No.8, Old Door No.6,
   New Door No.6,
   Haribabu Street, Rangaraja Puram,
   Chennai – 600 024.

2. Mrs. D. Anbazhagi,
   D/o Samykannu Gounder Rajangam,
   Flat No.8, Old Door No.6,
   New Door No.6,
   Haribabu Street, Rangaraja Puram,
   Chennai – 600 024.

…Applicants

-Vs-

The Authorised Officer,
IIFL Home Finance Limited,
No.1, Office No.3E, 3rd floor, Kencas Tower,
Above Croma Showroom,
North Usman Road, Ramakrishna Street,
T. Nagar, Chennai – 600 017.

…Respondent

Counsels on record / appeared:

Counsel for Applicant	:	Ms. V. Balasubramani
Counsel for Respondent	:	Mrs. G. Jeremiah

ORDER ON SA 74 /2024

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 applicants are the borrowers who filed the present SA challenging the Possession Notice dated 29.01.2024 that the respondent bank has issued Demand Notice dated 28.10.2021 without any particulars of the transaction of loan accounts. After, the issuance of the Demand notice the applicants have made payment of Rs.3.00 lakhs as EMI in the month of January.

3. The respondent bank has issued possession notice dated 18.01.2024 and issued another possession notice dated 29.01.2024 without withdrawing earlier notice. In the grounds, it is contended that respondent bank has issued two possession notices and symbolic possession of the property was taken on two different dates i.e., 18.01.2024, 29.01.2024 which is in violation of SARFAESI Act. The possession notices dated 18.01.2024 and 29.01.2024 are not in accordance with Rule 8(1) of SIE Rule which does not contain boundaries of the secured asset.

4. The description of the property is wrongly mentioned as "Flat No.8 as apartment" instead of "Plot No.8 as Individual house" which is in violation of Rule 8(1) of SIE Rules. The respondent bank has issued the possession notice in Chennai and failed to mention the address of Chennai office in Possession notice. Further, the date of possession notice published in Newspaper differs with date of possession notice affixed on the property.

The branch office of the Chennai address is mentioned in the publication of possession notice and failed to mention in affixture of the possession notice.

5. The possession notices issued by the respondent bank is not as per Appendix IV which is in violation of Rule 8(1) of SIE Rules. Further, the possession notice was not served on the applicants as per Rule 8(1) and failed to comply Rule 8(2) of SIE Rules and also failed to describe the secured asset in possession notices dated 18.01.2024, 29.01.2024. The respondent bank has failed to serve Section 13(2) Demand notice dated 28.10.2021.

6. The description of the 2nd applicant was wrongly mentioned as “S/o” instead of daughter “D/o” and failed to mention the partnership or proprietorship concern of “DDS Super Market”, further there is no “DDS Super Market” situated at Flat No.8, Door No.6, Haribabu Street, Rangarajapuram, Chennai and it is only a residential house. Hence, the respondent bank has issued notices to wrong address.

7. Further, the respondent bank has mentioned the names of the parties two times and failed to classify the type of loan accounts, date of disbursement of loan, loan agreement of borrower. The applicants have deposited the title deeds in favor of the respondent bank and the bank has failed to describe the mortgagor who has secured the property.

8. The respondent bank has received the EMI during January 2024 and without considering the repayment has issued the possession notice dated

29.01.2024. Hence, the applicants on these grounds prays to set aside the possession notice dated 29.01.2024.

9. The respondent bank has filed a detailed counter and submits that applicants have availed Rs.1,32,00,000/-, Rs.40,60,319/-, Rs.28,66,000/-, Rs.1,17,844/-, Rs.6,00,000/- vide loan Account/ Prospect No.709635, 827316, 938748, 941335 & 956851 which has to be paid in monthly instalments. The applicants have also executed MODT dated 28.02.2014 vide Doc.No.799 of 2014 and due to the default in monthly repayments, the respondent bank has classified the loan account as NPA on 04.10.2021. Further, the bank has issued Section 13(2) Demand Notice dated 28.10.2021.

10. Further, the bank has issued Section 13(2) Demand Notice dated 28.10.2021 to discharge their liabilities within a period of 60 days which was duly served on the applicants. The respondent bank has issued Section 13(4) Possession Notice dated 29.01.2024 and published the same in two Newspapers, "The New Indian Express" (English) and another in "Dinamani" (Tamil) both dated on 01.04.2014 (sic, 01.02.2024). The respondent bank has countered the allegations and averments raised by the applicants para wise and ground wise.

11. The respondent bank submits that there is no possession notice dated 18.01.2023 (sic, 18.01.2024) issued by the respondent bank and the typographical errors in demand notice will not cause any dispute to the applicants herein. Further, the applicants failed to liquidate the entire

liability even after several opportunities given by the bank. Hence the respondent bank prays for dismissal of the present SA.

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

12. It is discernible from the records that the applicants are the borrowers who have credit facilities of Rs.1,32,00,000/-, Rs.40,60,319/-, Rs.28,66,000/-, Rs.1,17,844/-, Rs.6,00,000/- vide loan Account/ Prospect No.709635, 827316, 938748, 941335 & 956851. To secured the repayments of the credit facilities, the applicants have created equitable mortgage by way of Memorandum of Deposit of Title Deeds dated 28.02.2014 vide Doc.No.799 of 2014.

13. The respondent bank has duly registered the security interest before the central registry and also produced CERSAI report dated 10.04.2024 produced at Page No.8 of respondent's counter. Due to default in the repayments, the respondent bank has classified the loan account as NPA on 04.10.2021 as per Section 2(o) of SARFAESI Act. After, classifying the loan account as NPA, the respondent bank has issued Section 13(2) Demand Notice dated 28.10.2021 which is duly sent through RPAD.

14. The applicants have duly received the Section 13(2) Demand Notice dated 28.10.2021 as per the postal receipts and postal track report produced at Page No.16 to 21 of respondent's counter. Even after the receipt of Demand notice, the applicants have failed to discharge their entire liabilities nor made any objections to the demand made by the respondent bank within a period of 60 days.

15. Further, the respondent bank has issued Section 13(4) Possession Notice dated 29.01.2024 to the applicants herein which is challenged in the present SA.

16. The challenge to the Possession notice dated 29.01.2024 is, **firstly** that the respondent bank has issued two possession notices and the schedule of property is not clearly described as per Rule 8(1). On perusal of the documents produced by the applicants, it is seen that the respondent bank has issued two Possession Notices under Section 13(4) dated 18.01.2024, 29.01.2024 and there is no clear description of the schedule property and the property described as per Section 13(4) Possession Notice is extracted hereunder:

> *<u>Description of property as per Possession Notices dated 18.01.2024, 29.01.2024:</u>*
>
> *All that piece and parcel of: Flat No.8, admeasuring 2299 sq.ft., Old Door No.6, New Door No.6, Haribabu Street, Rangaraja Puram, Chennai, Pincode: 600 024.*

17. The respondent bank has failed to mention the boundaries of the secured asset in the impugned Possession Notice dated 29.01.2024 which is in violation of Appendix IV of Rule 8(1) of SIE rules and the same is extracted hereunder for better adjudication,

> *Rule 8(1):*
>
> *Where the secured asset is an immovable property, the authorized officer shall take or cause to be taken possession, by delivering a*

possession notice prepared as nearly as possible in Appendix-IV to those rules, to the borrower and by affixing the possession notice on the outer door or at such conspicuous place of the property.

Appendix IV

…Description of the immovable property

All that part and parcel of the property consisting of Flat No. …… / Plot No. …… In Survey No. …… / City or Town Survey No. …… / Khasra No. ……… within the registration sub-district …… and District ……

Bounded:

On the North by

On the South by

On the East by

On the West by

18. Further, it is seen that the property as described in the CERSAI Report dated 10.04.2024 is "*Old No.6, New No.6, Plot No.8…*" which is in contrary to the description of the property in impugned Section 13(4) Possession Notice dated 29.01.2024 is "*Flat No.8, admeasuring 2299 Sq.ft., Old Door No.6, New Door No.6…*"

19. Hence, the description of the property as described in the Possession notice dated 29.01.2024 is in violation of the Appendix IV of Rule 8(1) of SIE Rules and the identification of the property as per documents i.e., Section 13(4) Possession notice cannot be ascertained, on this ground the present SA is only to be allowed.

20. For the foregoing reasons, the impugned Section 13(4) Possession Notice dated 29.01.2024 is set aside.

21. Resultantly, the present SA is allowed, Interim order of status quo granted on 07.02.2024 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 20th day of July, 2026)

ANNEXURES

LIST OF DOCUMENTS PRODUCED BY THE APPLICANT

Sl. No.	Description of Documents	Document No.
1.	Copy of 13(2) Demand Notice dated 28.10.2021	A-1
2.	Possession Notice – Affixed by defendant dated 18.01.2024	A-2
3.	Copy of letter from defendant – affixed dated 29.01.2024	A-3
4.	Possession notice – affixed by defendant dated 29.01.2024	A-4
5.	Possession notice – publication dated 01.02.2024	A-5

LIST OF DOCUMENTS PRODUCED BY THE RESPONDENTS

Sl. No.	Description of Documents	Document No.
1.	Copy of CERSAI Certificate dated 10.04.2024	R-1

Uploaded in E-Drt on 20.07.2026 at 11:15 a.m.

2.	Copy of 13(2) Notice under SARFAESI Act along with postal receipts and Acknowledgement card dated 28.10.2021	R-2
3.	Copy of 13(4) Notice under SARFAEI Act along with postal receipts and Track consignment India Post dated 29.01.2024	R-3
4.	Copy of Paper publication (English – The New Indian Express) dated 01.02.2024	R-4
5.	Copy of Paper publication (Tamil – Dinamani) dated 01.02.2024	R-5
6.	Copy of Affixture	R-6
7.	Copy of Statement of Accounts	R-7
8.	Copy of Respondent's Authorized Representative	R-8

SCHEDULE OF PROPERTY

All that piece and parcel of Flat No.8, admeasuring 2299 sq.ft., Old Door No.6, New Door No.6, Haribabu Street, Rangarajapuram, Chennai – 600 024.

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