IN THE SUPREME COURT OF INDIA
CIVIL APPELLATE JURISDICTION

CIVIL APPEAL NO. _____ OF 2026
[SPECIAL LEAVE PETITION (C) NO. 2336/2026]

UNION BANK OF INDIA **Appellant (s)**

VERSUS

ARROW BUSINESS DEVELOPMENT CONSULTANTS PVT LTD & ORS. **Respondent(s)**

with

CIVIL APPEAL NO. _____ OF 2026
[SPECIAL LEAVE PETITION (C) NO. 3677/2026]

O R D E R

1. **Leave granted.**

2. These appeals by Union Bank of India and M/s Arrow Business Development Consultants Pvt. Ltd. (the Auction Purchaser) are against the Judgment and Order passed by the High Court of Judicature at Bombay in Writ Petition No. 11132 of 2025 dated 10.12.2025.

3. The Auction Purchaser filed a writ petition before the High Court for a direction that pursuant to the auction held on 30.05.2025, wherein it was declared as the successful bidder, the entire sale consideration was deposited and even the sale certificate was issued on 20.06.2025, and therefore a writ order or direction for grant of possession was sought.

4. The High Court by the order impugned before us, dismissed the Writ Petition on the ground that the auction followed by the issuance of the Sale Certificate are both hit by the imposition and operation of moratorium in the insolvency proceedings initiated under Section 96 of the Insolvency and Bankruptcy Code, 2016 [in short, "the Code"]. The relevant portion of the judgment of the High Court is as follows:-

> **"33. Considering the analysis of the judicial precedents cited hereinabove to the facts at hand in the present Writ Petition, the position that emerges is summarized hereunder:**
>
> > **33(a) The transfer of ownership of the secured asset in case of a statutory sale under SARFAESI takes place upon the issuance of the sale certificate. The amendment to Section 13(8) does not alter this position. It merely advances the date of extinguishment of the right of redemption available to a borrower.**
> >
> > **33(b) The loss of the right of redemption does not tantamount to the loss of ownership rights. In other words, the extinguishment of the right of redemption will not affect ownership rights in the secured asset.**
> >
> > **33(c) The sale conducted under the provisions of the SARFAESI Act in the present case does not stand completed since, during the intervening period viz. from the date of confirmation of sale on 30th May 2025 till the issuance of sale certificate on 20th June 2025, the interim-moratorium imposed under Section 96 of the IBC on 9th June 2025, stayed all proceedings in respect of any debt of the borrowers.**
> >
> > **33(d) In view of the imposition of the interim-moratorium under Section 96 of**

> the IBC, payments of the balance six tranches from sr. nos. (iii) to (viii) as set out in paragraph 4(h) above could not have been accepted by Respondent No. 1/Bank from the Petitioner.
>
> 33(e) Resultantly, the Petitioner is not the owner of the secured asset and therefore, not entitled to possession of the same."

5. Union Bank of India and Auction Purchaser are in appeals before this Court.

6. Heard Mr. P.B. Suresh and Mr. Narender Hooda learned senior counsels, and Mr. Anshuman, AOR, appearing for the parties.

7. It is submitted without much contest, that the auction was conducted and concluded on 30.05.2025, in which M/s Arrow Business Development Consultants Pvt. Ltd. became the successful auction purchaser. We are also informed that the sale was confirmed on the very same day. However, the petition under Section 94 of the Code was filed before the Adjudicating Authority (AA) only on 09.06.2025. This petition under Section 94 is said to have been kept pending without being numbered for some time and in the meanwhile, the bank proceeded to issue the sale certificate to the auction purchaser on 20.06.2025.

8. It is only after the conclusion of the above-referred incidents that the Section 94 Petition under the Code was taken up, and the AA by its order dated 07.08.2025, issued notices on the said application.

There are also subsequent developments. Section 94 petition was taken up for hearing and by its order dated 02.06.2026, the AA dismissed the proceedings.

9. Having considered the matter in detail, we are of the opinion that the proceedings initiated under Section 94 of the Code, which came to be dismissed by the AA on 02.06.2026, had no effect on the conduct and conclusion of the auction dated 30.05.2025. We are also of the opinion that there is no impediment in the grant of possession to the auction purchaser - M/s Arrow Business Development Consultants Pvt. Ltd., as the sale certificate has already been issued on 20.06.2025.

10. In view of the above, these appeals are allowed, and the judgment and order passed by the High Court in Writ Petition No. 11132 of 2025 dated 10.12.2025 is set-aside. There shall be a further direction to the Bank to hand over possession of the auctioned property to the Auction Purchaser pursuant to the Sale Certificate dated 20.06.2025.

11. We are informed that the respondent(s) have filed an appeal against the order dated 02.06.2026 before the NCLAT. If that be so, the appeal will be decided on its own merits, uninfluenced by the observations made in these civil appeals.

12. The civil appeals stand allowed, with the above directions.

13. Pending interlocutory application(s), if any, is/are disposed of.

……J.
[PAMIDIGHANTAM SRI NARASIMHA]

……...J.
[ALOK ARADHE]

NEW DELHI;
OCTOBER 14, 2026.

ITEM NO.22 COURT NO.4 SECTION IX

S U P R E M E C O U R T O F I N D I A
RECORD OF PROCEEDINGS

Petition(s) for Special Leave to Appeal (C) No(s). 2336/2026

[Arising out of impugned final judgment and order dated 10-12-2025 in WP No. 11132/2025 passed by the High Court of Judicature at Bombay]

UNION BANK OF INDIA Petitioner(s)

VERSUS

ARROW BUSINESS DEVELOPMENT CONSULTANTS PVT LTD & ORS. Respondent(s)

IA No. 103970/2026 - CLARIFICATION/DIRECTION
IA No. 11841/2026 - EXEMPTION FROM FILING C/C OF THE IMPUGNED JUDGMENT

WITH

SLP(C) No. 3677/2026 (IX)
IA No. 26437/2026 - EXEMPTION FROM FILING C/C OF THE IMPUGNED JUDGMENT

Date : 14-10-2026 These matters were called on for hearing today.

CORAM : HON'BLE MR. JUSTICE PAMIDIGHANTAM SRI NARASIMHA
HON'BLE MR. JUSTICE ALOK ARADHE

For Petitioner(s) : Mr. Anshuman- 2914, AOR
Mr. Narender Hooda, Sr. Adv.
Ms. Jayshree Satpute, Adv.
Mr. Anshuman, Adv.
Ms. Damini Chawla, Adv.
Mr. Manoj Prasad, Adv.

Mr. P. B. Suresh, Sr. Adv.
Mr. O. P. Gaggar- 1044, AOR
Mr. Sachindra Karn, Adv.

For Respondent(s) : Mr. Kailas Bajirao Autade- 2645, AOR

Mr. Sanjay Kharde, Sr. Adv.
Mr. Aniruddha Deshmukh, Adv.
Mr. Gajendra Rajput, Adv.
Mr. Satyajeet Kharde, Adv.
Mr. Sunny Jadhav, Adv.
Mr. Arun Longani, Adv.

Mr. Sunil Kumar Verma- 1530, AOR

UPON hearing the counsel the Court made the following

O R D E R

1. Leave granted.

2. The civil appeals are allowed in terms of the signed order.

3. Pending interlocutory application(s), if any, is/are disposed of.

(JAYANT KUMAR ARORA) **(NIDHI WASON)**
ASTT. REGISTRAR-cum-PS **ASSISTANT REGISTRAR**

(Signed order is placed on the file)