IN THE DEBTS RECOVERY TRIBUNAL-III, CHENNAI

Dated this the 15th day of July, 2026

Present: SMT. S.V. GOWRAMMA
Presiding Officer
IA.No.1044/2026 & IA.No.1045/2026
In
SA. No. 334 of 2026

M.S. Rajeswari, (Guarantor)
W/o. Mr. Meenakshi Sundaram
Plot No.6, Kamarajar Street,
Mumoorthy Avenue,
Kaspapuram Selaiyur
Chennai - 600073. ….Applicant

-Vs-

1. The Authorized Officer,
M/s. Indian Overseas Bank,
MCC Campus Branch,
295, Velachery Main Road,
Tambaram East,
Chennai - 600 059.

2. J. Sironmani
No.54/39, Nadar North Street
Moongiladi, Kalakkadu,
Tirunelveli District -627501. ….Respondents

<u>Counsels on record / appeared:</u>

Counsel for Applicant : M/s. S. Mariselvam, S. Srinivasan, K. Balamurugan, M.S. Mahalakshmi.

Counsel for respondent : M/s. V. Rajeswari, JA. Duke Melvin Ebinesar, U.M. Anandhkumar.

<u>ORDER ON IA.No.1044/2026 & IA.No.1045/2026</u>
<u>In SA 334/2026</u>

1. 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 09.10.2024 pursuant to E-Auction Sale Notice dated 10.09.2024 and the outstanding amount due as per Sale Notice is Rs.15,44,354.82/-. Admittedly there is a delay in challenging the sale held and applicant had filed IA.No.1044/2026 for condonation of delay of 56 days in filing the SA. IA No. 1045/2026 is a petition to condone the delay of 26 days in representing the SA.

<u>Brief Averments of IA.No.1044/2026 filed for delay</u>

3. The Applicant had availed Education Loan for her son, Mr. P. Balamurugan a sum of Rs.10 Lakhs vide Loan Account No. 019103950900004 from the 1st respondent bank.

3.1 The present SA is filed challenging the sale held on 09.10.2024, pursuant to the sale notice dated 10.09.2024, and the consequent sale certificate issued in favour of the 2nd respondent and registered before the Sub-Registrar Office, Tambaram, Joint-I by the 3rd respondent, as Document No. 292/2025 dated 20.01.2025, in respect of property situated at M.A.V. Mummurthy Avenue, Kaspapuram, Selaiyur, Chennai – 600073, comprised in Survey No. 3/10 (part), Patta No. 209, and as per the patta, New Sub-Division Survey No. 3/10A3.

3.2 It is contended that out of the sanctioned amount, the Bank disbursed only Rs.7,20,600/-, made up of Rs.2,50,000/- on 26.03.2009 and

Rs.4,70,600/- on 23.02.2010 and the loan was repayable in Equated Monthly Instalments, starting from 31.03.2015.

3.3 The applicant is the guarantor, her husband Mr. Meenakshisundaram is the co-borrower, Mr. P. Balamurugan is the borrower. Though the repayment schedule starts from 31.03.2015, the Applicant and the co-borrowers has paid a total sum of Rs.8,31,875/- from 26.03.2012 to 28.04.2017.

3.4 However, the 1st Respondent Bank classified the loan account as a NPA on 31.03.2018, subsequently the 1st respondent issued Demand Notice dated 18.09.2020 under the SARFAESI Act to the borrower, co-borrower, and the Applicant, calling upon them to discharge the outstanding liability of Rs.9,63,668.72/- within 60 days from the date of the notice. Thereafter, the 1st Respondent Bank issued Auction Sale Notice dated 08.07.2022 which is challenged in S.A. No. 349/2022 before this Tribunal, this Hon'ble Tribunal, on dated 16.11.2022, was passed order to set aside the sale notice dated 08.07.2022.

3.5 Due to consecutive deaths in applicant's family, and health issues, the applicant was residing in Chennai at friend's house, was unable to provide the communication address.

3.6 The 1st Respondent Bank obtained an order dated 30.05.2025 under S.14, of the SARFAESI Act in C.M.P. No. 1296/2025 from the Hon'ble CJM, Chengalpattu which came to the knowledge of the applicant only on 30.07.2025, when a notice for vacating and handing over possession was affixed at the premises. Since, applicant was residing in another place, the notice was photographed by a neighbour house, shockingly, the vacate notice did not mention the date of issuance, and the contents also did not specify the date of possession.

3.7 Aggrieved by the order of the Ld. CJM in C.M.P. No. 1296/2025, applicant filed S.A. No. 576/2025 was filed, which is pending before this Tribunal. The applicant was not aware of the issuance of the sale certificate in favour of the 2nd Respondent herein, which came to applicants knowledge only when the 1st Respondent Bank filed its counter S.A. No. 576/2025. The applicant came to know that the 1st respondent bank and had already sold the property by issuing a sale notice dated 05.09.2024 and had further issued a sale certificate dated 09.10.2024.

3.8 It is contended that the 1st Respondent Bank issued a sale notice dated 05.09.2024 to the address and, thereafter, in alleged fraud and collusion with the 2nd Respondent, Mrs. J. Sironmani, residing at No. 54/39, Nadar North Street, Moongiladi, Kalakadu, Tirunelveli District, sold the property and issued a Sale Certificate dated 20.01.2025.

3.9 It is seen that the same has already been raised by the applicant in Pages.6, 7, 8, and 9. It is contended that W.P. No. 44335/2025 was filed before the Hon'ble High Court, Chennai, challenging the sale certificate. The Hon'ble High Court has disposed of the writ petition on 20.11.2025.

3.10 It is submitted that complaint has against the Respondents before the Chief Vigilance Officer; IOB Head office at Chennai, and the same has been registered as Vigilance Dept/C/208/Complaint/OTH/70/2025. Since the complaint is pending before the CVO against the respondents and necessary to maintain status -co regarding the occupation and possession of property.

3.11 It is further submitted that the impugned sale certificate which came to the knowledge of the applicant only on 06.09.2025. The 1st respondent filed their counter before this Tribunal in S.A.No.576/2025 was issued and registered on 20.01.2025. Hence, there is a delay of 56 days in filing the application and prays to condone the same.

<u>Brief Averments of IA.No.4045/2026 filed for delay in representation</u>

4. The applicant has filed S.A. No. 576 of 2025 and is the guarantor of Education Loan. The present application is being filed before this Tribunal challenging the Sale Certificate issued in favour of the 2nd Respondent and registered before the Sub-Registrar Office, Tambaram.

4.1 It is submitted that the sale notice published on 10.09.2024 in daily newspaper “New Indian Express” for sale of secured asset, which came to the knowledge of the applicant only on 06.09.2025, when the 1st respondent filed their counter before this Tribunal in SA.No.576/2025 (which is filed challenging the Sec.14 Order). Hence, there was delay of 56 days in filing the present SA and further, the application could not represented within the prescribed time, resulting in a further delay of 26 days in representation.

<u>Objections of the respondent bank:</u>

5. The 1st Respondent Bank has filed its counter affidavit contending that the present SA has been filed seeking to declare the Sale Certificate issued on 20.01.2025, registered as Document No. 292/2025 in the office of the Sub-Registrar, Joint-I, Tambaram, in favour of the 2nd Respondent, is illegal and without jurisdiction. Consequently, the Applicant seeks to quash the same and restore possession of the property, and direct the Bank to accept an OTS in respect of the Education Loan.

5.1 The sale of the property was conducted on 09.10.2024 pursuant to the Sale Notice dated 05.09.2024, and the Sale Certificate was issued on 20.01.2025. The present SA has been filed after 10 months from the date of issuance of the Sale Certificate.

5.2 The Respondent Bank sent a letter dated 17.01.2025 to the Applicant after the sale of the secured asset. However, the letter was returned undelivered with the endorsement "No such person". It is submitted that the Respondent Bank had informed the applicant several times during telephonic conversations, and the allegation that applicant came to know about the Sale Certificate only from the Counter Affidavit filed by the Respondent is false.

5.3 Even as per the Applicant's in Para 4 it is evident, the applicant gained knowledge of the Sale Certificate on 06.09.2025 when the bank provided a copy of the Counter Affidavit in SA No. 576 of 2025, in which the order of the CJM is sought to be set aside. However, the present SA has been filed only on 16.12.2025, with a delay of 55 days. Hence, the present SA is barred by limitation.

5.4 It is contended that this Hon’ble Tribunal, in a judgment dated 26.03.2026 in TSA No. 489 of 2023 - Darshan Commrade Private Limited & Others –Vs- Authorised Officer, Karur Vysya Bank, after relying on several judgments of various Courts has held delay in filing the SA cannot be condoned. Further, the Hon’ble Supreme Court in a recent judgment “The Property Company Private Limited –Vs- Rohinitan Dady Mazda” B - Civil Appeal No. 92 of 2026 has held and, therefore, cannot condone the delay beyond the prescribed period under the Special Act. Hence, the 1st respondent bank prays for dismissal of the SA.

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

6. It is manifest from the records that two IAs has been filed for seeking condonation of a delay of 56 days in filing the SA challenging the sale held on 09.10.2024, and delay of 26 days in representing SA. No. 334 of 2026. The applicant is the mortgagor and guarantor, her husband Mr. Meenakshisundaram is the co-borrower, Mr. P. Balamurugan is the borrower has mortgaged the property as collateral security towards the credit facilities.

6.1 The present SA filed on 16.12.2025 challenging the sale held on 09.10.2024 and sale certificate was registered on 20.01.2025, which accordingly to the applicant, came to the knowledge of the applicant only on 06.09.2025 when the 1st respondent filed counter before this Tribunal in SA.576.2025. Hence there was delay of 56 days in filing the present SA and further delay of 26 days in representation.

6.2 The contention of the applicant that the delay in filing the present SA challenging the sale is attributed to the knowledge the applicant got when the bank filed the counter in SA.576.2025 on 08.09.2025. Further, the death of the family members as relied by the applicant's death of sister is on 03.08.2023, death of husband is on 30.03.2024 and death of the brother is on 02.05.2024. However by mere the death of the family members could not come to the aid of the applicant, as the applicant had already challenged the Sec.14 order in SA.576.2025 being fully aware that each measures have to be challenged within the period of 45 days from the date of the measure.

6.3 In the instant matter the bank vide letter dated 17.01.2025 has also intimated about the sale of the property to the applicant. The bank has issued the sale notice dated 05.09.2024 which was sent by RPAD returned undelivered with an endorsement "no such person". The further contention of the applicant that the applicant was residing in friends address would also not support the case as the applicant does not communicated the change of address or change of residence to the respondent bank or even to the postal authorizes for redirecting the postal which is addressed to the applicant.

6.4 As the applicant was fully aware of the auction conducted by the respondent bank on 09.10.2024 pursuant to the sale notice dated 05.09.2024 and the letter communication dated 17.01.2025 intimating the applicant about the sale of the secured assert is evident from the records. In the affidavit filed for the condonation of delay of 56 days in filing the SA the applicant has raised contentions with regard to classification of the account as NPA and challenge to the sec.14 order in SA.576.2025 and the challenge the sale notice dated 08.07.2022 in SA.349.2022.

6.5 Thus it is evident that the applicant is fully aware that each measures has to be challenged u/s.17(1) within a period of 45 days. However, the applicant has not challenged the sale notice dated 10.09.2024 within the period of 45 days and admittedly there is delay of 56 days.

6.6 Now, considering the delay application, the Tribunal is posed with the question whether the Tribunal can condone the delay under S.17 of the SARFAESI Act?

For appreciation of the facts S.17(1) is extracted as under: -

S.17(1):

> ***Application against measures to recover secured debts*** *(1) Any person (including borrower), aggrieved by any of the measures referred to in sub-section (4) of section 13 taken by the secured creditor or his authorized officer under this Chapter, [may make an application along with such fee, as may be prescribed,] to the Debts*

Recovery Tribunal having jurisdiction in the matter within forty-five days from the date on which such measures had been taken:

[Provided that different fees may be prescribed for making the application by the borrower and the person other than the borrower.]

[Explanation.- For the removal of doubts, it is hereby declared that the communication of the reasons to the borrower by the secured creditor for not having accepted his representation or objection or the likely action of the secured creditor at the stage of communication of reasons to the borrower shall not entitle the person (including borrower) to make an application to the Debts Recovery Tribunal under this sub-section(1) of section.17.]

6.7 A reading of the above provision it is palpable that there is no provision made by the Parliament for condonation of delay in approaching the DRT against the measures, no matter whatever be the cause and howsoever justifiable it may sound. Unless power to condone delay is legislatively granted expressly or by inference, the Tribunal cannot condone delay. It is the indication of Parliament that one who wants to have redressal must knock the doors of DRT within 45 days and subsequently those doors should permanently stand closed. In other words, law does not come to the aid of those who are sleepy & late.

6.8 Thus, it is clear that any person aggrieved by any measures under Section 13[4] is required to approach the Tribunal under S.17 within 45 days from the date of the measure. Evidently, the present SA challenging the Sale notice dated 10.09.2024, fixing the sale on 09.10.2024 is not filed within the period of 45 days and the same is filed with a delay of 56 days.

6.9 This view of the Tribunal is confirmed by the judgement of the Hon'ble Supreme Court in the case titled ***Bank of Baroda – Vs.- Parasaadilal Tursiram Sheetgrah Pvt. Ltd, reported in 2022 Livelaw (SC) 671***, at para 12, observed that a time limit of 45 days for filing an application under Section 17 of SARFAESI Act is provided for quick enforcement of the security is as under:

> "***The reason for providing a time limit of 45 days for filing an application under Section 17 can easily be inferred from the purpose and object of the enactment. In Transcore v. Union of India and Anr. this Court held that the SARFAESI Act is enacted for quick enforcement of the security. It is unfortunate that proceedings where a property that has been brought to sale and third-party rights created under the provisions of the Act, have remained inconclusive even after a decade."***

6.10 The Tribunal is of the view that DRT has no power to condone delay in an application under S.17 of the Act, as it is a special law for speedy recovery of money due to bank in enforcing the security available to them is reinforced at para 65 of the judgement of the Hon'ble Supreme Court in ***Celir LLP Vs. Bafna Motors [Mumbai][P] Ltd.,*** reported in [2024] 2 SCC 1 at para 65 which is reproduced here under:

> *"The SARFAESI Act is a special law containing an overriding clause in comparison to any other law in force. The SARFAESI Act is a special law of recovery with a paradigm shift that*

permits expeditions recovery for the banks and the financial institutions without intervention of Courts. If the general law is allowed to govern in the manner as sought to be argued by the borrowers, it will defeat the very object and purpose…."

6.11 Additionally in the instant matter the applicants have failed to make a case to condone each day's delay by producing the medical records in support of their case without any justifiable reasons. However, the delay cannot be condoned on equitable grounds and in support of its view, the reliance is placed on the Judgement of Hon'ble Supreme Court in the case titled **Lingeswaran Vs. Thirunagalingam** where it is observed that an application for condonation of delay has to be dismissed, if it is found that the delay is not properly explained and that the period of limitation cannot be extended on equitable ground. Otherwise, it would be giving a premium to a person who fails to explain the delay and who is guilty of delay and laches. The court also observed *"The Court has no power to extend the period of limitation on equitable grounds. The statutory provision may cause hardship or inconvenience to a particular party but the Court has no choice but to enforce it giving full effect to the same.*

6.12 The Tribunal also places reliance on the judgement of the ***Hon'ble High Court of Karnataka at Bengaluru*** in the case of ***Kailasam P – Vs.- The Karnataka Bank Limited, Rep. by its Authorised Officer*** in ***Writ Petition No.11273 of 2024 (GM-DRT)*** has held that:

"law of Limitation fixes upon a particular period within which a party is entitled to institute legal proceedings and if he fails to do so, ordinarily the cause of action dies subject to just all exceptions. Law of Limitation is statute of repose. True it is that any welfare State like ours is bound in good faith to furnish its citizens all needful legal remedy however it is not bound to keep its Courts and Tribunals open ad infinitum. If an aggrieved person neglects or refuses to apply for redress within the prescribed period of limitation, his claim is lost in the lapse of time."

6.13 In fact the provisions of the Act and Rules framed thereunder cast an obligation upon the secured creditor for strict compliance of the SARFAESI Act and the Rules made thereunder. Each measure is to be followed meticulously giving a time frame to proceed further. Firstly, the measures can be initiated after the account is classified as NPA, then issuance of statutory notice ie., demand notice demanding outstanding due to be repaid within 60 days.

6.14 The secured creditor must wait for completion of 60 days and then proceeds further under S.13[4] possession notice which is challengeable within a period of 45 days. Similarly, the Order of CJM or DM is also to be challenged within 45 days. In other words, ample opportunity is granted by the Act for an aggrieved person to invoke his right of appeal under S.17 of the Act within a period of 45 days from the date of measure. The provisions of the Act and the Rules made thereunder puts the borrower/guarantor/mortgagor notices in advance before taking measures under Section 13(4) of the Act read with Rule 8 and 9, giving the aggrieved person ample of time and opportunities to assail measure within a period of 45 days.

6.15 Thus, the provisions of the Act and Rules ensures that the borrowers have advance notice of the proposed measure to be taken by the secured creditor. The judgement of the Hon'ble Supreme Court in ***Bank of Baroda – Vs.- Parasaadilal Tursiram Sheetgrah Pvt. Ltd*** has given a quietus to the conundrum which existed until that time on the power of the DRT to condone the delay in filing an SA after the statutory period of 45 days provided under Section 17(1) of the SARFEASI Act.

6.16 The Tribunal also places reliance on Order dated 27.06.2023 passed Antony Samy Vs. State Bank Of India in MA [SA]32/2021 by the Hon'ble DRAT Chennai has held that the statutory period of 45 days in challenging the measures cannot be condoned. The further reliance of the judgment dated 13.06.2025 passed by Hon'ble DRAT Chennai Smt M Subathra Vs. State Bank Of India in MA.[SA] 31/2022,wherein it is held that if an application under S.5 of Limitation Act is entertained in an application filed under S17 of SARFAESI Act,2002, it would derail the very purpose of the SAFAESI Act.

6.17 Even as per the applicant in para 4, it is evident that she gained knowledge about the Sale Certificate on 06.09.2025, when the respondent bank provided a copy of the counter in SA.No.576 of 2025 (Which is filed challenging the Sec.14 order).

6.18 The applicant has not approached the Tribunal with clean hands, and the present SA has been filed only to stall the recovery proceedings of the bank. The present SA lacks merits and is liable to be dismissed.

6.19 For the foregoing reasons, the present IA.No.1044/2026 filed for delay and IA.No.1045/2026 filed for delay in representation, also stands dismissed. Consequently SA stands 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 (Suriya), transcribed by him, corrected, signed and pronounced by me on this the 15th day of July, 2026)*

ANNEXURES

LIST OF DOCUMENTS PRODUCED BY THE APPLICANT

Sl. No.	Description of Documents	Documents No.
1.	Demand Notice dated 18.09.2020.	A-1
2.	Possession Notice dated 24.05.2022.	A-2
3.	Sale Notice dated 08.07.2022.	A-3
4.	Public Notice dated 08.07.2022.	A-4
5.	E-Auction Notice dated 08.07.2022.	A-5
6.	Copy of the Application filed in SA.349.2022.	A-6
7.	Adjudication order for set-aside the sale notice and its proceeding by DRT-III dated 16.11.2022.	A-7
8.	Death Certificate of Sister's Husband dated 03.08.2023.	A-8
9.	Death Certificate of the Husband of the petitioner (co-borrower) dated 30.03.2024.	A-9
10.	Death Certificate of brother of the petitioner dated 02.05.2024.	A-10
11.	Public Sale Notice dated 10.09.2024.	A-11
12.	Copy of the Sale Certificate dated 20.01.2025.	A-12

13.	Copy of the CJM order in CMP.1296/2025 dated 30.05.2025.	A-13
14.	Vacate Notice (with clean copy) dated 30.07.2025.	A-14
15.	Copy of the application in SA.No.576/2025 pending before DRT III dated 12.08.2025.	A-15
16.	Intimation letter to Authorized Officer & Receipt dated 25.08.2025.	A-16
17.	Intimation letter to Commissioner of Police dated 25.08.2025.	A-17
18.	Intimation letter to Inspector of Police dated 25.08.2025.	A-18
19.	Intimation letter to RDO dated 25.08.2025.	A-19
20.	Receipts for intimation letter dated 26.08.2025.	A-20
21.	Counter filed by 1st respondent bank in SA.No.576/2025 dated 06.09.2025.	A-21
22.	Letter to 1st respondent bank dated 18.09.2025.	A-22
23.	Representation to Commissioner of police dated 16.10.2025.	A-23
24.	Representation to District Collector dated 16.10.2025.	A-24
25.	Receipts for representations dated 16.10.2025	A-25
26.	Valuation Report dated 23.10.2025.	A-26
27.	Complaint lodged against the respondents before Chief Vigilance Officer-IOB dated 10.11.2025.	A-27
28.	Letter from CVO-IOB for confirming the complaint dated 15.11.2025.	A-28
29.	Reply to CVO-IOB in letter for confirming complaint dated 20.11.2025.	A-29
30.	Order copy in W.P.No.44335/2025 dated 20.11.2025.	A-30
31.	Statement of Accounts of the petitioner.	A-31

LIST OF DOCUMENTS PRODUCED BY THE RESPONDNET

Sl. No.	Description of Documents	Documents No.
1.	Counter Affidavit filed by the respondent bank on Maintainability dated 24.04.2026.	R-1
2.	Letter sent by the respondent bank to the applicant and other with returned covers dated 17.01.2025.	R-2

SCHEDULE OF PROPERTY

All that piece and parcel of the house site with building bearing Plot No.6B, measuring an extent of 1.515 square feet and old building thereon for about 500 square feet, including all its amenities, electricity service connection in Kamarajar Street, in the approved layout, known as M.A.V.Mummuthy Avenue, Kaspapuram, Selaiyur, Chennai-600126, compriesd in S.No.3/10 part, patta No.209 as per patta new sub-division Survey No.3/10A3, situated at Kaspapuram village, Tambaram Taluk, Chengalpattu District.

Land bounded on the
North By : 48 Feet: Northern Portion of Plot No.6 in the name of Mrs. Umamaheswari
South By: 53 Feet: Plot No.7
East by :30 Feet: 30 feet Layout Road
West By: 30 Feet : Plot No.5

Situated within the registration District of Chengalpattu and sub registration district of Tambaram, Chennai.

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