

2025 LiveLaw (SC) 997

IN THE SUPREME COURT OF INDIA
CIVIL APPELLATE JURISDICTION
SANJAY KUMAR; J., ALOK ARADHE; J.
OCTOBER 07, 2025

CIVIL APPEAL NO. OF 2025 (arising out of SLP (C) No. 21255/2025)

INDIAN OVERSEAS BANK *versus* M/S RADHEY INFRA SOLUTIONS (PVT.) LTD. & ORS.

Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (SARFAESI ACT) - Section 17(5) - Expeditious Disposal of Securitisation Application (S.A.) - Time Limit – Held, any application made under sub-section (1) of Section 17 of the SARFAESI Act must be dealt with by the Debts Recovery Tribunal (DRT) as expeditiously as possible and disposed of within sixty days from the date of such application - The DRT may extend the sixty-day period for reasons to be recorded in writing, provided that the total period of pendency of the application with the DRT shall not exceed four months from the date of making of such application - Once the statute itself mandates that the DRT should dispose of the matter within the stipulated time, it is incumbent upon the DRT to abide thereby - In the event the DRT fails to dispose of the matter within the stipulated time, the proviso to Section 17(5) ordains that reasons need to be recorded.

[Arising out of impugned final judgment and order dated 17-07-2025 in WPMS No. 2121/2025 passed by the High Court of Uttarakhand at Nainital]

For Petitioner(s) Mr. Rohit Kumar Singh, AOR Ms. Alka Marwala, Adv. Ms. Swati Sood, Adv. Ms. Payal Golimar, Adv. Mr. Shivam Sharma, Adv. Mr. Akash Kumar, Adv. Mr. Mahender Rathour, Adv. Mr. Anshuman Gupta, Adv.

ORDER

Leave granted.

We are of the opinion that notice need not be issued to the respondents in this appeal in the light of the order that we propose to pass, which is strictly in keeping with the statutory mandate and no more.

The grievance of the appellant, Indian Overseas Bank, is that the Debts Recovery Tribunal¹, Dehradun, is not deciding Securitisation Application No. 264 of 2024 filed by M/s. Radhey Infra Solutions (Pvt.) Ltd., respondent No. 1, expeditiously. The complaint made in this regard by the appellant, Indian Overseas Bank, before the High Court failed to evoke a positive response, as the High Court merely took note of the statutory provision and observed that it would not be proper to issue a direction in the light thereof. Liberty was, however, given to the appellant to show the relevant provision to the DRT, Dehradun.

We are informed that even after the passing of the aforesaid order in July, 2025, the matter has not been decided by the DRT, Dehradun, till date.

We may only take note of Section 17(5) of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002², which reads as under:

xxx xxx xxx

(5) Any application made under sub-section (1) shall be dealt with by the Debts Recovery Tribunal as expeditiously as possible and disposed of within sixty days from the date of such application:

¹ For short "DRT"

² For short, "SARFAESI Act"

Provided that the Debts Recovery Tribunal may, from time to time, extend the said period for reasons to be recorded in writing, so, however, that the total period of pendency of the application with the Debts Recovery Tribunal, shall not exceed four months from the date of making of such application made under sub-section(1).

xxx xxx xxx

Once the statute itself mandates that the DRT should dispose of the matter within the stipulated time, it is incumbent upon the DRT, Dehradun, to abide thereby. Further, in the event it fails to do so, the *proviso* to Section 17(5) ordains that reasons need to be recorded. We find from the orders passed by the DRT, Dehradun, that this statutory direction has also not been respected.

We, accordingly, dispose of the appeal directing the DRT, Dehradun, to take note of the statutory mandate under Section 17(5) of the SARFAESI Act and act accordingly without further delay.

Pending application(s), if any, shall stand disposed of.

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