

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF FINANCIAL SERVICES
LOK SABHA
UNSTARRED QUESTION NO.3629

TO BE ANSWERED ON Monday, August, 8, 2022/ Sravana 17, 1944 (Saka)

Re-sealing of Property by Banks

3629. SHRI GOPAL CHINNAYA SHETTY:

Will the Minister of FINANCE be pleased to state:

- (a) whether there is any provision to re-seal the property already auctioned by the nationalized banks;
- (b) if so, the details thereof;
- (c) whether the cases of re-sealing of properties already auctioned by nationalized banks particularly Union Bank of India and State Bank of India have come to light in Mumbai; and
- (d) if so, the details thereof?

ANSWER

The Minister of State in the Ministry of Finance
(Dr. Bhagwat Karad)

(a) and (b) A property can be attached in accordance with the provisions of Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest (SARFAESI) Act, 2002 and the Recovery of Debts and Bankruptcy (RDB) Act, 1993. There is no mention of the term re-sealing of property in either of the two aforesaid Acts.

(c) and (d) A dispute between the Union Bank of India and the Bank of India regarding who has a prior right over the secured asset has come to the notice of the Central Government. DRAT Mumbai in Appeal Number 42 of 2019 has passed an order dated 5th July, 2022 directing the Recovery Officer, Debts Recovery Tribunal II, Mumbai to dispose of the matter after hearing Bank of India and Union Bank of India.
