IN THE HIGH COURT OF JHARKHAND AT RANCHI
W.P.(C) No. 4270 of 2026

Jharkhand Gramin Bank, a Banking Institution constituted and formed under the provisions of the Regional Rural Banks Act, 1976 (sponsored by the State Bank of India), having its Head Office at 3rd Floor, Zila Parishad Market Complex, Kutchery Road, Ranchi 834001, and having one of its Branch Office Stressed Asset Resolution Branch (SARB) at Zila Parishad Market Complex, 4th Floor, Kutchery Road, Ranchi, Jharkhand 834001, being represented through its authorised signatory being Mr. Ramcharan Prasad Rajak S/o Late Maho Ram, the Chief Manager of the SARB, Jharkhand Gramin Bank, PO GPO, PS Lalpur, Ranchi.

… … **Petitioner**

Versus

1. State of Jharkhand through the Secretary, Department of Personel, Administrative Reforms & Rajbhasa, Government of Jharkhand, Project Building, PO + PS Dhurwa, Ranchi.
2. The District Collector-cum-District Magistrate, Deoghar, Office of the District Collector, Deoghar, PO & PS Deoghar, District Deoghar 814112.
3. M/s Satguru Enterprise (Borrower) through its Proprietor, Mr. Hira Nand Jha, Mouza Bandha Baidnathpur, PO B. Deoghar, PS Deoghar, Distt Deoghar 814112.
4. Smt. Rita Jha (Guarantor), W/o Mr. Hira Nand Jha, House No.98, Ward No.27, At Param PrakashaNand Jha Road, PO B. Deoghar, PS Deoghar Town Police Station, Bilasi Town, Deoghar, Jharkhand Pin 814112.
5. Mrs. Rina Ray (Guarantor), W/o Mr. Abhimanyu Kumar Ray, At Gram 52 Bigha, Madhupur, PO Margomunda Police Station, P.S. Margomunda Police Station, Dist. Deoghar, Jharkhand 815353.

… … **Respondents**

WITH
W.P.(C) No. 4307 of 2026

Canara Bank, represented through its Authorised Officer, Specialised A.R.M. Branch, being Mr. Keshava Ranjan, aged about 37 years son of Kamlesh Kumar Choudhary, both having their Office at “Canara Bank”, ARMB Branch, Pee Pee Compound, PO GPO & PS Lower Bazar, District Ranchi.

… … **Petitioner**

Versus

1. State of Jharkhand
2. District Magistrate cum Dy. Commissioner, Dhanbad having its Office at Collectoriate, PO & PS Dhanbad, District Dhanbad.
3. Sweta Sharma, wife of Vikash Sharma, resident of 114 Lal Bazar, Jharia, Near Shyam Mandir, Jharia, Dhanbad, PO & PS Dhanbad, District Dhanbad.
4. Vikash Sharma son of Prem Kumar Sharma, resident of Mahto Market Baliapur, Dhanbad, P.O. & P.S. Baliapur, District Dhanbad.

… … **Respondents**

WITH
W.P.(C) No. 4385 of 2026

UCO Bank, a body corporate constituted under the Banking Companies (Acquisition and transfer of Undertaking) Act, 1970 having its Head Office at 8th Floor, 10 B.T.M. Sarani, Kolkata 700001 and Branches, interalia, at Jugsalai, PO & PS Jugsalai, Jamshedpur District : East Singhbhum, PIN 831006, acting through its Branch Manager, Richa, W/o Sri Gautam Kumar, B/o UCO Bank, Jugsalai Branch, Station Road, PO + PS Jugsalai, Jamshedpur, Dist East Singhbhum, Jharkhand 831006.

… … **Petitioner**

Versus

1. The State of Jharkhand, through the Principal Secretary, Home Department, Government of Jharkhand, Project Building, Dhurwa, Ranchi 834004.
2. The Chief Judicial Magistrate, Jamshedpur, PO + PS Sakchi, District East Singhbhum, Jharkhand.
3. Mr. Amit Kumar son of Ajit Kumar, resident of LBSM Road, Ghagidih, Harharguttu, PO & PS Bagbera, Jamshedpur 831002, District East Singhbhum.
4. Mrs. Sangita Kumari wife of Amit Kumar, resident of LBSM Road, Ghagidih, Harharguttu, PO & PS Bagbera, Jamshedpur 831002, District East Singhbhum.

… … **Respondents**

WITH
W.P.(C) No. 4388 of 2026

Jana Small Finance Bank Limited, a Company incorporated under the Companies Act, 1956 and having obtained Banking License from the Reserve Bank of India and governed under the Banking Regulation Act, 1949, having its Registered Office at the Fairway Business Park 10/1, 11/2 and 12/2B Off Domlur, Koramangala Inner Ring Road, Next to Embassay Golf Links, Challaghatta, PO - Koramangala VI Block, PS - HAL, District - Bangalore, Karnataka 560071 and its Branch Office at Jana Small Finance Bank Ltd., Galaxia Mall, Ratu Road, PO - Hehal, PS - Sukhdeonagar, District Ranchi, Jharkhand 834005, through its Authorized Officer Mr. Neeraj Kumar son of Ram Pravesh Tiwari, resident of Parahuti, PO - Akhtiarpur, PS - Kargahar, District - Rohtas, Bihar 821108.

… … **Petitioner**

Versus

1. The State of Jharkhand through the Deputy Commissioner cum District Magistrate, Dhanbad, having his Office at Collectorate Building, Near Head Post Office, PO - Dhanbad Head Post Office, PS - Dhanbad Police Station, District - Dhanbad, Jharkhand 826001.
2. The Deputy Commissioner cum District Magistrate, Dhanbad, having Office at Collectorate Building, Near Head Post Office, PO - Dhanbad Head Post Office, PS - Dhanbad Police Station, District - Dhanbad, Jharkhand 826001.
3. M/s Atish Saree Repairing Shop a proprietorship concern of Mr. Atish Chandra Shaw, at Niche Bazar, Nirsa Cum Chirkunda, PO & PS - Chirkunda, District - Dhanbad, Jharkhand 828202.

4. Mrs. Shashi Sevi wife of Atish Chandra Shaw, resident of Niche Bazar, Nirsa Cum Chirkunda, PO & PS - Chirkunda, District - Dhanbad, Jharkhand 828202.

… … Respondents

WITH

W.P.(C) No. 4476 of 2026

Canara Bank, represented through its Authorised Officer, Specialised A.R.M. Branch, being Mr. Keshava Ranjan, son of Kamlesh Kumar Choudhary, both having their Office at "Canara Bank", ARMB Branch, Pee Pee Compound, P.O. GPO & P.S. Lower Bazar, District : Ranchi.

… … Petitioner

Versus

1. State of Jharkhand
2. District Magistrate cum Dy. Commissioner, Dhanbad having its Office at Collectoriate, PO & PS Dhanbad, District Dhanbad.
3. Rakesh Kumar, son of Om Prakash, resident of Flat No.5C, Fifth Floor, Shanti Apartment, Kusumvihar, BCCL Township, PO & PS Dhanbad, District Dhanbad.

… … Respondents

WITH

W.P.(C) No. 4666 of 2026

HDFC Bank Limited, a company incorporated under the Companies Act, 1956, carrying on banking business under License Granted by Reserve Bank of India and registered under Banking Regulation Act, 1949, having its Registered Office at HDFC Bank House, Senapati Bapat Marg, Lower Parel (West) P.O. Delisle Road, P.S.- Dadar, Mumbai 400013, represented through its duly authorised representative Shubham Jaiswal, S/o Late Ramesh Jaiswal, at present working for gain as "Legal Manager" at HDFC Bank Ltd., having one of its branches situated amongst other places at HDFC Bank Limited, Department for special operations, Jardine House, 1st Floor, 4, Clive Row, PO GPO, PS Hare Street, District Kolkata (West Bengal) 700001.

… … Petitioner

Versus

1. The State of Jharkhand
2. District Magistrate cum Dy. Commissioner, Dumka New Collectorate Building, Dumka, PO, PS & District Dumka.
3. M/s Ranju Automobiles Pvt. Ltd. A Pvt. Ltd. Company through one of its Director Basudeo Mishra, having its Registered Office at Vinay Vatika, Bye Lane, Ranchi Road, PO & PS Purlia, District Purlia (West Bengal) 723101 and one of its branch office situated at Western Avenue, Naya More, Bokaro Steel City, PO & PS Bokaro Steel City, District Bokaro, Jharkhand 827001.
4. Basudeo Mishra, S/o Sukhendu Shekhar Mishra, resident of House No.91, Main Road Chas, PO & PS Chas, District Bokaro, Jharkhand 827013.
5. Mr. Nitesh Kumar Mishra, S/o Late B.P. Mishra, resident of House No.C-23, Ashiyana C Block, Near Durga Mandir, Engineers Enclave, Chira PO & PS Chas, District Bokaro, Jharkhand 827013.

WITH
W.P.(C) No. 4723 of 2026

HDFC Bank Limited, a company incorporated under the Companies Act, 1956, carrying on banking business under License Granted by Reserve Bank of India and registered under Banking Regulation Act, 1949, having its Registered Office at HDFC Bank House, Senapati Bapat Marg, Lower Parel (West), Mumbai 400013, represented through its duly authorised representative Shubham Jaiswal, S/o Late Ramesh Jaiswal, at present working for gain as "Legal Manager" at HDFC Bank Ltd., having one of its branches situated amongst other places at HDFC Bank Limited, Department for special operations, Jardine House, 1st Floor, 4, Clive Row, PO GPO, PS Hare Street, District Kolkata (West Bengal) 700001.

… … **Petitioner**

Versus

1. The State of Jharkhand
2. District Magistrate cum Dy. Commissioner, Dumka New Collectorate Building, Dumka, PO, PS & District Dumka.
3. M/s Basuki Steel Pvt. Ltd., a private ltd. Company, through its director Mr. Pradeep Kumar Kalbalia, having its registered Office at Room No.4N, Fourth Floor, Perfect Business Centre, 36 G.C. Avenue, Kolkata West Bengal, Pin 700013 and having one of its Branch Office amongst other places at Basuki Kutir, Near Jain Ice Factory, Main Road, Chas, PO & PS Chas, District Bokaro (Jharkhand) 827013.
4. Pradip Kumar Kalbalia, S/o R.S. Kalbalia, Resident of Basuki Kutir, Near Jain Ice Factory, Main Road, Chas, PO & PS Chas, District Bokaro, Jharkhand 827013.
5. Anita Devi Kalbalia, D/o Gulab Chandra Tibrewal, resident of Basuki Kutir, Near Jain Ice Factory, Main Road, Chas, PO & PS Chas, District Bokaro, Jharkhand 827013.
6. Prateek Kalbalia, S/o Pradeep Kumar Kalbalia, resident of Basuki Kutir, Near Jain Ice Factory Main Road, Chas, PO & PS Chas, District Bokaro, Jharkhand 827013.
7. Axis Bank Ltd. A company incorporated under Companies Act, 1956, carrying on banking business under license granted by Reserve Bank of India and registered under Banking Regulation Act, 1949, having its registered office at "Trishul" 3rd Floor, Opposite Samartheswar Temple, Near Law Garden, Ellisbridge, Ahmedabad 380006, through its Managing Director and one of its Branch Office amongst other places at Axis Bank Ltd., SME East Geography Kolkata 1, Shakespear Sarani, 3rd Floor, SME Department, AC Market, PO & PS Shakespear Sarani, District Kolkata, West Bengal 700017.

… … **Respondents**

WITH
W.P.(C) No. 4735 of 2026

Yashoda Hospital & Research Centre Ltd a company registered under the Companies Act, 2013 and having its registered office at Kf 09, Kavi Nagar, PO & PS Ghaziabad, Ghaziabad represented through its Authorised

Signatory Rajesh Kumar Pandey S/o Krishna Kumar Pandey, R/o Vill Jagadevpur, Janaupur, PO & PS Janaupur, Ballia 277123.

… … **Petitioner**

Versus

1. The Authorised Officer, Indian Bank (Allahabad) SAM Branch, Ranchi, having its Office at Paras Complex, Third Floor, Lalpur, Chowk, Circular Road, PO and PS - Lalpur, Town and District - Ranchi.
2. Deputy Commissioner-cum-District Magistrate, Deoghar, having his office at Deputy Commissioner's Office, PO, PS and District Deoghar, Jharkhand 814112.
3. Superintendent of Police, Deoghar, having his Office at Police Office, PO, PS and District - Deoghar, Jharkhand 814112.

… … **Respondents**

CORAM : SRI ANANDA SEN, J.

For the Petitioners : Mr. Indrajit Sinha, Advocate
Ms. Shreya Shukla, Advocate
[in WP(C) No. 4735 of 2026]
Mr. P.A.S. Pati, Advocate
[in WP(C) No. 4307 of 2026 & WP(C) No. 4476 of 2026]
Mr. Neelanjan Chatterjee, Advocate
Mr. Ajit Kumar, Advocate
[in WP(C) No. 4385 of 2026]
Mr. Akchansh Kishore, Advocate
Mr. Sanchit Sinha, Advocate
[in WP(C) No. 4388 of 2026]
Mr. Ashish Jha, Advocate
[in WP(C) No. 4666 of 2026 & WP(C) No. 4723 of 2026]

For the Respondents: Mr. Rohitashya Roy, Advocate General
Mr. Vibhor Mayank, AC to AG
Ms. Omiya Anusha, AC to AAG-IA
Mr. Ankit Kumar, AC to SC-I
Mr. Shubham Mishra, AC to SC (Mines) II
Ms. Apoorva Singh, AC to SC (Mines) II
Mr. Baibhav Gahlaut,
[for State respondents]
Ms. Amrita Sinha, Advocate
Ms. Shweta Suman, Advocate
Ms. Pragunee Kashyap, Advocate
[For Respondent No.1 in WP(C) No.4735 of 2026]

O R D E R

RESERVED ON 08.07.2026 **PRONOUNCED ON: 15.07.2026**

In all these batch of writ petitions, only prayer made by the respective writ petitioners is that their applications under Section 14 of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (hereinafter referred to as "the SARFAESI Act"), which each of the writ petitioners have filed, are pending before the respective authorities, who are supposed to dispose of the same, be directed to dispose of such applications, as expeditiously as possible as those applications are pending since long.

2. It is their grievance that the petitioners being financial institutions are entitled to take possession of the secured assets of the borrowers for which they had sought assistance from the District Magistrate or Chief Judicial Magistrates, but their applications are kept pending much beyond the statutory period, which is creating hindrance in taking possession of the property, which in turn is creating hurdle in recovery.

3. Since at the stage of Section 14 of the SARFAESI Act, there is no role of borrowers and they are not the necessary party, there is no necessity of issuing notice to them.

4 The petitioners herein are the financial institutions and are the secured creditors in respect of the property, which were mortgaged with them.

5. In all the cases, facts are admitted. It is not necessary to give details of all the mortgages and the outstanding amounts etc., considering the limited prayer, which the petitioners have made by filing these writ petitions.

6. Admittedly, the assets of the borrowers are mortgaged with these financial institutions and the respective borrowers are in default. As the borrowers are in default, the financial institutions, in some cases have taken symbolic possession of the secured assets, but now the borrowers want to take physical possession of the secured assets for which they have approached the District Magistrate or the Chief Judicial Magistrate. It is their argument that the District Magistrate or the Chief Judicial Magistrate cannot keep their applications filed under Section 14 of the SARFAESI Act pending for an indefinite period. As per them, the timeline should be followed and the statutory authority should take all endeavour to dispose of the same as early as possible to facilitate taking over possession of the properties so that they can be auctioned or be handed over to the auction purchasers, as the case may be. It is their prayer that a direction be given to the authorities, to dispose of their applications under Section 14 of the SARFAESI Act at the earliest, and mandamus be issued upon them that in future, these applications be disposed without any delay.

7. Learned Advocate General, appearing on behalf of the State does not deny the statutory obligation of the authorities under the SARFAESI Act to assist the secured creditors to take possession of the properties. He submits that the Deputy Commissioner/District Magistrates are over-burdened with different types of works, which includes development of Districts, work related to revenue and others, which delays disposal of these applications. He submits that in some cases, once an application under Section 14 of the SARFAESI Act is filed by the Bank, the Deputy Commissioner is to cause an enquiry about the title and also the possession of the properties and has to decide as to whether the transfer of the property by way of mortgage or any other means was in violation of any law or not. He submits that to arrive at a definite conclusion and to decide such issues, some time is consumed by them. He submits that no matter whatever the situation is, application needs to be disposed of at the earliest. It is his contention that time schedule mentioned under Section 14 of the SARFAESI Act is, directory in nature, thus, officers cannot be forced to dispose of the applications, strictly within the timeframe as mentioned in Section 14 of the SARFAESI Act itself.

8. On the direction of this Court, the Deputy Commissioners (District Magistrates) of some of the districts of the State had appeared through virtual mode to assist this Court. Those Deputy Commissioners were asked to join through virtual mode for the reason that there are large number of applications under Section 14 of the SARFAESI Act, are pending before them, yet to be disposed. The Deputy Commissioners also submitted that they have to look into the correctness and validity of the transfer and then only they can take a decision on such applications, which consumes much time.

9. After hearing the parties, I find that admittedly, applications under Section 14 of the SARFAESI Act, in all these cases, are pending since long. A report was called for from all the District Magistrates of the State about the pendency of applications under Section 14 of the SARFAESI Act. From the report, I find that in the District of Ranchi, there are 146 applications pending, in Bokaro there are 65, in Hazaribagh there are 64, in Dhanbad there are 308, in East Singhbhum (Jamshedpur) there are 203. In rest of the districts, the figure is in single digit. Pendency of the applications in these 5 (five) districts, mentioned above, is really alarming. A report was called from the Chief Judicial Magistrates as well. As per the report, the number of applications pending before the Chief Judicial Magistrate, Jamshedpur is 59, which is also alarming. Admittedly, all these aplications are pending beyond the statutory period.

10. The SARFAESI Act was promulgated by the Parliament of India to regulate securitisation and reconstruction of financial assets and enforcement of security interest and to provide for a central database of security interests created on property rights, and for matters connected therewith or incidental thereto. From the Statement of Objects and Reasons of the said Act, it is understood that in certain areas the banking and financial sector did not have a level playing field as compared to other participants in the financial markets in the world. There was no legal provision for facilitating securitization of financial assets of banks and financial institutions. It was also felt that unlike international banks, the banks and financial institutions in India did not have power to take possession of securities and sell them. The then existing legal framework relating to commercial transactions did not keep pace with the changing commercial practices and financial sector reforms. This led to slow pace of recovery of defaulting loans and mounting levels of non-performing assets of banks and financial institutions. Narasimham Committee I and II and Andhyarujina Committee was constituted to examine all these aspects and the grey areas, which suggested enactment of a new legislation to empower the banks and financial institutions to take possession of the securities and sell them without intervention of the Courts. Accepting the said suggestions and acting upon them, The Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Ordinance, 2002 was promulgated on 21st June, 2002. The provisions of the said Ordinance was to enable the Banks and Financial Institutions to realize long-term assets, manage problem of liquidity, asset liability mismatches and improve recovery by exercising powers to take possession of securities, sell them and reduce non-performing assets by adopting measures for recovery or reconstruction. The said Ordinance was replaced by a Bill and the Act was promulgated.

11. One of the main thrust in the legislation was to empower banks and financial institutions to take possession of the securities given for financial assistance, sell them and take over the management. In this context, it is necessary to remind that the bank is none, but a trustee of public funds. Public interest cannot be compromised for benefitting private individuals. The borrowers, who take loan are bound to repay the same in accordance with the terms of the contract and the laches should be viewed seriously. This is a cause of enactment of this statute.

12. Section 2(1)(zb) of the Act defines “security agreement”, Section 2(1)(zc) defines “secured asset”, Section 2(1)(zd) defines “secured creditor”, Section 2(1)(ze) defines “secured debt” and Section 2(1)(zf) defines “security interest”. Chapter III of the SARFAESI Act deals with “Enforcement of Security Interest”. Section 13 of the SARFAESI Act, under the said Chapter, provides for “Enforcement of Security Interest”. As per the said provision a security interest created in favour of any secured creditor may be enforced by the said Secured Creditor ***without the intervention of the Court or Tribunal*** *(emphasis supplied by Court).* This means that wide power has been conferred upon the secured creditor to enforce their right over the secured interest, without seeking any intervention of the Court/Tribunal. This means that without approaching the Court/Tribunal, without taking any order from the Court/Tribunal, the Secured Creditor can take possession of the secured assets. This also means that some supremacy is given to the decision of the secured creditor to take possession of the secured assets. It only suggests that this decision solely rests on the secured creditor. The only rider is that the same should be in accordance with the provisions of this Act. Sub Section (2) of Section 13 of the SARFAESI Act provides that once the debt is classified as non-performing assets by the secured creditor, the creditor has to issue a notice in writing to the borrower to discharge his liability in full within 60 (sixty) days from the date of the notice. As per the said provision, if the liability is not discharged within 60 (sixty) days, the secured creditor is entitled to exercise all or any of the rights under sub-section (4). As per Section 13 sub Section (3), this notice shall contain the details of the amount payable by the borrower and the secured assets intended to be enforced by the secured creditor in the event of non-payment of secured debt by the borrower. In terms of Section 13(3-A), the secured creditor has a duty to dispose of the representation or the objection raised, if any, by the borrower and communicate the decision and the reasons for non-acceptance of the representation or objections to the borrower. The proviso to the aforesaid Sub Section mandates that the reasons so communicated or the likely action of the secured creditor at the stage of communication of reasons shall not confer any right upon the borrower to prefer an application to the Debts Recovery Tribunal under Section 17 or the Court of District Judge under Section 17-A. The right of a borrower has thus been extinguished. As per Section 13(4) and Section 13(4)(a) of the SARFAESI Act, if the borrower fails to discharge his liability mentioned in Section 13(2) of the Act, the secured creditor can take recourse to one or more actions or take measures as provided under the Act to recover the secured debt. One of such measures is to take physical possession of the secured assets of the borrower including the right to transfer by way of lease, assignment or sale.

13. It is necessary to quote only the relevant portion of Section 13 of the SARFAESI Act, which reads as under:-

> ***13. Enforcement of security interest. – (1) Notwithstanding anything contained in section 69 or section 69-A of the Transfer of Property Act, 1882 (4 of 1882), any security interest created in favour of any secured creditor may be enforced, without the intervention of the Court or tribunal, by such creditor in accordance with the provisions of this Act.***
>
> ***(2) Where any borrower, who is under a liability to a secured creditor under a security agreement, makes any default in repayment of secured debt or any instalment thereof, and his account in respect of such debt is classified by the secured creditor as non-performing asset, then, the secured creditor may require the borrower by notice in writing to discharge in full his liabilities to the secured creditor within sixty days from the date of notice failing which the secured creditor shall be entitled to exercise all or any of the rights under sub-section (4);***
>
> ***Provided that-***
>
> ***(i) …***
>
> ***(ii) …***
>
> ***(3) The notice preferred to in sub-section (2) shall give details of the amount payable by the borrower and the secured assets intended to be enforced by the secured creditor in the event of non-payment of secured debts by the borrower.***
>
> ***(3-A) If, on receipt of the notice under sub-section (2), the borrower makes any representation or raises any objection, the secured creditor shall consider such representation or objection and if the secured creditor comes to the conclusion that such representation or objection is not acceptable or tenable, he shall communicate within fifteen days of receipt of such representation or objection the reasons for non-acceptance of the representation or objection to the borrower:***
>
> ***Provided that the reasons so communicated or the likely action of the secured creditor at the stage of communication of reasons shall not confer any right upon the borrower to prefer an application to the Debts Recovery Tribunal under section 17 or the Court of District Judge under section 17-A.***
>
> ***(4) In case the borrower fails to discharge his liability in full within the period specified in sub-section(2), the secured creditor may take recourse to one or more of the following measures to recover his secured debt, namely:-***
>
> ***(a) take possession of the secured assets of the borrower including the right to transfer by way of lease, assignment or sale for realizing the secured asset;***
>
> ***(b) …***
>
> ***Provided …***
>
> ***Provided further …***
>
> ***…   …”***

14. Thus, from Section 13 of the SARFAESI Act it is clear that the power exclusively vests with the secured creditor to take possession of the secured asset in the event of non-payment of secured debts within the specified statutory period and on rejection of the objection. This is without the intervention of any Court or Tribunal.

15. Now, once the financial institution/secured creditor takes a decision to take possession of the secured assets, they can proceed for doing so. Secured creditor can take possession of the assets by themselves. In some given cases, though rare, they do not even need any assistance of any authority. There may be situations in given cases, where they may not face obstructions or there may not be any law and order problem. In those scenario, the secured creditor can very well take possession of the assets, without any external assistance. In cases, situation may arise where it is necessary for the secured creditor to take assistance of the State agencies to take possession of the secured assets. Once they feel that such assistance is required, they have to take resort of Section 14 of the SARFAESI Act. Section 14 of the SARFAESI Act casts a duty upon the Chief Metropolitan Magistrate or the District Magistrate to assist the secured creditors in taking possession of the secured assets.

16. Heading of Section 14 reveals that the Chief Metropolitan Magistrate and the District Magistrate's duty is to assist the secured creditor in taking possession. Legislature, in its wisdom, has used the word 'assist' considering the nature of the duty, which they are to perform under the aforesaid provisions of law. The statute also provides that where the possession of secured assets has to be taken or if it is required to be sold / transferred then a request has to be made by the secured creditor for assistance, to the Chief Metropolitan Magistrate or the District Magistrate for the purpose of taking possession of such assets or other documents relating thereto. The duty of the secured creditor is to file an affidavit along with the application, duly affirmed by the authorized officer of the secured creditor, making some declarations. Declarations to be made in the affidavit are enumerated in Clause (i) to (ix) to the proviso to Section 14(1) of the SARFAESI Act.

17. Once an affidavit divulging the required information, under the statute, is filed, it is the duty of the Chief Metropolitan Magistrate or the District Magistrate to satisfy himself about the content of the affidavit and thereafter pass suitable orders for the purpose of taking possession of the secured assets.

18. A timeframe is mentioned in Section 14 of the SARFAESI Act to perform the said duty, which is 30 days. The proviso of the said section obligates that if the order cannot be passed within 30 days, then by recording reasons as to why it was not possible to pass order within 30 days, and that the reasons were beyond the control of the District Magistrate or the Chief Metropolitan Magistrate, the order can be passed, within a period which should not exceed 60 days in aggregate. This means a further 30 days' time, beyond the initial 30 days, is granted by the statute to pass the order.

19. Here it is pertinent to take note that in all these cases, in hand, the applications under Section 14 of the SARFAESI Act are pending for more than 60 days.

20. What is the scope of Section 14 of the SARFAESI Act has been discussed by the Hon'ble Supreme Court in the case of ***Balkrishna Rama Tarle versus Phoenix Arc Private Limited and Others*** reported in ***(2023) 1 SCC 662***. In paragraph 14 of the aforesaid judgment, the Hon'ble Supreme Court while noting the provisions of Section 14 of the SARFAESI Act, at paragraphs 15, 16 and 17 has held as under: -

> ***"14. Section 14 of the Sarfaesi Act reads as under:***
>
> > ***"14. Chief Metropolitan Magistrate or District Magistrate to assist secured creditor in taking possession of secured asset.- (1) Where the possession of any secured asset is required to be taken by the secured creditor or if any of the secured asset is required to be sold or transferred by the secured creditor under the provisions of this Act, the secured creditor may, for the purpose of taking possession or control of any such secured assets, request, in writing, the Chief Metropolitan Magistrate or the District Magistrate within whose jurisdiction any such secured asset or other documents relating thereto may be situated or found, to take possession thereof, and the Chief Metropolitan Magistrate or, as the case may be, the District Magistrate shall, on such request being made to him-***
> >
> > ***(a) take possession of such asset and documents relating thereto; and***
> >
> > ***(b) forward such asset and documents to the secured creditor:***
> >
> > ***Provided that any application by the secured creditor shall be accompanied by an affidavit duly affirmed by the authorized officer of the secured creditor, declaring that-***

(i) the aggregate amount of financial assistance granted and the total claim of the Bank as on the date of filing the application;

(ii) the borrower has created security interest over various properties and that the Bank or Financial Institution is holding a valid and subsisting security interest over such properties and the claim of the Bank or Financial Institution is within the limitation period;

(iii) the borrower has created security interest over various properties giving the details of properties referred to in sub-clause (ii) above;

(iv) the borrower has committed default in repayment of the financial assistance granted aggregating the specified amount;

(v) consequent upon such default in repayment of the financial assistance the account of the borrower has been classified as a non-performing asset;

(vi) affirming that the period of sixty days' notice as required by the provisions of sub-section (2) of Section 13, demanding payment of the defaulted financial assistance has been served on the borrower;

(vii) the objection or representation in reply to the notice received from the borrower has been considered by the secured creditor and reasons for non-acceptance of such objection or representation had been communicated to the borrower;

(viii) the borrower has not made any repayment of the financial assistance in spite of the above notice and the Authorised Officer is, therefore, entitled to take possession of the secured assets under the provisions of sub-section (4) of Section 13 read with Section 14 of the principal Act;

(ix) that the provisions of this Act and the rules made thereunder had been complied with;

Provided further that on receipt of the affidavit from the Authorised Officer, the District Magistrate or the Chief Metropolitan Magistrate, as the case may be, shall after satisfying the contents of the affidavit pass suitable orders for the purpose of taking possession of the secured assets [within a period of thirty days from the date of application];

[Provided also that if no order is passed by the Chief Metropolitan Magistrate or District Magistrate within the said period of thirty days for reasons beyond his control, he may, after recording reasons in writing for the same, pass the order within such further period but not exceeding in aggregate sixty days.]

Provided also that the requirement of filing affidavit stated in the first proviso shall not apply to proceeding pending before any District Magistrate or the Chief Metropolitan Magistrate, as the case may be, on the date of commencement of this Act.

[(1-A) The District Magistrate or the Chief Metropolitan Magistrate may authorize any officer subordinate to him-

(i) to take possession of such assets and documents relating thereto; and

(ii) to forward such assets and documents to the secured creditor.]

(2) For the purpose of securing compliance with the provisions of sub-section (1), the Chief Metropolitan Magistrate or the District Magistrate may take or cause to be taken such steps and use, or cause to be used, such force, as may, in his opinion, be necessary.

(3) No act of the Chief Metropolitan Magistrate or the District Magistrate [any officer authorized by the Chief Metropolitan Magistrate or District Magistrate] done in pursuance of this section shall be called in question in any court or before any authority."

15. On a fair reading of Section 14 of the Sarfaesi Act, it appears that for taking possession of the secured assets in terms of Section 14(1) of the Sarfaesi Act, the secured creditor is obliged to approach the District Magistrate/ Chief Metropolitan Magistrate by way of a written application requesting for taking possession of the secured assets and documents relating thereto and for being forwarded to it (secured creditor) for further action.

16. The statutory obligation enjoined upon the CMM/DM is to immediately move into action after receipt of a written application under Section 14(1) of the Sarfaesi Act from the secured creditor for that purpose. As soon as such an application is received, the CMM/DM is expected to pass an order after verification of compliance of all formalities by the secured creditor referred to in the proviso in Section 14(1) of the Sarfaesi Act and after being satisfied in that regard, to take possession of the secured assets and documents relating thereto and to forward the same to the secured creditor at the earliest opportunity. As observed and held by this Court in NKGSB Coop. Bank Ltd. V. Subir Chakravarty, the aforesaid act is a ministerial act. It cannot brook delay. Time is of the essence and this is the spirit of the special enactment.

17. In the recent decision in R.D. Jain & Co. v. Capital First Ltd., this Court had an occasion to consider the powers exercisable by District Magistrate/Chief Metropolitan Magistrate under Section 14 of the Sarfaesi Act. After considering the object and purpose

> ***of Section 14 of the Sarfaesi Act and the scheme of the Act under Section 14, it is observed and held in paras 18 to 26 as under:***
>
> ***… …"***

21. The aforesaid judgment has emphasized that "time is the essence and is the spirit of special enactment".

22. In the case of ***C. Bright versus District Collector and Others*** reported in ***(2021) 2 SCC 392,*** at paragraph 21, the Hon'ble Supreme Court has held that the purpose of the Act pertains to speedy recovery of the dues of the bank and financial institutions. Intention of the legislation is the determining factor. Keeping the objective of the Act in mind, the time limit to take action has been fixed. It has also been held that inability to take possession within the time limit does not render the District Magistrate functus officio. The secured creditor has no control over the District Magistrate, who is exercising the jurisdiction under Section 14 of the Act for public good to facilitate recovery of public dues. Failure to comply with the timelines of 30 days and 60 days cannot be said to frustrate the action, which a District Magistrate needs to take in terms of the Act. The Hon'ble Supreme Court interpreted the aforesaid provision, considering the object and purpose of the Act, rather than interpreting the Act literally. It has held that any other interpretation contrary would run to the detriment of the Act. The duty casted upon the Magistrate is to make an earnest effort to comply with the mandate of the statute and in the event if he fails to do so, remedy does not become redundant. District Magistrate still has to facilitate delivery of the possession by invoking jurisdiction under Section 14 of the Act. It is necessary to quote paragraph 21 of the aforesaid judgment, which reads as under: -

> ***"21. The Act was enacted to provide a machinery for empowering banks and financial institutions, so that they may have the power to take possession of secured assets and to sell them. The DRT Act was first enacted to streamline the recovery of public dues but the proceedings under the said Act have not given desirous results. Therefore, the Act in question was enacted. This Court in Mardia Chemicals, Transcore and Hindon Forge (P) Ltd. has held that the purpose of the Act pertains to speedy recovery of dues, by banks and financial institutions. The true intention of the legislature is a determining factor herein. Keeping the objective of the Act in mind, the time-limit to take action by the District Magistrate has been fixed to impress upon the authority to take possession of the secured assets. However, inability to take possession within time-limit does not render the District Magistrate functus officio. The secured creditor has no control over the District Magistrate who is exercising jurisdiction under***

Section 14 of the Act for public good to facilitate recovery of public dues. Therefore, Section 14 of the Act is not to be interpreted literally without considering the object and purpose of the Act. If any other interpretation is placed upon the language of Section 14, it would be contrary to the purpose of the Act. The time-limit is to instill a confidence in creditors that the District Magistrate will make an attempt to deliver possession as well as to impose a duty on the District Magistrate to make an earnest effort to comply with the mandate of the statute to deliver the possession within 30 days and for reasons to be recorded within 60 days. In this light, the remedy under Section 14 of the Act is not rendered redundant if the District Magistrate is unable to handover the possession. The District Magistrate will still be enjoined upon, the duty to facilitate delivery of possession at the earliest."

23. This clearly reflects the true purpose of the Act and the nature of the timeline so fixed. Timeline so fixed can be said to be directory. Thus it has to be interpreted that the timeline to perform duty is directory and if it is not fulfilled within the said time, the District Magistrate does not become functus officio, rather he has to complete the statutory duty vested upon him. Not only he is vested with the duty to pass an order under Section 14 of the Act and ensure assistance to take possession of the secured assets, but in view of the order passed by the Hon'ble Supreme Court in the case of ***M/s India Infoline Home Finance Limited versus Nageswara Rao Perikala and Ors. [order dated March 16, 2026 in S.L.P.(C) No. 26160 of 2025],*** the Chief Judicial Magistrate has the statutory obligation to ensure that the warrant of possession is executed and the secured creditor is not required to run from pillar to post.

24. In this context, it is necessary to take note of the observations made by the Hon'ble Supreme Court in the case of ***Standard Chartered Bank versus V. Noble Kumar and Others*** reported in ***(2013) 9 SCC 620***, at paragraph 20 and 21 thereof, which read as under: -

"20. In every case where the objections raised by the borrower are rejected by the secured creditor, the secured creditor is entitled to take possession of the secured assets. In our opinion, such action – having regard to the object and scheme of the Act – could be taken directly by the secured creditor. However, visualizing the possibility of resistance for such action, Parliament under Section 14 also provided for seeking the assistance of the judicial power of the State for obtaining possession of the secured asset, in those cases where the secured creditor seeks it.

> ***21. Under the scheme of Section 14, a secured creditor who desires to seek the assistance of the State's coercive power for obtaining possession of the secured asset is required to make a request in writing to the Chief Metropolitan Magistrate or District Magistrate within whose jurisdiction, the secured asset is located praying that the secured asset and other documents relating thereto may be taken possession thereof. The language of Section 14 originally enacted purportedly obliged the Magistrate receiving a request under Section 14 to take possession of the secured asset and documents, if any, related thereto in terms of the request received by him without any further scrutiny of the matter."***

25. Thus, it is the duty of the Chief Judicial Metropolitan Magistrate / District Magistrate first to make an endeavour to dispose of the application within timeline provided by the statute and if not, to dispose of the application as expeditiously as possible without keeping the application pending for a considerable period of time. If the same is kept pending, it will only frustrate the purpose of the Act and not only that, it will also give undue benefit and advantage to the defaulters, which is not the intent of the Act. Once the process has been started by the Authority, the Authority must take it to its logical conclusion without delay. If there is delay, the reasons for the same has also to be recorded. This is the intent of Section 14 of the Act.

26. The next question, which arises for consideration, is based on the arguments advanced by learned Advocate General and the Deputy Commissioners. It was their contention that they have to look into the title of the property and in some cases to look into the genuineness and legality of the transfer and also whether any transfer is prohibited by any law or not. In this context, it has to be noted that any type of adjudication is beyond the purview and scope of Section 14 of the SARFAESI Act and also beyond the jurisdiction of the authority. The statute has not vested upon them to adjudicate any issue. Nature of duty, which they perform under this Statute is, purely, ministerial in nature and is not adjudicatory by any means, nor can they even make any roving enquiry about the title or the nature of transfer of the property. The Hon'ble Supreme Court in the case of ***Balkrishna Rama Tarle (supra)*** at paragraph 18 has held that the power exercised by the District Magistrate under Section 14 of the Act does not involve any adjudicatory process qua points raised by the borrowers against the secured creditor. Once all the requirements under Section 14 of the SARFAESI Act are fulfilled and complied with and satisfied by the secured creditor, it is the duty of the District

Magistrate to assist the secured creditor in taking possession of the asets which are secured. Paragraph 18 of the aforesaid judgment reads as under: -

> ***"18. Thus, the powers exercisable by CMM/DM under Section 14 of the Sarfaesi Act are ministerial steps and Section 14 does not involve any adjudicatory process qua points raised by the borrowers against the secured creditor taking possession of the secured assets. In that view of the matter once all the requirements under Section 14 of the Sarfaesi Act are complied with/satisfied by the secured creditor, it is the duty cast upon the CMM/DM to assist the secured creditor in obtaining the possession as well as the documents related to the secured assets even with the help of any officer subordinate to him and/or with the help of an advocate appointed as Advocate Commissioner. At that stage, the CMM/DM is not required to adjudicate the dispute between the borrower and the secured creditor and/or between any other third party and the secured creditor with respect to the secured assets and the aggrieved party to be relegated to raise objections in the proceedings under Section 17 of the Sarfaesi Act, before the Debts Recovery Tribunal."***

27. This Court also in ***W.P.(C) No. 2182 of 2026 [Tata Capital Housing Finance Limited versus State of Jharkhand & Others]*** and ***W.P.(C) No.5133 of 2023 [Tata Capital Housing Finance Limited versus State of Jharkhand & Others]*** has held that the District Magistrate is not an adjudicatory authority. His duty is only to assist the creditor in taking possession of the property peacefully and if there is any obstruction by any person, then to take appropriate action.

28. It is also clear and beyond any doubt that the borrower has got no role to play at the stage of Section 14 of the SARFAESI Act nor any right has been given to him to take part, in any manner, in the said proceeding. There is no scope of compliance or application of principle of natural justice at the stage of Section 14 of the SARFAESI Act, so far as borrowers are concerned, which is evident from the intention of the Act itself. His only right is to approach the Debts Recovery Tribunal by invoking Section 17 of the SARFAESI Act. The Hon'ble Supreme Court in the case of ***Authorised Officer, Indian Bank versus D. Visalakshi and Another*** reported in ***(2019) 20 SCC 47*** at paragraph 37 has held as under: -

> ***"37. Notably, the powers and functions of CMM and CJM are equivalent and similar, in relation to matters specified in CrPC. These expressions (CMM and CJM) are interchangeable and synonymous to each other. Moreover, Section 14 of the 2002 Act does not explicitly exclude CJM from dealing with the request of***

> ***the secured creditor made thereunder. The power to be exercised under Section 14 of the 2002 Act by the authority concerned is, by its very nature, non-judicial or State's coercive power. Furthermore, the borrower or the persons claiming through borrower or for that matter likely to be affected by the proposed action being in possession of the subject property, have statutory remedy under Section 17 of the 2002 Act and/or judicial review under Article 226 of the Constitution of India. In that sense, no prejudice is likely to be caused to the borrower/lessee; nor is it possible to suggest that they are rendered remediless in law. At the same time, the secured creditor who invokes the process under Section 14 of the 2002 Act does not get any advantage much less added advantage. Taking totality of all these aspects, there is nothing wrong in giving expansive meaning to the expression "CMM", as inclusive of CJM concerning non-metropolitan area, who is otherwise competent to discharge administrative as well as judicial functions as delineated in CrPC on the same terms as CMM. That interpretation would make the provision more meaningful. Such interpretation does not militate against the legislative intent nor it would be a case of allowing an unworthy person or authority to undertake inquiry which is limited to matters specified in Section 14 of the 2002 Act."***

29. Be it noted that, in the aforesaid paragraph, it has also been held that powers and functions of the Chief Metropolitan Magistrate and Chief Judicial Magistrate are similar in the Code of Criminal Procedure.

30. A point has been raised by the learned Advocate General and the Deputy Commissioners that in some cases under the Chota Nagpur Tenancy Act (for short 'CNT Act), the District Magistrates exercise role of guardian of tribal land and as there are bar in transfer of tribal land, subject to some provisions, the District Magistrate under the Chota Nagpur Tenancy Act has to decide the correctness of transfer also. This decision takes time.

31. From what has been held above and from the provisions of law and the judgments discussed above, the Deputy Commissioners or the District Magistrates have no power to look into this aspect also, while exercising jurisdiction under Section 14 of the SARFAESI Act. No doubt, they are the guardian of tribal land under the Chhota Nagpur Tenancy Act, but these provisions of CNT Act and SARFAESI Act cannot be intermingled, merged and applied together. The Deputy Commissioner, who enjoys several powers under different statute by virtue of his designation, has to exercise his jurisdiction and powers in respect of each of the statutes separately and cannot combine or blend them. He cannot assume the adjudicatory power vested in him under the CNT Act while exercising jurisdiction under the SARFAESI Act. Both operates on different jurisdiction, not to be mixed up.

The provisions of Section 14 of the SARFAESI Act, itself, is sufficient. To buttress the said proposition, reliance on the provisions of Section 14 of the SARFAESI Act needs to be placed.

32. An application under Section 14 of the SARFAESI Act can be filed before the District Magistrate and can also be filed before the Chief Judicial Magistrate. Both of them enjoy concurrent jurisdiction. None enjoys more power than the other. It is the choice of the Financial Institution to choose the forum. A Chief Judicial Magistrate is not the guardian of Tribal Land as per CNT Act. He does not enjoy similar jurisdiction under the CNT Act, which the District Magistrate enjoys. A Chief Judicial Magistrate cannot declare a transfer to be void or bad under the CNT Act. Thus, if the submission of the State is accepted, then there will be an anamolous situation. Anomally would be that if the application is filed before the Chief Judicial Magistrate, he will naturally be barred in examining correctness of the transfer while the District Magistrate will enquire into the correctness and genuinity of the transfer. This anamoly will amount to vesting of additional power upon the District Magistrate, which the Chief Judicial Magistrate does not enjoy under the CNT Act. A provision of law, which bestows concurrent jurisdiction on two authorities, the power and jurisdiction to be exercised by both the Authorities will be exactly the same. None of them can have more power than the other. In this context, reference may be made to paragraph 18 of the judgment passed by the Hon'ble Supreme Court in the case of ***Uco Bank and Another versus Dipak Debbarma and Others*** reported in ***(2017) 2 SCC 585***. Thus, this argument of the respondents-State is rejected.

33. As mentioned, the Deputy Commissioners were requested to assist this Court. They had appeared virtually. The Deputy Commissioner, Ranchi has assured this Court that he will dispose of the pending applications within six weeks; the Deputy Commissioner, Hazaribagh within 4 weeks; the Deputy Commissioner, Bokaro within four weeks; Deputy Commissioner, Dhanbad within 8 weeks; Deputy Commissioner, Jamshedpur within 8 weeks.

34. Considering their submissions and undertakings, they are directed to dispose of the pending applications under Section 14 of the SARFAESI Act, within the period, which they had undertaken. So far as rest of the Deputy Commissioners of remaining districts are concerned, as per the report handed over by the learned Advocate General and their submissions, they are directed to dispose of the pending applications under Section 14 of the SARFAESI Act within three weeks from today.

35. There are matters pending before the Chief Judicial Magistrates also. Before the Chief Judicial Magistrate, Dhanbad, there are 24 applications pending and before the Chief Judicial Magistrate, Jamshedpur there are 59 applications pending, and those are pending since long. It has also been brought to the notice of this Court that these applications are instituted as Misc. Case matters and are heard like a judicial proceeding. In some Courts, cases are registered as Criminal Miscellaneous. This type of registration is also not proper. Since this is not an adjudicatory duty of the Chief Judicial Magistrate, these applications cannot be registered as Criminal Miscellaneous. On filing of such application, they should not be registered as a case before them, as is done on the judicial side. Only a Register should be maintained by them separately, which will contain the serial numbers of each of the application as per the dates they have been received and the Chief Judicial Magistrate will dispose of those applications on the administrative side. If for the sake of convenience some number has to be assigned, same should be numbered as a "SARFAESI Applications", but by no means it should be dealt as done in judicial side. It is only a ministerial act, which they are performing. As observed earlier, nature of duty, which they perform under the Statute is ministerial and is not adjudicatory by any means, nor can they make any roving enquiry about the title or the nature of transfer of the property. The Hon'ble Supreme Court in the case of ***Balkrishna Rama Tarle (supra)*** at paragraph 18 has held that the power exercised by the Chief Metropolitan Magistrate/District Magistrate under Section 14 of the Act does not involve any adjudicatory process qua points raised by the borrowers against the secured creditor, thus, the powers exercisable by CMM/DM under Section 14 of the SARFAESI Act are ministerial steps.

36. Thus, the Judicial Magistrate, Jamshedpur is directed to dispose of the applications pending before him within 60 days from today. Chief Judicial Magistrate, Dhanbad is directed to dispose of the applications pending before him within 30 days from today. Other Judicial Magistrates where the applications are pending, whose numbers are in single digit, are directed to dispose of those applications within 15 days from the date of receipt of a copy of this order. The Principal District Judge, Jamshedpur and Principal District Judge, Dhanbad are directed to monitor this disposal and send a report of compliance within ninety days from the date of receipt of a copy of this order.

37. Since time is an essence of this provision and spirit of this enactment, for the purpose of speedy disposal of applications under Section 14 of the SARFAESI Act and also to maintain transparency, I direct that, henceforth the District Magistrates/Deputy Commissioners of all the Districts and all the Chief Judicial Magistrates of the State to maintain a separate Register, which will reflect the date of filing of an application under Section 14 of the SARFAESI Act and the date of considering of the said applications and the date when the same are disposed. The date of execution of the order will also be reflected. Since the District Magistrate of each of the districts remains overburdened with several natures of duties, they will assign a particular officer/senior clerk in their office, who will maintain the said register by entering the aforementioned information. They will place the register before the District Magistrate/Deputy Commissioner once in fortnite so that the status of the applications, which are pending before him and which need to be disposed of, can be brought to his notice. On perusal of the register, the Deputy Commissioner/District Magistrate will counter sign the same also. This process will ensure quick disposal of the applications and will also ensure control over these pending applications by the District Magistrates/Deputy Commissioners and will bring transparency in the process.

So far as Chief Judicial Magistrates are concerned, similar register with same entries has to be maintained by the office clerk of the Chief Judicial Magistrate, who will ensure placing the said register for perusal before the Chief Judicial Magistrate once in every 15 days and will also ensure that the same is perused by the Principal District Judge / Judicial Commissioner once in a month.

All these entries and copy of the relevant extracts of the register can be handed over to any person, who seeks a copy of the same under the Right to Information Act so as to maintain transparency.

38. With these observations and directions all these writ petitions stand disposed of. Pending interlocutory applications, if any, also stand disposed of.

(Ananda Sen, J.)

High Court of Jharkhand, Ranchi
Dated 15th July, 2026
Kumar/Cp-02
AFR

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