IN THE COURT OF SH. DEEPAK KUMAR-I,
CHIEF JUDICIAL MAGISTRATE, NORTH-EAST DISTRICT,
KARKARDOOMA COURTS, DELHI.

CT Cases 579 /2025 UNIMONI FINANCIAL SERVICE LIMITED
Vs. SUBASH CHAND DUBEY (New Usman Pur)

30.07.2025

ORDER

1. The application under Section 14 of the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (hereinafter referred to as "the Act") is taken up for consideration.

2. It is stated in the application that the applicant is a secured creditor whereas the respondents are "borrowers" as defined in section 2(1)(f) of the said Act. According to the applicant, "**property bearing No. J-200/11, Ghonda Gujran Khadar Kartar Nagar, Gali No. 2, Shahdara Delhi – 110053, land measuring 50 Sq Yds, out of Khasra No. 784, situated at Village Ghonda Gurjan Khadr, Illaqa Shahdara, Delhi – 110053, East-Plot of others, West-Plot of Others, South-Passage and North-Plot of others"** (hereinafter referred to as "the asset") is a secured asset, since a "security interest" was created thereon by the borrowers to secure repayment of a loan. The borrowers are stated to have defaulted in repayment of the loan. It is further stated by the applicant that the loan account has been declared as 'non-performing asset'. It is further averred that the secured creditor had issued statutory notice under section 13(2) of the Act but the respondents failed to discharge their liability in full within the stipulated period of sixty days from the date of notice. As per the applicant, there is no pending objection of the borrowers. It is stated in the application that possession of the asset needs to be taken and orders for that may be passed.

3. Affidavit of the Authorized Officer of the secured creditor, as required by proviso of Section 14(1) of the Act, has also been filed. The affidavit discloses the extent of financial assistance granted and the claim of the Finance Company as on the date of filing the application. It reiterates the aforenoted pleas and fulfills the requirements of the said proviso.

4. Original documents relied upon by the applicant were produced for the inspection of the court. After inspection, the original documents were returned. I have heard arguments advanced by the Ld. counsel for the secured creditor and have perused the application, affidavit of authorized officer, title deeds of the asset and other supporting documents.

5. Section 14 of the Act enjoins the Chief Judicial Magistrate to pass ‘suitable orders’ for taking possession of the secured asset and to forward it to the secured creditor. It further vests the Magistrate with powers to take all necessary steps and to use force for compliance of its order.

6. The aforenoted assertions of the applicant, duly supported by affidavit and documents, demonstrate that the respondents had availed financial assistance from the applicant Finance Company, that the respondents had created security interest on the asset, that the respondents defaulted in repayment of the loan, that the loan account was declared non-performing asset, that the respondents failed to pay the outstanding loan amount even after receiving notice under section 13 (2) of the Act which afforded a period of sixty days to do so and that there is no pending objection or representation of the respondents.

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7. Accordingly, the application of the secured creditor/applicant is allowed. **Advocate Sh. Sunil Singh, Enrollment No. D/1821/04, Mobile No. 9015944227** is appointed to take possession of the above described.

8. The provisos to Section 14(1) of the Act provide a time limit for disposal of application under Section 14. This has been done so that possession of the secured Asset can be obtained by the secured Creditor expeditiously. In the case of Cholamandalam Investment and Finance Company Limited Vs. Rajeev Chawla and Ors. CM(M) No.716/2021 dated 22.10.2021, the Hon'ble High Court held that time is of essence in proceedings initiated under the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002. It was held that the purpose behind the Act will be frustrated if there are delays in implementing orders passed under the Act.

9. Accordingly, it is directed that the Receiver will give 15 days advance possession notice to the Authorised Officer of the Secured Creditor and to the borrowers. The possession notice shall also be affixed upon the main door or any other conspicuous portion of the secured Asset. Photographs of the secured Asset with the pasted possession notice shall be taken and filed by the Receiver alongwith the report.

10. For securing compliance of this order, the Receiver may obtain the assistance of the police including women police officials, if required and take such other steps and use such force as is found necessary. Police shall render assistance and provide adequate force for protection of the above named person and of the company employees involved in recovery of the asset. The Receiver, is empowered to break open locks in case the asset is found locked. The Receiver shall prepare inventory with regards to the items kept inside the premises, and hand over one list duly signed by the witnesses and by the Ld.

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Court Receiver to the borrower, if present at the site. One copy of the same duly signed by the witnesses and by the Ld. Court Receiver will be annexed with his report. Photographs of the locked premises before take over and after take over and photographs of the items kept inside the premises shall also be taken by the Ld. Court Receiver and be annexed with the report. Broken locks, if any, shall be sealed in cloth pulanda and be deposited with concerned applicant. Miscellaneous expenses on this account shall be borne by the applicant. After taking over the subject property it be handed over to the authorised officer of the applicant. The expenses on this account shall be borne by the applicant and photographs be enclosed with the report. Accompanying witnesses shall sign the proceedings.

11. The fee of the Ld. Court receiver is fixed at **Rs. 60,000/-** (Rupees Sixty Thousand only) to be paid by the applicant company and the same shall be paid to the Ld. Court Receiver promptly after receiving of order, irrespective of the aspect of the settlement if any, arrived between the borrower and applicant company.

12. Report of compliance of the above stated directions shall be filed in the court within one month from today.

13. If the recovery proceedings are stayed by order of Debt Recovery Tribunal or other fora, and in case the stay order is subsequently vacated or the applicant is granted liberty to recover possession of the property, the mandate of the Receiver to recover possession would stand extended and the Receiver shall be at liberty to recover possession of the secured asset and to hand it over to the applicant Finance Company notwithstanding the expiry of aforesaid period of one month. For this purpose, the applicant Finance Company may itself contact the Receiver and the Receiver shall recover possession on the

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same terms as are mentioned in this order. There shall be no need for the applicant Finance Company to approach this court for extension of time or other directions. However, if the applicant Finance Company, of its own, decides not to recover possession, it shall apply to this court to terminate the mandate of the Receiver and it shall not be lawful for it to itself instruct the Receiver to refrain from or to delay the recovery of possession. In case there is delay on the part of the applicant in compliance with this order, the same shall be explained by the applicant Finance Company by affidavit of the Authorized Officer.

14. Nothing stated in this order shall be construed as a finding of liability or a judicial determination of the issues in contention between the parties.

15. Since the directions sought by the applicant have been passed, nothing survives in the matter. Let file be consigned to record room after receiving compliance report. Copy of this order be given dasti to the Ld. counsel for the applicant. The Reader/Ahlmad shall send a copy of this order to the Receiver by e-mode within two working days from today.

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(DEEPAK KUMAR-I)
CHIEF JUDICIAL MAGISTRATE
NORTH-EAST: KKD COURTS:DELHI
30.07.2025