IN THE COURT OF THE CHIEF JUDICIAL MAGISTRATE, KARUR

PRESENT: THIRU.N.S.JAYAPRAKASH,B.Sc.,B.L.,

CHIEF JUDICIAL MAGISTRATE, KARUR

Monday, the 13th day of July 2026

Cr.M.P.No.800/2026

M/s. Equitas Small Finance Bank limited,
Represented by its Authorized Officer Mr. Mallayaraj,
Office have at: Megam towers, Bye Pass Road,
Pallapatti Panchayat, Dindigul – 624 002. **. . . Petitioner**

/Vs/

1) Mr. R. Ranjith
2) Mr. L. Ramachandran
3) Mrs. Thenmozhei **… Respondents**

This petition is coming for final hearing on 13.07.2026 before this court in the presence of Thiru.T. Marigunalan, B.A., B.L., MLM., Advocate for petitioner and upon hearing petitioner side arguments, perusing affidavit, petition and other relevant documents, and having stood over for consideration till this day, this Court delivered the following

ORDER:

1) This petition has been filed by the petitioner for taking physical possession of secured assets under section 14 (1) and (2) of the SARFAESI ACT 2002.

2) The petitioner company is M/s.Equitas small finance Bank limited. The petitioner is duly notified as a “Financial Institution under the SARFAESI Act, 2002. Having various branches in many places and one among them is at karur and it is represented herein by its Authorized Officer Mr. A.Mallayaraj S/o. S. Arunachalam. He is conversant with the facts of the case and he is competent to sign and verify the pleadings and conduct the case. POA cum Authority letter in the name of Authorized Officer Letter is filed herewith as documents No.1.

3) The Respondents were approached the petitioner company which was situated in karur for a housing loan on 14-03-2024 in Application is filed herewith as document No. 2. After considering their application, the Petitioner Bank had disbursed the loan for a sum of Rs.15,00,000/- as per it's sanction letter Dated on 18-03-2024 is filed herewith as documents No. 3 and Merchand Overdraft loan for a sum of Rs. 3,20,000 as per it's sanction letter Dated on 22-03-2024 is filed herewith as document No-4. In furtherance of said home loan availed, the respondents were executed loan agreement executed on 25-06-2024 is filed herewith as document No-5 cum other loan papers and created an equitable mortgage of their property by way of deposit of title deed more fully described in the schedule the as security for the due repayment of the housing loan.

4) The Respondent No-3, voluntarily offered to secure the outstanding amount in the above said loan availed by mortgaging the schedule mentioned property, by the way of executing the Memorandum of deposit of Tile deed dated 19-03-2024 and

registered as Memorandum of Deposit of Title Deed dated 19.03.2024 and registered as Doc. No. 968/2024 is filed herewith as Doc No- 6. The Settlement Deed executed on 23-05-2022 in Doc. No-1942/2022 is filed herewith as Doc No-7. Online Encumbrance certificate taken for the period 14-03-2026 date is filed herewith as Doc No-8.

5) The respondents are very irregular in paying EMIs and they are not repaying the loan as promised by them in due course. Even after repeated demands made by the Petitioner Finance Company, the respondents have failed to repay the agreed monthly installments in prompt manner. Hence their loan account with the petitioner has classified as "Non-Performing asset" within the meaning of Section 2(0) of the Act in accordance with directions/guidelines issued by the Reserve Bank of India on 01.10.2025

6) The petitioner housing finance company has chosen to exercise the provisions of Securitization and reconstruction of financial assets and enforcement of security interest act 2002 (in short "SARFAESI Act") along with its enforcement rules 2002 and recalled the entire loan facilitated to respondents and has issued a Demand Notice dated 03-11-2025 and Track consignment is filed herewith as Doc No-9 U/s. 13 (2) of the SARFAESI Act calling upon them to pay the outstanding balance due amount of Rs. 18,00,397 /- as on 30-10-2025 with further interest and charges in the said Housing Loan Account within 60 days from the date of statutory notice. The respondents have received the demand notice, There is No Objection from the

Respondent side as per the act and knowing the contention of same; even after all the measures taken by the Petitioner Finance Company, the respondents have failed to settle the outstanding loan amount.

7) The petitioner was constrained to take possession of the property described in the schedule hereunder under section 13(4) of the Act. Accordingly the petitioner through its Authorized officer, in accordance to the power vested upon him under section 13(4) of SARFEASI Act, attempted to take possession of the schedule mentioned property on 09-01-2026. But due to the highhandedness of the Respondents the petitioner was not able to take physical possession of the assets. Hence, the Possession notice under section 13(4) of SARFEASI Act and its Track consignment is filed herewith as Doc No- 10. The copy of the possession notice was sent to the respondents by Registered post and the same was received by the respondents. The Possession Notice was also published in two leading newspaper one in vernacular language viz., Dinamani and The new Indian express on 15-01-2026 is filed herewith as Doc No- 11 & 12 as mandated as per Act and the rules framed there under. But even there after, they have not taken efforts to clear the liability and they have not paid any amounts as reflected in the Statement of Accounts is filed herewith as Doc No-13 and Merchant overdraft is filed herewith as Doe No-14. The Property of Photo is filed herewith as document No.15.

8) Hence this petition filed under section 14 of Sarfeasi Act, to take physical possession of the secured asset more particularly described in the schedule hereunder

and handover the possession thereof to the authorized Officer of the Petitioner Bank.

9) Now the point for consideration is

Whether the petition under sec.14 of SARFAESI ACT is to be allowed or not?

POINT:-

10) Heard the counsel for the petitioner. Records perused. Before going in to the merits of this application it is necessary to have a look on the settled position of law on the subject. Power of this court as designated court under section 14 of SARFAESI Act 2002 is clearly explained by the latest decision of Apex Court in **Balkrishna Rama Tarle Dead Through Lrs vs Phoenix Arc Private Limited on 26 September, 2022**

11)*"9. Thus, in view of the scheme of the SARFAESI Act, more particularly, Section 14 of the SARFAESI Act and the nature of the powers to be exercised by learned Chief Metropolitan Magistrate/learned District Magistrate, the High Court in the impugned judgment and order has rightly observed and held that the power vested in the learned Chief Metropolitan Magistrate/learned District Magistrate is not by way of persona designata." Thus, the powers exercisable by CMM/DM under Section 14 of the SARFAESI Act are ministerial step 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 Debts Recovery Tribunal. Under the circumstances in the present case no error has been committed by the High Court in setting aside the order dated 27.08.2021 passed by the designated authority keeping the application pending till the secured creditor initiates the legal proceedings for eviction of the tenant cannot get the possession in an application under Section 14 of the SARFAESI Act. The High Court has rightly directed the designated authority to proceed further with the application under Section 14 of the SARFAESI Act, and to dispose of the same in accordance with the provisions of Section 14 of the SARFAESI Act".*

12) Bearing the above decision on mind now this court proceeded to consider whether the petitioner/Secured creditor had complied all formalities referred to in the provision in Section 14(1) of the SARFAESI Act. In support of the contentions of the petition, petitioner produced the copy of documents namely, Resolution passed by board of directors, Loan application form, Sanction letter, Loan agreement, Registered Memorandum of deposit of Title deeds, statutory notice, Possession notice, Possession photos, Daily publications Tamil and English, summary of

accounts, Settlement deed, Encumbrance certificate.

13) This petition had also been filed only after the expiry of 60 days from the date of receipt of notice issued under Sec.13(2) of SARFAESI Act. The respondents are not entitled to get any further notice under the Act. On perusal of above documents it is clear that the petitioner complied all formalities referred to in the proviso of section 14 of the act. The petition mentioned property is situated in **Karur** District within the jurisdiction of this court. Necessary affidavit of the Authorized officer of the Secured Creditor/Petitioner has also been produced, who duly affirmed that the provisions of the SARFAESI Act and Rules have been complied with. This court is satisfied about the contents of the affidavit filed for the purpose of taking possession of secured assets. Thus, as a secured creditor the petitioner has right to realize the loan amount by taking necessary action to take actual possession of the secured assets. Hon'ble Apex Court in **M/s R.D. Jain and Co. vs CapitalFirst Ltd & Ors** held in

14) para *14) "As observed and held by this Court in the case of NKGSB Cooperative Bank Ltd. (supra), the step taken by the CMM/DM while taking possession of the secured assets and documents relating thereto is a ministerial step. It could be taken by the CMM/DM himself/herself or through any officer subordinate to him/her, including the advocate commissioner who is considered as an officer of his/her court. Section 14 does not oblige the CMM/DM to go personally and take possession of the secured assets and documents relating thereto. Thus, we reiterate*

that the step to be taken by the CMM/DM under Section 14 of the SARFAESI Act, is a ministerial step. While disposing of the application under Section 14 of the SARFAESI Act, no element of quasi-judicial function or application of mind would require. The Magistrate has to adjudicate and decide the correctness of the information given in the application and nothing more. Therefore, Section 14 does not involve an adjudicatory process qua points raised by the borrower against the secured creditor taking possession of secured assets".

15) In view of the above decision as the petitioner complied all the formalities referred to in the provision of section 14 of the act, he is is entitled to get a relief as prayed for in this petition and advocate commissioner has to be appointed to take possession of the below mentioned schedule property .

16) In the result, this application is allowed. Advocate Mr.B.Mohan Ms.No.1330/2025, Mobile: 8754037295 is appointed as Advocate /Commissioner. He is directed to

1. Inspect the petition mentioned property
2. Take inventories
3. Take physical possession and immediately hand over to the petitioner/secured creditor and
4. If necessary take assistance of **Chinthamanipatti Police Station** and Revenue Officials, **VAO of Tharagampatti Village of property** for executing the warrant.
5. To break open the door if locked.

A sum of Rs.30,000/- is fixed as remuneration for the said Advocate Commissioner and that amount to be paid to Advocate Commissioner directly to Advocate Commissioner, Report by 14.08.2026.

This order was dictated by me to the Typist, typed by her directly in computer, corrected and pronounced by me in open court, this the 13th day of July 2026.

Sd/:- N.S.Jayaprakash
CHIEF JUDICIAL MAGISTRATE,
KARUR.

SCHEDULE OF PROPERTY

All the Part and Parcel of House Site along with building comprised in "A" Schedule Property under Patta No. 1139 Ayan Punjai S.No. 287/5A in which to the extend cent 10 equal to 4360 Sq.ft., Situated at keelpakuthi Village, Keelapakuthi Village Panchayat, Kadavur Union, Karur District Within the Limit of Tharagampatti Sub Registration District, Karur Registration District.

Boundaries:

North by: Land belongs to Chinnaraman @ Ramasamy

South by: Land belongs to Krishnan

East by: Land Belongs to Lakappan

West by: South North Pathway

Linear Measurement:-

Extent (Sq.ft) : 4360

Situated at within the Sub Registration District Tharagampatti and Registration District of Karur.

Total Extent (Sq.ft): 4360.0

Sd/:- N.S.Jayaprakash
CHIEF JUDICIAL MAGISTRATE,
KARUR.

Chief Judicial Magistrate Court,

Karur.

Cr.M.P.No.800/2026

Order copy

13.07.2026