2026:CGHC:13060

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HIGH COURT OF CHHATTISGARH AT BILASPUR

WP227 No. 263 of 2026

H.D.B. Financial Services Limited Through- Authorized Officer- Shri Saiyyad Haamid Ali S/o Saiyyad Jaahid, Aged About 33 Years Phone 9770990614 Regional Office 2nd Floor Forum Business Center, Near Croma Bhatagaon Raipur District- Raipur (C.G. 492001

... Petitioner(s)

versus

1 - Kundnani Finance Service R/o- G- 21, Kundnani Finance Services, R.K.C. Complex, G.I. Road Raipur, Tehsil And District- Raipur (C.G.) 492001

2 - Bhimsen Kundnani @ Sudama Bhimsen S/o Late. Shri R.M Kundnani R/o- L-13 Green Land Vishal Nagar, Telibandha Raipur Distt- Raipur (C.G.) 492001

3 - Vivek Kundnani S/o Bhimsen Kundani R/o- L-13 Green Land Vishal Nagar, Telibandha Raipur Distt- Raipur (C.G.) 492001

4 - Kamal Kumar Kundnani S/o Bhimsen Kundnani R/o- L-13 Green Land Vishal Nagar, Telibandha Raipur Distt- Raipur (C.G.) 492001

... Respondent(s)

For Petitioner(s)	:	Ms. Priyanshi Dubey, Advocate
For Respondent(s)	:	Mr. Pankaj Singh, Advocate

Hon'ble Shri Justice Ravindra Kumar Agrawal, J.

Order on Board

18/03/2026

1. Counsel for the petitioner prays for the following relief(s) :-

> *(i) That, to issue a writ of mandamus directing the JMFC, Raipur to decide the pending application of the petitioner under Section 14 of the Act, 2002 within a stipulated period.*
>
> *(ii) To grant any other relief(s)/order(s)/direction(s) in favor of the petitioner, which may deem fit and proper in the facts and circumstances of the case, in the interest of justice.*

2. Learned counsel for the petitioner submits that the procedure under Section 14 of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (for short, 'the SARFAESI Act') was commenced against the borrowers as their account was declared as NPA.

3. According to learned counsel for the petitioner, the proviso to Section 14 of the SARFAESI Act provides that the decision on the like nature of the said application to be concluded within a period of 30 days and, if not so, within a further period of 60 days. However, despite the fact that several months period has elapsed, the proceeding under Section 14 of the SARFAESI Act has not been concluded by the learned Chief Judicial Magistrate, Raipur.

4. For ready reference, the proviso clause of Section 14 of the SARFAESI Act is reproduced 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 assets is required to be taken by the secured creditor or if any of the secured assets 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 authorised 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 assets1[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.]

(1A) The District Magistrate or the Chief Metropolitan Magistrate may authorise 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 1[any officer authorised 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.

5. The SARFAESI Act provides that when Section 14 proceeding is moved, the officer shall, after satisfying the contents of the affidavit, shall pass suitable orders for the purpose of taking possession of the secured assets within a period of thirty days from the date of application and, if he fails to do it, then the said period of thirty days may further extend but shall not exceed which aggregate to sixty days. The SARFAESI Act further provides that the reasons shall also be

recorded in the order of such extension.

6. Prima facie, the documents, in the instant case, would show that the sixty days' period have already completed much before. Therefore, in view of the order passed by the Co-ordinate Bench of this Court on 22.07.2025 in W.P.C. No. 3819/2025, and also in view of the provisions of Section 14 of the SARFAESI Act, the learned Chief Judicial Magistrate, Raipur is directed to conclude the proceeding under Section 14 of the SARFAESI Act initiated before it by the petitioner against the respondents within 45 days from the next date fixed.

7. With aforesaid observations and direction, the petition stands disposed of.

Sd/-
(Ravindra Kumar Agrawal)
JUDGE

Sumit