2026:AHC:111038-DB

HIGH COURT OF JUDICATURE AT ALLAHABAD

WRIT - C No. - 18335 of 2026

Union Bank Of India

.....Petitioner(s)

Versus

State Of Uttar Pradesh And 6 Others

.....Respondent(s)

Counsel for Petitioner(s)	:	Saurabh Pandey, Suresh Chandra Pandey
Counsel for Respondent(s)	:	C.S.C.

Court No. - 4

HON'BLE NEERAJ TIWARI, J.
HON'BLE SUDHANSHU CHAUHAN, J.

1. Heard learned counsel for the parties.

2. The present writ petition has been filed being aggrieved by the order dated 16.03.2026 passed by the Additional District Magistrate (Finance and Revenue), Meerut-respondent no. 2, whereby the application filed by the petitioner under Section 14 of the SARFAESI Act, 2002 has been rejected.

3. The facts of the case are that respondent nos. 3 to 7 had availed loan facilities from the petitioner-Bank on 21.08.2012. Subsequently, the account became a Non-Performing Asset (NPA) and, consequently, a notice under Section 13(2) of the SARFAESI Act, 2002 was issued to the borrowers/guarantors on 16.10.2024. In response thereto, objections dated 14.12.2024 were filed under Section 13(3-A) of the Act, 2002. However, the petitioner-Bank, upon noticing certain discrepancies in the notice issued under Section 13(2), issued a fresh notice dated 13.02.2025 under Section 13(2) of the Act, 2002, wherein it was categorically stated that all previous notices issued under the SARFAESI Act stood withdrawn.

4. Subsequently, symbolic possession of the secured asset was taken under Section 13(4) of the Act, 2002 on 25.04.2025. Thereafter, an application dated 19.05.2025 was filed before the District Magistrate, Meerut under Section 14 of the SARFAESI Act, 2002 seeking assistance for taking physical possession of the secured asset. However, by means of the impugned order dated 16.03.2026, respondent no. 2 rejected the said application filed under Section 14 of the Act, 2002.

5. The contention of learned counsel for the petitioner is that respondent no. 2, while exercising powers under Section 14 of the SARFAESI Act, 2002 was required to perform only ministerial functions and had no adjudicatory powers. However, respondent no. 2 proceeded to adjudicate upon the correctness of the subsequent notice issued under Section 13(2) of the Act, 2002 which was wholly impermissible in law.It is further contended that, in any case, once the petitioner-Bank had withdrawn all previous notices issued under the SARFAESI Act, it was always open to the petitioner-Bank to issue a fresh notice under Section 13(2) of the Act.

6. Per contra, learned Standing Counsel appearing for the State respondents contends that respondent no. 2 had acted well within his jurisdiction to pass the impugned order dated 16.03.2026 and that the petitioner-Bank ought to have decided the objections dated 14.12.2024 filed in response to the earlier notice dated 16.10.2024 issued under Section 13(2) of the Act, 2002. It is, thus, submitted that the impugned order dated 16.03.2026 has been passed in accordance with law.

7. In this regard, the Hon'ble Apex Court in the case of **Balakrishna Rama Tarle Dead Thr. LRS & Anr. vs. Phoenix ARC Private Limited and Ors.** has held as under:-

"8.1 However, for taking physical possession of the secured assets in terms of Section 14(1) of the SARFAESI Act, the secured creditor is obliged to approach the CMM/DM 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. 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 mandated by Section 14 of the SARFAESI Act, the CMM/DM has to act within the stipulated time limit and pass a suitable order for the purpose of taking possession of the secured assets within a period of 30 days from the date of application which can be extended for such further period but not exceeding in the aggregate, sixty days. Thus, the powers exercised by the CMM/DM is a ministerial act. He cannot brook delay. Time is of the essence. This is the spirit of the special enactment. 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."

8. Further, the Hon'ble Apex Court in the case of **R.D. Jain & Company Vs. Capital First Limited & Ors. (2023) 1 SCC 675** has held as under:-

"Therefore, if the submission on behalf of the appellants that only the CMM/DM concerned alone would have jurisdiction to decide the applications under Section 14 of the SARFAESI Act is accepted, in that case, it will be practically impossible for the CMM/DM concerned to decide the application under Section 14 of the SARFAESI Act expeditiously and within the time stipulated under the second proviso to Section 14 of the SARFAESI Act. If the interpretation which we propose that, the District Magistrate/Chief Metropolitan Magistrate under Section 14 of the SARFAESI Act includes the Additional District Magistrate/Additional Chief Metropolitan Magistrate, the same can be said to be a purposive interpretation to achieve the object and purpose of proceedings under the SARFAESI Act, more particularly when as observed hereinabove, the orders to be passed under Section 14 of the SARFAESI Act are ministerial steps and to assist the secured creditor in getting/obtaining the possession of the secured property. Thus, there is no element of exercise of adjudicatory powers under Section 14 of the SARFAESI Act. All these aspects have been considered in detail by the High Court in the impugned judgment and order."

9. Further, a Coordinate Bench of this Court in **Writ-C No. 8867 of 2024, Bank Of Baroda Earlier Vijaya Bank Vs. State of U.P. & Ors.** decided on 25.10.2024 after considering the law laid down by the Hon'ble Apex Court, has held that even issuance of notice to the private respondents/borrowers in proceedings under Section 14 of the SARFAESI Act is not necessary. In the said case, it was held as under:-

"(20) Hon'ble the Supreme Court of India further went on to observe in the case of Balakrishan Rama Tarle (supra)-'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 Chief Metropolitan Magistrate/District Magistrate 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'. It has categorically held - "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." Now, these observations which constitute law of the land clinch the issue and from a bare reading of these observations, it is evident that there is no requirement of issuing any notice to a third party and such third party whether it be the borrower or any other person has to be relegated to raise objections in the proceedings under Section 17 of the Act, 2002 before the D.R.T. The officers exercising their powers under Section 14 of the Act, 2002 have to keep in mind the aforesaid dictum of Hon'ble the Supreme Court."

10. In view of the aforesaid discussion, this Court finds substance in the submissions advanced by learned counsel for the petitioner.

11. Accordingly, the present writ petition succeeds and is **allowed**. The impugned order dated 16.03.2026 passed by the Additional District Magistrate (Finance and Revenue), Meerut, morefully annexed as Annexure No. 9 to the writ petition, is hereby set aside. The matter is remanded back to the Additional District Magistrate (Finance and Revenue), Meerut to decide the application afresh, strictly in accordance with law, within a period of two months from the date of production of certified copy of this order.

May 11, 2026
Gaurav

(Sudhanshu Chauhan,J.) (Neeraj Tiwari,J.)

Digitally signed by :-
GAURAV PATEL
High Court of Judicature at Allahabad