



Regarding providing of Protection/ assistance by the police personnel while implementing orders passed by the Chief Metropolitan Magistrate or District Magistrates under Section 14 of SARFAESI Act, 2002.

Government of Gujarat
Home Department
No: SB-II-GNH/112017/998-part file
Date: 03rd December, 2020.

Circular:

Various representations have been made by Banks regarding issues pertaining to SARFAESI Act, wherein pendency of cases is observed in issuing of order for taking over physical possession of secured asset by Chief Metropolitan Magistrate (CMM) or District Magistrate (DM) and undue delay is observed in taking over physical possession of secured asset due to local police authorities in the State insisting on recording statement of Bank officials and verification of documents even after issuance of order for taking over possession by CMM/DM.

In this regard, a meeting was held on November 7, 2019 under the chairmanship of Chief Secretary, Government of Gujarat. This issue was discussed at length and after careful consideration, State Government has decided to issue circular to the police officers at the subordinate divisional level for ensuring proper implementation of orders passed by Chief Metropolitan Magistrate (CMM) or District Magistrate (DM) under section 14 of the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (SARFAESI Act) for taking physical possession of secured assets for the recovery of loan granted by Banks and Financial Institutions including Urban Cooperative Banks to their borrowers. Accordingly, the following guidelines are issued for providing police assistance during the course of implementation of the orders passed by CMM or DM, as the case may be under Section 14 of the SARFAESI Act.

- 1) All the Commissioner of Police and Superintendent of Police shall ensure that, as and when demanded, adequate police force is provided to the authorized officers appointed by the CMMs/DMs for smooth implementation of orders passed by the CMM or DMs under section 14 of the SARFAESI Act for taking over possession of the secured assets for recovery of loans granted by Banks and/or Financial Institutions.
- 2) The Police Commissioner/SP in charge of the concerned city/district police stations shall endeavour to provide the police assistance and shall not avoid the same. The Police Commissioner/SP in charge of the concerned city/district shall take decision with respect to the availability of police personnel, immediately, and the proposed date for implementation of order for taking over physical possession of secured assets under section 14 of the

SARFAESI Act shall be fixed as early as possible. In any case, the concerned Police Inspector shall intimate regarding proposed date of implementation of the order, as early as possible on receiving communication from the Registrar or Advocate Court Commissioner appointed by the CMM or from the authorised officer appointed by the DMs.

- 3) While providing assistance as demanded, the police authorities shall not verify or demand copies of loan and security documents from the Banks and/or Financial Institutions, once the orders for taking over physical possession of the secured assets for recovery of loans have been issued by CMMs/DMs. Also, the police authorities shall not record statements of the concerned Bank Officers, Loan Borrowers, Mortgagors, Mortgagees, or of any person being or representing either of the parties involved.
- 4) It shall also be ensured that the police officials deputed for providing assistance for implementation of orders passed by CMMs/DMs shall assist the concerned authority in taking over physical possession and shall use force, wherever and whenever necessary, for proper implementation of such orders while taking due care in sensitive cases. DM will ensure that Executive Magistrate shall remain present in such cases where law and order problems are anticipated.
- 5) The prescribed fee for providing police assistance shall be deposited beforehand by the concerned Banks and/or Financial Institutions. The said fee should be duly deposited in the treasury and proper record of the same should be maintained.

All the aforesaid instructions shall be meticulously complied with for expediting the process of recovery of defaulted loans extended by the Banks and/or Financial Institutions under the SARFAESI Act, 2002.

By order and in the name of Governor of Gujarat.



(Pankaj Dave)

Under Secretary to Government of Gujarat
Home Department

Copy to :

1. The Private Secretary to the Minister of State (Home).
2. J.S. to Chief Secretary, Gujarat State.
3. Additional Chief Secretary, Finance Department.
4. Additional Chief Secretary, Agriculture, Farmers Welfare and Co-operation Department
5. Director General of Police, Gujarat State, Gandhinagar.
6. All the Commissioners of Police.
7. All Range Heads.
8. All District Magistrates.
9. All Superintendents of Police.
10. Registrar, Co-operative Societies.
11. Shri Satkar Desai, Section officer, IT-Cell Branch, Home Department, New Sachivalaya, Gandhinagar.
12. Select file.
13. DySO Select file.