

# SARFAESI WORK MANUAL

PREPARED BY :  
REYVISH ASSOCIATES PVT LTD  
CHENNAI REGION.



## PREFACE

Economy will be at its best only when all than factors controlling it are in order. Finance is being one such factor and the breath of Banking and Financial Institutions (FII) if disturbed in any manner will not only choke the institutions concerned but also the economy as a whole. Non repayment of loans and Advances to the bank and FIIs is one of the major disturbances to the Banking industry.

This has resulted in the Legislature give a helping hand to the Banking sector for a speedy recovery through an enactment of our act in otherwise. The banking sector would have had to wait a long time over the long drawn legal process for judicial intervention.

Thus was born the "SARFAESI ACT" in the year 2002 which will be our subject study and practice in our vocation.

Our sincere thanks to our E.D. for spontaneous acceptance for this Effort and Training Session to enlighten us better. Any suggestions welcome.

Chennai Region Team

## **BANKS & FINANCIAL INSTITUTIONS. (FIIS)**

Individual financing to the needs of others when institutionalized became Banks. Like the individuals are benefited by the activity the institutions also benefit both the giver and the given and also the Economy at large.

After Nationalisation of private Banks and scheduled banks in India, the Banks engage in activities of poverty alleviation and funding priority sector schemes of the Government.

The banks are obliged to finance if the conditions of the schemes are satisfied. Banks are told of their developmental role and advised to step in if industrial corporate and business sectors run into problems and require remedial measures. This has developed in the other sectors are attitude to lean on the Banking and Financial sector to fund even for their financial loss for getting that there is no right to borrow and to led is a commercial decision for the lenders to take.

Under the circumstances Banks are forced to finance for common man's needs like Houses, Vehicles, education etc and to the individuals, industries and corporate for their business needs. Such a pressure in many of the advances result in recovery stagnation that cripples the Banks financial activities.

On the other hand the financial institutions engaged in funding do not suffer is much a recovery problem as forced by Banks because of their almost singular activity. There are about 24 financial institutions that come under the preview of SARFAESI ACT as notified by the government. They are

- |  |               |
|--|---------------|
| 1. HDFC LIMITED                        | - Mumbai      |
| 2. LIC Housing Finance Ltd             | - Mumbai      |
| 3. ICICI Home Finance Ltd              | - Mumbai      |
| 4. CAN Fin Homes Ltd                   | - Bangalore   |
| 5. BIRLA Home Finance Ltd              | - New Delhi   |
| 6. DEWAN Housing Finance Ltd           | - Mumbai      |
| 7. GIC Housing Finance Ltd             | - Mumbai      |
| 8. PNB Housing Fin Ltd                 | - New Delhi   |
| 9. Sundaram House Finance Ltd          | - Chennai     |
| 10. B.O.B Housing Finance Ltd          | - Jaipur      |
| 11. Gruh Housing Finance Ltd           | - Ahmedabad   |
| 12. TATA Home Finance Ltd              | - New Delhi   |
| 13. Centurion Bank Home Finance Ltd    | - Bhopal      |
| 14. Orissa Rural HDC Ltd               | - Bhubaneswar |
| 15. Vysya Bank Housing Finance Ltd     | - Bangalore   |
| 16. Maharishi Housing Dev Fin Corp Ltd | - Bangalore   |
| 17. Corp Bank Homes Ltd                | - Bangalore   |
| 18. Weizmann Houses Ltd                | - Mumbai      |
| 19. Vibank Housing Fin Ltd             | - Mumbai      |
| 20. Natural Trust Housing Fin Ltd      | - Chennai     |
| 21. Manipal Housing Fin Ltd            | - Manipal     |
| 22. Repco Home Finance Ltd             | - Chennai     |
| 23. SICOM Housing Dev Fin Ltd          | - Mumbai      |
| 24. Asian Development Bank             | - India       |

## NON PERFORMING ASSESTS - NPA

The recovery problems faced by the banks end up in loans/advances end up as Non Performing Asset. How is a loan or an Advance as Asset to the Bank first of all ? Because such an advance earns income to the bank by way of interest. When that interest stops coming into the bank due to default it stops generating income to the bank. Such stoppage of interest income over a continuous 90 days default of installment payment would make the account Non Performing Asset.

A Non Performing asset (NPA) is a loan or advance where:

1. Interest and / or installment of Principal remain overdue for a period of more than 90 days in respect of a term loan.
2. An account remain 'out of order' which means the outstanding balance remains continuously in excess of the sanctioned limit / drawing power and there are no credits continuously for 90 days as on the date of balance sheet or the credits fall short to cover the interest during the same period in respect of OD and CC a/cs.
3. Bill remains over due for a period more than 90 days in the cases of bills purchased and discounted.

NPA A/cs are classified into three categories namely.

- a) Substandard – Where it remains an NPA for a period not exceeding 12 months.
- b) Doubtful - Where it remains Substandard for a period exceeding 12 months.
- c) Loss Asset – Where it remains NPA over 36 months or value of security Evaded and the security non-available in shoot they are written off from the accounts. Though written off they can be pursued for residual recovery purpose and booked directed to profit.
- d) AUCA : Advance Under Collection Account
- e) INCA : Interest Not Collected Account

## **RECOVERY NOTE**

The Options open to the Banks for recovery of their long overdue are

a) General Method :

Through normal persuasion and correspondence to the borrowers to pay their dues to the bank. This may be an earliest method bank may not be task effective. This is because the General tendency of the borrowers is to put repayment of loans last to other priorities. Even on persuasions in most of the cases only a part remittance may result that is in no way benefits both to the borrower and the bank.

b) Debts Recovery Tribunal (DRT) :

Where the outstanding is large and over Rs.10 Lakhs the Banks may approach DRT for recovery of their dues. This being a legal procedure involves not only delay, but also not cost effective.

c) SARFAESI ACT :

In any Bank the money in business is sourced by the general public through deposits and the business community, or in general, the public money.

“While dealing with Public money, particularly for the purpose of recovering the monies lent by Banks, Stringent measures to be permitted and for that purpose statutory sanction have to be accorded to Banks” – says the Andra Pradesh High court while admitting the validity of the SARFAESI ACT.

This is because normal judicial process takes much time for disposal and recovery which defeats the very purpose of Development the banking sector could offer. So an act passed to enable speedy recovery of outstanding which proved easier and effective recovery mode.

## **OUTSOURCING RECOVERY**

The multidimensional activities of the Banks made them to look for external help in the field of recovery of their dues. This being a sensitive issue which should not jeopardise its functions and reputation, banks became choose in enrolment of external Agencies. They are of three categories.

- a) Recovery Agency – Who recovery non secured debts or the personal loans.
- b) Enforcement Agency – Who act in accordance with SARFAESI ACT helping the bank to enforce their right under the law up to a limit of Rs.1 Crore.
- c) Resolution Agency – Authorised to act on behalf the Bank and handle care of value more than Rs.1 Crore.

## **CATEGORY OF BRANCHES / SCALES**

The intensity of Business and Administrative convenience decide the control of Bank Branches into :

- |                               |           |
|-------------------------------|-----------|
| a) DY.Manager / Asst.Manager  | Scale I   |
| b) Branch Manager / FO Branch | Scale II  |
| c) Branch Manager             | Scale III |
| d) Senior Branch Manager      | Scale III |
| e) Chief Manager Branch       | Scale IV  |
| f) A G M Branch               | Scale V   |

### **Authorised Officer :**

As defined by the SARFAESI ACT should be of a scale IV and above Officer that means a chief manager and above. This is because judicial responsibility as taking possession of a secured asset without the intervention of a court is vested with the Authorised Officer with respect to recovering under SARFAESI ACT. In order to prevent misuse of a judicial power by a non judicial body care is taken to the divert power to a much senior responsible official not below the rank scale IV of Bank Officer.

## **SARFAESI ACT 2002 - INTRODUCTION**

We have already got familiarized with the term **SARFAESI ACT**. The name is derived from clubbing the first letters of **Securitisation And Reconstruction of Financial Assets & Enforcement of Security Interest Act**.

Expeditions of recovery and reduction of NPAs of the Banks and FIIs has been a matter of concern for the Government of India and Reserve Bank of India, as the judicial recourse took longer time hampering the Development as a whole.

The main success of this act is the discipline it has brought amongst the borrowers in the matter of timely payment of Bank loans for the fear or dispossession of their assets.

This is evident from RBI report which says, "The progress under this act has been significant, as evidenced by the fact that during 2002-2003, reduction outpaced addition, and especially for public sector Banks reflected in overall reduction of NPA Loans to 9.4% is 1999-2000.

The Act Combines Three Aspects

- 1) Securitisation
- 2) Reconstruction of Financial Assets
- 3) Enforcement of security asset.

For our purpose as an Enforcement Agency we are interested in the third aspect namely Enforcement of Security Assets which directly relate to recovery of advances.

### **HOW TO GO ABOUT**

The Act has laid down specific rules to be adopted in executing enforcement for Recovery.

First the loan should be classified NPA under the norms provided by RBI any loan where installments fallen due continuously for over a period of 90 days qualify to be termed NPA. Sufficient care is to taken before terming an account NPA to its genuine causes that created default.

Once the bank is satisfied to proceed recovery under SARFAESI, it should send a demand Notice (Notice under sec 13(2) of the act) giving details of the loan availed, amount outstanding, document executed to created security, description of the security offered and a time period of 60 days to correct the default. This notice is to be signed by an Officer who is not before the rank of Scale IV who will be for the purpose of the act known as Authorised Officer.

This and further procedures can be got from the FLOWCHART attached.



## **LEGAL INTERCEPTION**

As a remedy to the borrower the act provides certain legal remedies in case he has been wronged by the banks. They are,

1. If the borrower raises any objection to the part or whole of a Demand Notice he may write to the bank of such objections. The banks on receipt of such objections should reply the borrower however brief the reason for not accepting the objection raised within 7 days from the date of receipt of such objections. Failure of which would deny the bank proceed further against the borrower on the strength of its Demand Notice.
2. The borrower can approach DRT through an application, after the bank has taken possession of the secured asset within 45 days of such possession DRT if satisfied that, the procedures laid down under the rules of SARFAESI are not adhered to by the banks can order return of the repossessed assets to the borrower with cost.
3. Borrower can approach DRT for staying Sale proceedings of the Security Property just before an auction. Such a stay will be conditional and the bank can later vacate it.
4. The stay becomes null and void if the borrower fails to comply the condition. The Bank has an option to move DRAT on an unfavourable DRT final. Though civil courts or any other courts other than DRT or DRAT have any powers to intervene in a SARFAESI case, sometimes they restrain operations of SARFAESI ACT which can be and will be set aside and only after that it is advised to proceed under SARFAESI further.

## **OPERATION**

"Reyvish" a name no longer new to most of the branches of SBI, BOB and IDBI. However if it is going to be the first time entry a letter from our Corporate/Regional Head introducing the company to the particular Branch should proceed a personal visit. This would facilitate a familiar and cordial reception at the beginning and will remain happier ongoing.

Always meet on appointment that would yield focused attention on the purpose of visit.

It is important to make friends with officials down the line too, though the field officer and the Manager are important to us. If for some reason the officials are on some other priority even after an appointment to us, we may politely retire and meet them later.

## **HOW TO TAKE CASES**

- 1) It is first and foremost to obtain work order for the cases to be handled.
- 2) Company's description Sheet is the guide which can gather complete Information about the case use then.
- 3) Insist on photo copies of demand notice 13(2) sent, sale deed, legal Opinion, valuation report at the time of sanction advance and proof receipt Of notice.
- 4) No case less than the value of Rs. 1 Lakh can be handled under SARFAESI ACT.
- 5) Obtain Authority of the Bank Head on the description Sheet.
- 6) Maintain Diary of every visit on every case for convenience.
- 7) We should maintain a not too close and not too far attitude because as the maxim goes familiarity breeds contempt at one stage they (The Bank) may try to impose non SARFAESI jobs also on us. Distancing them too much would result in out sight will lead to out of mind situation and we may lose business. Never miss out an opportunity to make the bank feel we are important by using any tact that you may feel good to do with the approval of the control office.
- 8) Whatever data we may collect, let that be in full knowledge of the Bank. Never take a record of the case for photocopying yourself. Insist it is done by any Bank staff only.
- 9) Return any file given by an officer back to him only.
- 10) List out copies taken from the records and take acknowledgement by the bank of such an action.
- 11) Make sure the Manager-in-charge is aware of your arrival and leaving.
- 12) Visit the Branch only at their convenient time which would otherwise save your precious time also.

**Note : STRICTLY DON'T TAKE CASES/WORK WITHOUT PROPER WORK ORDER**

## **BACK OFFICE PROCEDURES**

- 1) All official correspondence and case details to be in respective files.
- 2) All office files should have INDEX and be kept in prominent place.
- 3) Strictly maintain the case files with ISO checklist. If any documents missing out, as prescribed in Checklist of ISO, write explanation and get approval from any Manager of Reyvish, Chennai Region.
- 4) Avoid oral communication with Bank, as well as Reyvish. Make it everything in record.
- 5) Please write all incidents and developments to Bank/Reyvish on time to time.
- 6) Arrange to send Monthly Status Report to respective branch with details of action taken and action to be taken.
- 7) Diaries your daily visits.
- 8) Every step in SARFAESI process has a time frame. Kindly make sufficient arrangement to adhere to that.
- 9) Make a Weekly/Monthly report and forward to the Regional office.
- 10) Inform well ahead of possessions to control office so that they can help in procedural requirement.
- 11) Use inter office memo (IOM) for any communication to Reyvish, Corp. Office, Regional Office and Reyvish Branches.
- 12) Intimate recovery to Regional Office in written and request to prepare Bills and claims.
- 13) While sending your claims to RO, kindly send Statement of Expenses along with supportive documents, like travel tickets, bills, vouchers etc., without supportive documents, our accounts department may not sanction because of our statutory auditor will object.
- 14) Kindly note any other advice that may be forwarded from time to time.

## **PROCEDURES TO BE FOLLOWED FOR POSSESSIONS**

### 1) Symbolic Possession

Take minimum Three copies of the possession notice duly signed by the Authorised Officer one to be served if possible to the Borrower / Guarantors / LH, the other to take acknowledgement from their nearest Kins.(wife,son(major), daughter(major), Father,Mother). They may in some cases be co-applicant or Guarantor, if they are co-applicant they have to sign for themselves and as well as on behalf of the borrower. In other cases they have to sign on behalf of the borrower.

The Third copy must necessarily pasted very conspicuously at a prominent place on the out door of the Property. This has to be taken photograph as a documentary proof of possession.

The acknowledged copy of the possession notice should be duly Notarised to make it legally authenticated. The Notary would remark the possession notice was either served and pasted before him or pasted before him as the case may be.

All such possession need to be published in 2 Newspapers one in English and the other in Local Language Newspaper within 7 days from the date of possession. Case should be taken to emphasis this point to the respective Branch and the time lapse would result in Re-serving of the possession notice.

### In case of Actual possession where the property is vacant and could be taken actual possession

1. Inspect the property before actually taking it over. This would help to assess the need for a carpenter, Hardwares required and number of locks that may be needed.
2. Ensure the availability of the Authorised Officer and without his presence Actual possession should not be attempted at all.
3. On availability of the A.O. arrange for Notary Public, Key smith and as per requirement carpenter. Any of the Banks panel valuer may be arranged for valuation of the property. Take sufficient locks, sealing material (As per our Possession Kit).
4. Panchnama and Inventory along with duly signed possession notice are to be readied and properly filled in and signed by those concerned and also Notarised.

5. After locking and sealing the property in presence of the A.O and the Notary Public, put the keys in a cover mark the property it belongs to and hand over to the bank then and there under acknowledgement. Take photo evidence of possession taken.
6. Possession whether symbolic or actual needs to be published in Newspaper as indicated earlier.
7. A Sale notice is to be sent to the borrower / Guarantor / LH informing about the intending sale of the possessed property if he fails to clear the dues within 30 days from the date of the notice.

#### **PROCEDURES TO BE FOLLOWED AFTER POSSESSION**

1. Once the bank arrives at the reserve price, in consultation with the A.O. & the Branch a date for disposal of property through auction is to be arrive at.
2. This is to be published in two newspapers calling for "TENDER CUM AUCTION SALE NOTICE" giving a clear 30 days notice period for such sale.
3. A date at least 10 days period to the date of Auction will be notified for inspection of the possessed property and we are expected to assist the bank in such inspections opening the locked premises for inspection and maintaining a record of the intended buyers who inspected the property.
4. Organised buyers for participating the auction and on the day of Auction assist the bank with the Auction procedures.
5. Need to maintain the minutes of Auction Sale.
6. Prepare and hand over the " SALE CONFIRMATION ADVICE " after concluding the successful bidder.
7. Prepare and hand over the " DRAFT SALE CERTIFICATE " to the successful bidder and co-ordinate with AO and successful bidder for " REGISTRATION OF SALE CERTIFICATE ".

**ANNEXURE – 3**In the Letter Head of Bank**NOTICE TO THE BORROWER**

Name &amp; Address of the Borrower

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Sub : Notice U/s 13(2) of Securitisation and Reconstruction of Financial Assets  
And Enforcement of Security Interest Act, 2002 (Hereinafter called "ACT")Ref : M/S ABC & Co – A/c # 320043189684

Dear Sir/Madam,

At your request, **M/s ABC & Co represented by its Proprietor Mr.XYZ**, (Herein after called as Borrower) have been granted by the **Name of the Bank** (Herein after called as Bank), through its **Name of the Branch** from time to time, and various credit facilities by way of financial assistance against various assets creating security interest in favour of the Bank. The relevant particulars of the said credit facilities and the security agreement(s)/document(s) executed by you are stated in Schedule B respectively excluding pledge of movables. You have availed the financial assistance with an undertaking for repayment of the said financial assistance in terms of the said agreement(s)/document(s).

You have also created mortgage by way of deposit of title deed / registered mortgages created security interest in favour of the State Bank of India. The documents relating to such mortgage are also stated in Schedule B.

The relevant particulars of the secured assets are specially stated in Schedule C.

You have also acknowledged subsistence of the liability in respect of the aforesaid credit facility by executing confirmation of balances and revival letters and other documents from time to time. The operation of and conduct of the above said financial assistance/credit facilities have become irregular and the debt has been classified as non performing assets in accordance with the directives/guidelines relating to asset classifications issued by the Reserve Bank of India consequent to the default committed by you in repayment of principal / debt and interest thereon.

The said financial assistance is secured by the personal guarantee of **Mrs.Flora w/o Mr.XYZ**. Despite repeated requests, you have failed and neglected to repay the said dues/outstanding liabilities.

Therefore, The Bank, hereby calls upon you U/s 13(2) of the said Act by issuing this notice to the discharge in full your liabilities stated hereunder to the Bank within 60 days from the date of this notice. Your outstanding liabilities (in aggregate) due and owing to the bank is in the sum of **Rs.796518/-(Rupees Seven Lakh Ninety Six Thousand Five Hundred and Eighteen Only) as on 30<sup>th</sup> March 2006, plus Unapplied interest from the date of 01.04.1998, at the contractual rate on the aforesaid amount together with incidental expenses, cost, charges, etc.,...**

If you fail to repay to the Bank the aforesaid sum of **Rs.796518/-(Rupees Seven Lakh Ninety Six Thousand Five Hundred and Eighteen only) as on 30<sup>th</sup> March 2006, plus Unapplied interest from the date of 01.04.1998, at the contractual rate on the aforesaid amount together with incidental expenses, cost, charges, etc.,** as stated above in terms of this notice U/s.13(2) of the Act, The Bank will exercise all or any of the rights detailed under subsection (4) of Section 13 and under other applicable provisions of the said Act.

You are also put on notice that in terms of sub section 13 of section 13 you shall not transfer by sale, lease or otherwise the said secured assets detailed in Schedule C of this notice without obtaining written consent of the Bank.

The Bank reserves its rights to call upon you to repay the liabilities that may arise under the outstanding Bills Discounted, Bank Guarantee and Letter of Credit issued and established on your behalf as well as other contingent liabilities.

The notice is without prejudice to the Bank's right to initiate such other actions or legal proceedings, as it deems necessary under any applicable provisions of law.

Yours faithfully,

Authorised Officer  
Name & Address of the Bank & Branch.

## SCHEDULE - 'A'

| S.No. | Nature of Facility     | Outstandings Amount As on March 31,2007  |
|-------|------------------------|--|
| 1     | CC<br>A/c#320043189684 | Rs.....(Rupees .....<br>.....only) as on 30th March<br>2006.Plus Unapplied interest from the date<br>of 01.04.1998, at the contractual rate on the<br>aforesaid amount together with incidental<br>expenses, cost, charges, etc..... |

SCHEDULE - ' B '

(Details of Security Documents including all supplementary documents &  
Documents evidencing creation of mortgage)

| S.No. | Name of Document                                     | Nature of Security | Date of Execution                                    | Amount secured (Rs.) |
|-------|--|--------------------|--|----------------------|
| 1     | Arrangement Letter                                   |                    | 16/02/1996   | Rs.10.00<br>Lacs     |
| 2     | Demand Promissory Note                               |                    | 16/02/1996   | Rs.10.00<br>Lacs     |
| 3     | DPN take delivery Letter                             |                    | 16/02/1996   | Rs.10.00<br>Lacs     |
| 4     | Agreement for Hypothecation and Guarantee            | EM                 | 16/02/1996   | Rs.10.00<br>Lacs     |
| 5     | Mortgage of Deposit of title deeds                   |                    | 16/08/1985<br>02/07/1987<br>27/10/1995<br>16/07/1996 | Rs.10.00<br>Lacs     |
| 6     | Confirmation letter regarding deposit of title deeds |                    | 17/08/1985<br>03/07/1987<br>27/10/1995<br>16/07/1996 | Rs.10.00<br>Lacs     |

SCHEDULE - 'C'PART - 1

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PART - 2

All that piece and parcel of Land and Building, bearing Door No: New No.25, Old No:6, Hitler Street, Banks of Thomas, Chennai-45, comprised in S.No.312 & 313 (Plot No:114), admeasuring Elevent cents or 4791 Sq.Ft., within the limits of Sub-Registration District of Tambaram and Registration District of Chennai South, bounded as

North by - Hitler Street  
South by - Plot No: 128  
East by - Plot No: 115  
West by - Plot No:113



ANNEXURE – 4**NOTICE TO THE GUARANTOR**

Date : .....

Name &amp; Address of Guarantor.

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Sub: Notice U/s 13(2) of Securitisation and Reoanstruction of Financial Assets and Enforcement of Security interest Act, 2002 (hereinafter called 'ACT')

Ref : Mr. Thilak – A/c # 120108120121

Sir,

At your request, The Bankl has extended credit facilities to M/s Irwin Enterprises (hereinafter called the 'The Borrower') by way of financial assistance against secured assets. The outstanding amount and the details of the secured assets are mentioned below.

You being the guarantor have created security interest in respect of the following properties by execution of security agreement(s)/documents(s) confirmation of creation of mortgage mentioned below:

| Patriculars of the Security aggrement(s)/document(s)/confirmation of creation of mortgage                  | Particulars of Property  | Amount Secured (Rs.) |
|--|--|----------------------|
| Guarantee Agreement : 27/05/1999<br><br>EM Created on 27/05/1999<br><br>Confirmation of EM      28/05/1999 | All that piece and parcel of House Plot and Building at No:17, comprised S.No:463/2, Thandurai Village, land admeasuring 2616 Sq.Ft, Door No:4, "GOKULAM", Marutham Street, Mahakavi Bharathi Nagar, Nethaji Road, Washington D.C, Chennai:600 072.<br>North by - Existing Land & Building<br>South by - Existing Land & Building<br>East by - Existing Land & Building<br>West by - Wellington Street<br><br><u>Mortgaged Property of Mr.Thilak</u> | 5.00 Lacs            |

The operation and conduct of the said financial assistance / credit facilities have become irregular and the debt has been classified as non-performing asset as specifically stated in the enclosed notice to the borrower. Therefore, the Bank hereby calls upon you u/s 13(2) of the said Act by issuing this notice to discharge in full your liabilities state hereunder to the **Bank within 60 days** from the date of this notice.

**Your outstanding liabilities as guarantor for the borrower, (in aggregate), due and owing to the Bank are to the tune of Rs.579194/68 (Rupees Five Lakh Seventy Nine Thousand One Hundred and Ninety Four only) as 23/11/2007, plus unapplied interest from the date of 01/07/1999, at the contractual rate on the aforesaid amount together with incidental expense, cost, charges, etc.,**

If you fail to repay to the Bank the aforesaid sum of Rs.579194/68 (Rupees Five Lakh Seventy Nine Thousand One Hundred Ninety Four Only) as 23/11/2007, plus unapplied interest from the date of 01/07/1999, at the contractual rate on the aforesaid amount together with incidental expenses, cost, charges, etc., as stated above in terms of this notice U/s 13(2) of the Act, The Bank will exercise all or any of the rights detailed under subsection (4) of Section 13 and under other applicable provisions of the said Act.

You are also put on notice that in terms of sub section 13 of section 13 you shall not transfer by sale, lease or otherwise the said secured assets detailed in Schedule C of this notice without obtaining written consent of the Bank.

The Bank reserves its rights to call upon you to repay the liabilities that may arise under the outstanding Bills Discounted, Bank Guarantee and Letter of Credit issued and established at your request for M/s Irwin Enterprises, Chennai.(Borrower)

The Notice is without prejudice to the Bank's right to initiate such other actions or legal proceedings, as it deems necessary under any applicable provisions of law.

Yours faithfully,

Authorised Officer  
Name & Address of the Bank & Branch.

**NOTICE TO THE BORROWER**

Name & Address of the Borrower,

Date : .....

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Sub : Notice U/s 13(2) of Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002(Hereinafter called 'Act')

Loan A/c # 1201081920121

Dear Sir,

At your request, you, **M/s Irwin Enterprises represented by it proprietress Mr Irwin**, (Herein after Called as Borrower) have been granted by the **Name of the Bank** (Herein after called as Bank), **through its Name of the Branch**, from time to time, and various credit facilities by way of financial assistance against various assets creating security interest in favour of the Bank. The relevant particulars of the said credit facilities and the security agreement(s) / document(s) executed by you are stated in Schedule A and Schedule B respectively excluding pledge of movables. You have availed the financial assistance with an undertaking for repayment of the said financial assistance in terms of the said agreement(s)/document(s).

The relevant particulars of the secured assets are specially stated in Schedule C.

You have also acknowledged subsistence of the liability in respect of the aforesaid credit facility by executing confirmation of balances and revival letters and other documents from time to time. The operation of and conduct of the above said financial assistance/credit facilities have become irregular and the debt has been classified as non performing assets in Act with the directives/guidelines relating to asset classifications issued by the Reserve Bank of India consequent to the default committed by you in repayment of principal/debt and interest thereon.

The said credit facility was secured by mortgage of property guaranteed by **Mr.Thilak S/o Mr.Mohan, "Gokulam", No.4, Nethaji Street, Washington D.C, Chennai-600 072**. Despite repeated request, you have failed and neglected to repay the said dues/outstanding liabilities.

Therefore, The Bank, hereby calls upon you u/s 13(2) of the said Act issuing this notice to the discharge in full your liabilities stated hereunder to the Bank within 60 days from the date of this notice. Your outstanding liabilities (in aggregate) due and owing to the bank are the sum of **Rs.579194/68 (Rupees Five Lakh Seventy Nine Thousand One Hundred Ninety Four only) as on 23/11/2007, plus unapplied interest from the date of 01/07/1999, at the contractual rate on the aforesaid amount together with incidental expenses, cost, charges, etc...**

If you fail to repay to the Bank the aforesaid sum of **Rs.579194/68 (Rupees Five Lakh Seventy Nine Thousand One Hundred Ninety Four only) as on 23/11/2007, plus unapplied interest from the date of 01/07/1999, at the contractual rate on the aforesaid amount together with incidental expenses, cost, charges, etc...**as stated above in terms of this notice U/s 13(2) of this Act, The Bank will exercise all or any of the rights detailed under subsection (4) of Section 13 and under other applicable provisions of the said Act.

You are also put on notice that in terms of sub section 13 of section 13 Guarantor shall not transfer by sale, lease or otherwise the said secured assets detailed in Schedule C of this notice without obtaining written consent of the Bank.

The Bank reserves its rights to call upon you to repay the liabilities that may arise under the outstanding Bills Discounted, Bank Guarantee and Letter of Credit issued and established on your behalf as well as other contingent liabilities.

The Notice is without prejudice to the Bank's right to initiate such other actions or legal proceedings, as it deems necessary under any applicable provisions of law.

Yours faithfully,

Authorised Officer,  
State Bank of India  
SARC, Anna Salai  
Chennai – 600 002.

**SCHEDULE - 'A'**

| S.No. | Nature of Facility                    | Outstandings Amount As on March 31,2007   |
|-------|---------------------------------------|---|
| 1     | Medium Term Loan<br>A/c#1201081920121 | Rs579194/- (Rupees Five Lakh Seventy Nine Thousand One Hundred and Ninety Four only) as on 23/11/2007, Plus unapplied interest from the date of 01/07/1999, at The contractual rate on the aforesaid amount together With incidental expenses, cost, charges, etc., |

**SCHEDULE - 'B'**

(Details of Security Documents including all supplementary documents & Documents evidencing creation of mortgage)

| S.No. | Name of Document  | Nature of Security | Date of Execution | Amount secured (Rs.) |
|-------|---|--------------------|-------------------|----------------------|
| 1     | Agreement for grant of Term Loan facility & Hypothecation of Movable, Book-debts, Stocks and other assets | Hypothecation      | 27/05/1999        | Rs.5.00 Lkhs         |
| 2     | Guarantee Agreement   |                    | 27/05/1999        | Rs.5.00 Lacs         |
| 3     | Mortgage by deposit Of the title deeds  | EM                 | 27/05/1999        | Rs.5.00 Lacs         |
| 4     | Confirmation letter Regarding deposit of Title deeds  |                    | 28/05/1999        | Rs.5.00 Lacs         |
|       |   |                    |                   |                      |
|       |   |                    |                   |                      |

**SCHEDULE - 'C'****PART - 1**

- Nil -

-----X-----

**PART - 2**

All that piece and parcel of House Plot & Building at No.17, comprised S.No.463/2, Thandurai Village, land admeasuring 2616 Sq.Ft, Door No.4, "GOKULAM", Marutham Street, Mahakavi Bharathi Nagar, Nethaji Road, Washington D.C, Chennai-600 072.

North by - Existing Land & Building  
 South by - Existing Land & Building  
 East by - Existing Land & Building  
 West by - Wellington Street

M/s MagGold Motors,  
SD-6, Industrial Estate,  
Ambattur, Chennai -0 600058

Sub : Notice U/s 13(2) of Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act,2002 (Hereinafter called "ACT")

Ref : A/c # 1034 651 16303

Dear Sir,

At your request, **M/s MagGold Motors represented by its proprietor Mr.Satam S/o.Mr.Thanam** (Herein after called as Borrower) have been granted by the Name of the Bank (Hereinafter called as BANK), through its **Name of the Branch**, from time to time, and various credit facilities by way of financial assistance against various assets creating security interest in favour of the Bank. The relevant particulars of the said credit facilities and the security agreement(s) / document(s) executed by you are stated in Schedule A and Schedule B respectively excluding pledge of movables. You have availed the financial assistance with an undertaking for repayment of the said financial assistance in terms of the said agreement(s) / document(s).

You have also created mortgage by way of deposit of title deeds /registered mortgage created security interest in favour of the State Bank of India. The documents relating to such mortgages are also stated in Schedule B.

The relevant particulars of the secured assets are specially stated in Schedule C.

You have also acknowledged subsistence of the liability in respect of the aforesaid credit facility by executing confirmation of balances and revival letters and other documents from time to time. The operation of and conduct of the above said financial assistance / credit facilities have become irregular and the debt has been classified as non performing assets in Act with the directives / guidelines relating to asset classifications issued by the Reserve Bank of India consequent to the default committed by you in repayment of principal / debt and interest thereon.

The said financial assistance is also secured by the personal guarantee by Mr.Thanam, Mrs.Thanam and Mr.Durai (Now Deceased)

Despite repeated requests, you have failed and neglected to repay the said dues/outstanding liabilities.

Therefore, The Bank, hereby calls upon you U/s 13(2) of the said Act issuing this notice to the discharge in full your liabilities stated hereunder to the Bank within 60 days from the date of this notice. Your outstanding liabilities (in aggregate) due and owing to the bank are the sum of **Rs.986720.83(Rupees Nine Lakhs Eighty Six Thousand Seven Hundred and Twenty and Paise Eighty Three Only) as on 30.06.2000. Plus Unapplied interest at the contractual rate from the date of 01.07.2000 on the aforesaid amount together with incidental exepenses, cost, charges, etc...**

If you fail to repay to the Bank the aforesaid sum of **Rs.986720.83(Rupees Nine Lakhs Eighty Six Thousand Seven Hundred and Twenty and Paise Eighty Three Only) as on 30.06.2000. Plus Unapplied interest at the contractual rate from the date of 01.07.2000 on the aforesaid amount together with incidental exepenses, cost, charges, etc...** as stated above in terms of this notice U/s 13(2) of the Act, The Bank will exercise all or any of the rights detailed under subsection (4) of Section 13 and under other applicable provisions of the said Act.

You are also put on notice that in terms of sub section 13 of section 13 you shall not transfer by sale, lease or otherwise the said secured assets detailed in Schedule C of this notice without obtaining writted consent of the Bank.

The Bank reserves its rights to call upon you to repay the liabilities that may arise under the outstanding Bills Discounted, Bank Guarantee and Letter of Credit issued and established on your behalf as well as other contingent liabilities.

The Notice is without prejudice to the Banks right to initiate such other actions or legal proceedings, as it deems necessary under any applicable provisions of law.

Yours faithfully,

Authorised Officer,  
Name & Address of the Bank & Branch.

**SCHEDULE – 'A'**

| S.No. | Nature of Facility   | Outstandings Amount As on March 31,2007   |
|-------|----------------------|---|
| 1     | A/c # 1034 651 16303 | Rs.986720.83-(Rupees Nine Lakhs Eighty Six thousand Seven Hundred twenty and paise Eighty three only) ,<br>Plus unapplied interest at the contractual rate from the Date of 01.07.2000 on the aforesaid amount together with incidental expenses, cost, charges, etc.,, |

**SCHEDULE - ' B '**

| S.No. | Name of Document                                     | Nature of Security | Date of Execution | Amount secured (Rs.) |
|-------|--|--------------------|-------------------|----------------------|
| 1     | General Agreement (CC)                               | Current Assets     | 02.12.1998        | Rs.5.00 Lkhs         |
| 2     | Ancillary Agreement : 1 and 2 (CC)                   |                    | 02.12.1998        | Rs.5.00 Lacs         |
| 3     | Guarantee Agreement (CC)                             |                    | 02.12.1988        | Rs.5.00 Lacs         |
| 4     | General Agreement (TL)                               |                    | 02.12.1988        | Rs.3.00 Lacs         |
| 5     | Ancillary Agreement : "A"(TL)                        |                    | 02.12.1988        | Rs.3.00 Lacs         |
| 6     | Pledge Letter (TL)                                   |                    | 02.12.1998        | Rs.3.00 Lacs         |
| 7     | Guarantee Agreement (TL)                             |                    | 02.12.1988        | Rs.3.00 Lacs         |
| 8     | Mortgage by deposit Of title deeds                   | EM                 | 02.12.1988        | Rs.8.00 Lacs         |
| 9     | Confirmation Letter Regarding deposit of Title deeds |                    | 02.12.1988        | Rs.8.00 Lacs         |
|       |  |                    |                   |                      |



SCHEDULE - CPART - 1

CURRENT ASSETS INCLUDING STOCKS OF RAW MATERIALS, FINISHED AND SEMI FINISHED ALUMINIUM DOORS AND WINDOWS AND MACHINERIES AS LISTED BELOW :

- |  |   |       |
|--|---|-------|
| 1. Computerised Wheel Aligner<br>(Digital Mode)  | : | 1 No. |
| 2. Computerised Wheel Balancer<br>(Digital Mode) | : | 1 No. |

PART - 2

1. All that piece and parcel of Land and Building bearing Plot No.39, Charles Nagar, Pattalam, Chennai-600 072, comprised in New Survey No.373 of Thandurai Village, Measuring Nine and Half cents or 4138.2 Sq.Ft, situated within the Sub-Registration District of Avadi and Registration District of Chennai South, bounded as

|          |   |   |
|----------|---|---|
| North by | : | Plot No.32                                |
| South by | : | 30 Feet Road (Radhakrishnan First Street) |
| East by  | : | Plot No.38                                |
| West by  | : | Plot No.40                                |

Property owned by : Mr.D.Subramaniam (Now Deceased)

Notice Sent to :

- 1.Mr.Sat Thanam, J.P.Radhakrishnan Salai, Chennai-600004
- 2.Mr.Thanam, J.P.Radhakrishnan Salai, Chennai-600 004
- 3.Mrs.Thanam, J.P.Radhakrishnan Salai, Chennai-600 004.
- 4.Mrs.Meena Durai, W/o Mr Durai (Deceased), No.39, Charles Nagar, Pattalam  
Chennai-600 072
- 5.Mrs.Reena, D/o Mr.Durai(Deceased), No.21/28, Dhasamahan, Chennai-600 012.
- 6.Mrs.Bhagyammal, M/o Mr.Durai(Deceased), No.134B, Nethaji Street, Pandiyan  
Nagar, Teachers Colony, Vellore-636 602.
- 7.Mr.S.Pole, S/o Mr.Durai(Deceased), No.13, Annan Nagar, Pattalam, Chennai-600012

NOTICE TO THE LEGAL HEIRS OF THE GUARANTOR

- 1) Mrs. Meena Durai, W/o Mr Durai (Deceased), No.39, Charles Nagar, Pattalam  
Chennai-600 072
- 2) Mrs. Reena, D/o Mr. Durai (Deceased), No.21/28, Dhasamahan, Chennai-600 012
- 3) Mrs. Bhagyammal, M/o Mr. Durai (Deceased), No.134B, Nethaji Street, Pandiyan  
Nagar, Teachers Colony, Vellore-636 602.
- 4) Mr. S. Pole, S/o Mr. Durai (Deceased), No.13, Annan Nagar, Pattalam, Chennai-600012

Dear Sir/Madam,

Sub : Notice U/s 13(2) of Securitisation and Reconstruction of Financial Assets and  
Enforcement of Security Interest Act, 2002 (Hereinafter called "ACT")

Ref : M/s MAC GOLD MOTORS - A/c#1034 651 16303

This is to bring to your notice that the Bank has extended credit facilities to M/s MACGold Motors situated at SD-6, Industrial Estate, Ambattur, Chennai-600058 represented by its proprietor Mr. Sat (Herein after called Borrower) by way of financial assistance and the said financial assistance is duly guaranteed by Mr. Durai (Now Deceased) (Herein after called Guarantor) and the said Guarantor are due to the Bank a sum of **Rs.986720.83 (Rupees Nine Lakhs Eighty Six Thousand Seven Hundred and Twenty and Paise Eighty Three Only) as on 30.06.2000, along with further interest from the date of 01.07.2000 at the contractual rate and costs and other legally recoverable dues in terms of loan agreements executed by the said Guarantor from time to time in favour of the Bank.**

2. The Mr. Durai died on 09.05.2004 (Herein after referred to as deceased). The deceased as Guarantor had created mortgage over the property more fully described in the Schedule "A" herein on 02.12.1998 under the documents more fully described in schedule "B" hereunder.

3. You are the legal heirs of the deceased entitled to the schedule property and therefore you are liable to pay the dues of the deceased to the Bank, the details of which is stated above in para 1.

4. The particulars of the security agreements/documents confirmation or creation of mortgage and the amounts secured thereon along with the details of the property over which security is created in favour of the Bank by deceased as security for the above loan are more fully described in Schedule "B" herein below.

5. The operation and conduct of the account of the said financial assistance/credit facilities have become irregular and the debt as been classified as a Non-Performing Assets in terms of Sec 2(1) of SARFAESI Act,2002 (ACT), due to default in repayment of the secured debt thereon.

6. Therefore, you are hereby called upon jointly and severally U/s 13(2) of the said Act to discharge in full the liabilities stated above in Para 1 to the Bank, within 60 days from the date of this notice failing which the bank will exercise all or any of the rights available to them U/s 13(4) and other applicable provisions of the said Act.

7. All of you are also put on notice that in terms of sub sections 13 of sections 13 of the said Act, You shall not transfer by Sale/lease or otherwise the said secured assets without prior consent of the Bank. This notice is without prejudice to the Bank's right to initiate such other actions or legal proceedings as it deems necessary under any other law in force.

Yours faithfully,

Authorised Officer,  
Name & Address of the Bank & Branch.

**SCHEDULE - 'A'**

All that piece and parcel of Land and Building bearing Plot No.39, Charles Nagar, Pattalam, Chennai-600 022, comprised in New Survey No.373 of Thandurai Village, Measuring Nine and Half Cents or 4138.2 Sq.Ft. situated within the Sub-Registration District of Avadi and Registration District of Chennai South, bounded as

North by : Plot No.32  
 South by : 30 Feet Road (Radhakrishnan First Street)  
 East by : Plot No.38  
 West by : Plot No.40

Property owned by : Mr.D.Subramaniam (Now Deceased)

**SCHEDULE - 'B'**

| S.No. | Name of Document                                     | Nature of Security | Date of Execution | Amount secured (Rs.) |
|-------|--|--------------------|-------------------|----------------------|
| 1     | General Agreement (CC)                               | Current Assets     | 02.12.1998        | Rs.5.00 Lkhs         |
| 2     | Ancillary Agreement : 1 and 2 (CC)                   |                    | 02.12.1998        | Rs.5.00 Lacs         |
| 3     | Guarantee Agreement (CC)                             |                    | 02.12.1988        | Rs.5.00 Lacs         |
| 4     | General Agreement (TL)                               |                    | 02.12.1988        | Rs.3.00 Lacs         |
| 5     | Ancillary Agreement : "A"(TL)                        |                    | 02.12.1988        | Rs.3.00 Lacs         |
| 6     | Pledge Letter (TL)                                   |                    | 02.12.1998        | Rs.3.00 Lacs         |
| 7     | Guarantee Agreement (TL)                             |                    | 02.12.1988        | Rs.3.00 Lacs         |
| 8     | Mortgage by deposit Of title deeds                   | EM                 | 02.12.1988        | Rs.8.00 Lacs         |
| 9     | Confirmation Letter Regarding deposit of Title deeds |                    | 03.12.1988        | Rs.8.00 Lacs         |
|       |  |                    |                   |                      |

ANNEXURE – 6

To

-----  
-----  
-----

Dear Sir,

Sub : Action under Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act 2002 (Act 3 of 2002)

Ref : Notice U/s 13 (2) of Act dated .....

Whereas, the Authorised officer of the bank had issued notice on .....U/s 13 (2) of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security interest Act 2002 (Hereinafter called the Act) against secured interest mentioned therein, which has been offered as security by you towards your/borrower’s liabilities amounting to Rs.....as on .....

Whereas you have failed to satisfy your / borrower’s liabilities to the bank even after receipt of notice U/s 13 (2) of the Act. Therefore the bank in exercise of its rights granted under the Act and Rule, intends to initiate all or any of the measures for enforcement of the interest secured by you U/s 13(4) of the Act.

You are hereby called upon to discharge in full your liabilities amounting to Rs.....(in words) as on with interest, costs and charges, within 7 days from the date of this notice, failing which, the bank shall proceed under the Act to realize the outstandings, as stated in its notice dated .....

Yours faithfully,  
For \_\_\_\_\_(Bank)

Authorised Officer,

Date :  
Place :

## ANNEXURE – 7

**Name of the Bank / Institution****POSSESSION NOTICE**

Whereas the undersigned being the Authorised officer of the (Name of the Bank/Institution) under the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act 2002. and in exercise of Powers conferred under section 13(2) read with rule 8 of the Security Interest (Enforcement ) Rules 2002, issued a Demand Notice dated .....calling upon the borrower Shri...../ M/s .....to repay the amount mentioned in the notice being Rs.....(Rupees .....only) within 60 days from the date of receipt of the said notice.

The Borrower having failed to repay the amount, notice is hereby given to the Borrower/Guarantor and the public in general that the undersigned has taken possession of the property described here in below in exercise of powers conferred on him/her under Section 13(4) of the said Act read with Rule 8 of the said rules on this .....day of .....of the year .....

The Borrower/Guarantor in particular and the public in general is hereby cautioned not to deal with the property and any dealings with the property will be subject to the charge of the (Name of the Bank/Institution) for an amount of Rs.....(Rupees .....)and interest thereon.

---

 Description of immovable Property
 

---

Place :

BOUNDRY

On the North by  
 On the South by  
 On the East by  
 On the West by

MEASUREEMNTPROPERTY OWNED BY

Date :  
 Place :

Authorised Officer  
 Name of the Bank

ANNEXURE – 8

Rule – (1)

**PANCHNAMA**

Where as we.

| S.No | Name of Panch & Father's/Husband's Name | Address | Age | Occupation |
|------|---|---------|-----|------------|
|      |   |         |     |            |

The above mentioned Panchs on being called by Shri .....the Authorised Officer of Name of the Bank, under the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 and in exercise of Powers under section 13(4) of the said Act, today entered the premises of Shri..... at ..... and demanded the payment of the dues mentioned in the Demand Notice dated ..... in respect of Loan Account bearing No..... and on its non-payment, taken over possession of movable properties as detailed in the inventory attached to this Panchnama between the hours.....AM/PM and .....AM/PM in our presence.

We also hereby state that during take over of possession

.....  
 .....  
 .....

(To be filled in case of occurrence of any incidence)

Therefore, we declare that the facts of the Panchnama mentioned herein are true and correct to the best of our observations and knowledge.

1. Date Time

2. Date Time

Drawn before me

Authorised Officer  
 Name of the Bank

ANNEXURE – 9

ANNEXURE-J

**INVENTORY**

Inventory of movables taken Possession in Loan Account bearing No.....  
Inventory of movable properties taken possession of at the premises of .....  
at Plot No..... Gala No..... Door No..... Street No..... of  
..... U/s 13(4) of securitization and  
Reconstruction of Financial Assets and Enforcement of Security Interest Act,2002 and  
the Security interest (Enforcement) Rules 2002 made thereunder on this .....day  
of .....2006 by Shree ..... Authorised Officer of .....  
under said Act.

S.No.

Description of Articles

Estimated Value

Place where Kept for safe custody (Name of the Person if necessary)

Panchs :

S.No.

Name and Address of the Panch:

Signatures

Drawn by me today the ..... at .....AM/PM.

Signature of the Borrower / Representative

Signature of the Authorised Officer  
Name of the Bank



ANNEXURE – 10

Borrower Name & Address

.....  
.....  
.....

Dear Sir/Madam,

Sub: Action under Securitisation and Reconstruction of Financial Assets and Enforcement of Security Act 2002 (Act 3 of 2002)

Ref : Notice under section 13(2) of the Act dated.....

Whereas, the Authorised officer of the bank had issued notice on 22/02/2006 U/s 13(2) of the Securitisation and Reconstruction of financial assets and Enforcement of Security Interest Act,2002 (hereinafter called the Act), against secured interest mentioned therein, which has been offered as security by you towards your/borrower’s liabilities amounting to Rs.\_\_\_\_\_ /- (Rupees\_\_\_\_\_ only) as on ..... Subsequently, the Authorised Officer had also taken possession of the secure interest on \_\_\_\_\_ by issuance of notice U/s 13(4) of Act.

Whereas you have failed to satisfy your /borrower’s liabilities to the bank even after receipt of notice U/s 13(2) and U/s 13(4) of the Act. Therefore the bank in exercise of its rights granted under the Act and Rule, intends to initiate all or its rights for enforcement of the interest secured by sale of the secured interest.

You are hereby called upon to discharge in full your liabilities amounting to Rs...../- (Rupees.....only) as on .....which is ..... Rs..... (Rupees.....) as on .....with interest, costs and charges within 7 days from the date of this notice, failing which, the bank shall proceed the Act to realize the outstandings, in its demand notice dated .....

Yours faithfully,

Authorised Officer  
Name of the Bank  
For .....(Branch)  
Region .....Zonal office.  
.....District  
Date .....

**THIS PROPERTY BELONGS**

**TO**

**NAME OF THE BANK**

**\_\_\_\_\_BRANCH**

**TRESSPASSERS WILL BE  
PROSECUTED**

FOR FURHTER DETAILS  
THE AUTHORISED OFFICER  
NAME OF THE BANK  
..... BRANCH  
PH : .....

|   |  |              |
|---|--|--------------|
| ZONAL OFFICE CREDIT COMMITTEE   |  | REGION _____ |
| <b>PROPOSAL SEEKING APPROVAL FOR UPSET PRICE FOR THE PURPOSE OF RECOVERY<br/>UNDER SARFAESI ACT THROUGH ENFORCEMENT AGENCY</b>  |  |              |
| BRANCH  |  |              |
| NAME OF BORROWER  |  |              |
| SEGMENT   |  |              |
| NPA DATE  |  |              |
| IRAC STATUS   |  |              |
| TOTAL DUES  |  |              |
| TYPE OF SECURITY  |  |              |
| VALUE OF SECURITY   |  |              |
| UPSET PRICE   |  |              |
| <b>PROFILE OF THE UNIT / BORROWER</b>   |  |              |
| NAME OF BORROWER  |  |              |
| CONSTITUTION  |  |              |
| NAME OF THE PARTNER/DIRECTORS   |  |              |
| NAME OF GUARANTOR(S)  |  |              |
| ACTIVITY  |  |              |
| ESTABLISHED IN  |  |              |
| BANKING WITH US SINCE   |  |              |
| DETAILS OF LIMITS SANCTIONED  |  |              |
| POSITION OF THE UNIT  |  |              |
| DETAILS OF ASSOCIATE CONCERNS   |  |              |
| <b>BRIEF HISTORY</b>  |  |              |
| Mrs _____ is an employee of _____ (work place). A Housing Loan of Rs. _____ was sanctioned by our _____ Branch and subsequently, on _____ his accounts was transferred to our books in order consolidate the Court case of Cordite employees. Civil Suit was filled against the borrower. |  |              |

| <b>2. DETAILS OF DUES CLAIMS UNDER SARFAESI ACT</b>      |                  |  |
|--|------------------|--|
|  | AMOUNT IN RUPEES |  |
| OUTSTANDING IN PB ACCOUNT AS ON 31/03/2005 - DATE OF NPA |                  |  |
| FURTHER DEBITS   |                  |  |
| LESS : RECOVERIES, IF ANY                                |                  |  |
| PRESENT OUTSTANDING                                      |                  |  |
| ADD: ACCRUED INTEREST UPTO THE END OF MONTH OF FEB 2008  |                  |  |
| OTHER CHARGES  |                  |  |
| TOTAL  |                  |  |

| <b>3. DETAILS OF ACTIONS UNDER SARFAESI ACT</b> |  |  |
|---|--|--|
| Demand Notice issued on                         |  |  |
| Date of Acknowledgement of Demand Notice        |  |  |
| Date of Possession Notice                       |  |  |
| Status of Possession                            |  |  |
| Date of Publication of Possession Notice        |  |  |

|                    |
|--------------------|
| <b>4. SECURITY</b> |
|--------------------|

| DESCRIPTION OF ASSETS | ORIGINAL/REALISABLE VALUE/NET WORTH |                     |               | NATURE OF CHARGE |
|-----------------------|-------------------------------------|---------------------|---------------|------------------|
|                       | AT SANCTION STAGE                   | AT CALLING UP STAGE | PRESENT VALUE | REMARKS          |
| Property Details      |                                     |                     |               |                  |
| COLLATERAL @          |                                     |                     |               |                  |
| PERSONAL GUARANTEE OF |                                     |                     |               |                  |

|                            |
|----------------------------|
| <b>5. POSITION OF SUIT</b> |
|----------------------------|

|                  |  |  |
|------------------|--|--|
| SUIT FILED AT    |  |  |
| SUIT AMOUNT      |  |  |
| SUIT NO          |  |  |
| WHETHER DECREED  |  |  |
| DEALING ADVOCATE |  |  |

|  |
|--|
| <b>6. PROPOSED ACTION UNDER SARFAESI ACT AND UPSET PRICE</b> |
|--|

Plan to recover the dues by way of Auction sale

|                 |  |
|-----------------|--|
| RECOMMENDATIONS |  |
| :               |  |
|                 | Upset Price for Auction sale is Rs. _____/- Recommended.<br>The property may fetch more than upset price during the Public Auction Sale. |

Submitted for Approval.

P.SINGARAVEL  
BRANCH  
MANAGER

|                          |  |                    |
|--------------------------|--|--------------------|
| Manager (NPA Management) |  | Chief Manager(CSC) |
|--------------------------|--|--------------------|

**Zonal Office Credit Committee**

|  |
|--|
| * denotes that the value of the property was high at the time of Sanction. Now the building is not in good condition and damaged, since the present value of the property is slightly decreased. |
|--|

## ANNEXURE – 13

In the Letter Head of .....(Bank Name), duly signed by Authorised officer

The District Collector,  
Collectorate.  
.....District.

Sir,

Sub: Assistant for taking possession of secured asset of the Bank  
U/s 14 of SARFAESI  
Ref : Notice issued by Bank to the debtor U/s 13(2) of Sarfaesi Act.  
Dt.....

-----

One of our borrowers Mr.....S/o Mr.....residing at .....  
has availed various credit facilities by way of financial assistance from our \_\_\_\_\_  
(Bank), against various assets by creating security interest in favour of the Bank.

The debtor was not in the havbit of paying dues to the Bank properly.

As on 22/02/2006 the debtor was liable to pay a sum of Rs...../-  
(Rupees.....only) and subsequent interest, incidental expenses and cost.

The bank is taking steps to realize the dues from the debtor under the provisions of **SECURITISATION AND RECONSTRUCTION OF FINANCIAL ASSETS AND ENFORCEMENT OF SECURITY INTEREST ACT 2002**. Accordingly, as per section 13(2), a notice dated was issued to the debtor as well as the guarantors calling upon them to settle the entire dues within 60 days. Otherwise the Bank will take possession of the secured assets U/s 13(4) of the **SARFAESI ACT 2002**. The period of 60 days was over as early as.

The debtor is a man of having influence in the locality and number of persons in his back and call. The under mentioned property are the secured assets in which the Bank is authorized to take possession U/s 13(4) of the **SARFAESI ACT 2002**.

**"All that piece and parcel of Property situated at .....**  
**....."**

Further **section 14 of SARFAESI ACT**, empowers The Hon.District Magistrate or The Hon. Chief Metropolitan Magistrate shall assist secured creditor in taking possession of the secured assets. I am hereby furnishing **section 14 of SARFAESI Act, 2002**.

**Page - 2**

The Hon.Chief Metropolitan Magistrate or The Hon.District Magistrate to assist secured creditor in taking possession of secured assets.

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 assets, requests, in writing. The Hon.Chief Metroolitan Magistrate or The Hon.District Magistrate within whose jurisdiction any such secured assets or other documents relating thereto may be situated or found, to take possession thereof, and The Hon.Chief Metropolitan magistrate or, as the case may be, The Hon.District Magistrate shall on request being made to him-

- (a) Take possession of such assets and documents relating thereto; and
- (b) Forward such assets and documents to the secured creditor.....

As stated already the debtor is an influenced man, and without assistance of police, we can't take possession of secured assets.

**So, we request you to grant a direction to your respective authorities to assist us to take the possession of the above mentioned secured assets with the help of Police.**

Thanking you,

Yours faithfully,

For \_\_\_\_\_

**Authorised Officer**

**For \_\_\_\_\_ Branch,  
\_\_\_\_\_ District**

Encl :

1. Copy of Loan Application Form
2. Copy of Loan Sanction letter
3. Copy of notice U/s 13(2)
4. Loan particulars and as on date balance amount
5. Documents available with the Bank in respect of Secured assets
6. Encumbrance Certificate for the immovable properties

Only for SPECIMEN PURPOSE

**State Bank of India**  
**METTUPALAYAM BRANCH**

212-A, Karamadal Road,  
 EMS Complex,  
 Mettupalayam-641 301

**TENDER - CUM - AUCTION SALE**

Sale of Immovable Properties mortgaged to Bank under Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (SARFAESI Act)

Whereas the following Borrowers/Guarantors owe to the Bank in respect of Borrowing made from State Bank of India, Mettupalayam Branch, Coimbatore and the details of their liability are furnished hereunder. Whereas the Authorized Officer of the bank has issued notices under SARFAESI ACT rule 13(2) and thereafter has taken possession of the following mortgaged properties under rule 13(4) and has decided to sell the properties, described herein below, under Rules 8 & 9 of Security Interest (Enforcement) Rules, 2002.

| PLACE OF TENDER/AUCTION   | DATE OF TENDER/AUCTION           |
|---|----------------------------------|
| STATE BANK OF INDIA<br>Mettupalayam Branch, 212-A, Karamadal Road,<br>EMS Complex, Mettupalayam-641 301 | <b>16.04.2008</b><br>(Wednesday) |

1. Account: Shri.A.Alphonse, S/o.A.D.Antony and Guarantor Smt.A.Baby, W/o.Shri.A.Alphonse all residing at 603/5, Type II Quarters, Jagathala Road, Aravangadu, Nilgiris-643 202 Date of Demand Notice: 22.02.2006, Possession Taken Date: 12.10.2006, Amount Outstanding: Rs.3,81,603.97 and interest thereon.

| Description of the Property   | Time of Auction & Reserve Price   |
|---|-----------------------------------|
| All that piece and parcel of land and building situated at Site No.85, "Bri Devi Nagar", Near CRPF Camp, Kurudampalayam Village & Panchayat, Coimbatore Dist comprised in SF 596/2 measuring 1307 sq.ft. or 3 cents of land with 333 sq.ft. of house building thereon within the Registration District Coimbatore and sub District of Perinthakavipalayam, Boundaries North: Site No.54, East: 23 F North-South Road, South: Site No.66, West: Land in SF No.556. Mortgage Property of Shri.A.Alphonse. | AT 10.30 A.M.<br><br>Rs.3.88 Lacs |

2. Account: Smt.Y.Nilica Rani, D/o.R.Yeasudasa and the Guarantor Shri.Y.Satheesh all residing at 835/3, Type II Quarters, Jagathala Road, Cordia Factory, Aravangadu, Nilgiris-643 202 Date of Demand Notice: 22.02.2006, Possession Taken Date: 12.10.2006, Amount Outstanding: Rs.3,53,665.66 and interest thereon.

| Description of the Property   | Time of Auction & Reserve Price   |
|---|-----------------------------------|
| All that piece and parcel of land and building situated at Site No.82, "Bri Devi Nagar", Near CRPF Camp, Kurudampalayam Village & Panchayat, Coimbatore Dist comprised in SF 596/2 measuring 1307 sq.ft. or 3 cents of land with 636 sq.ft. of house building thereon within the Registration District Coimbatore and sub District of Perinthakavipalayam, Boundaries North: 23 F East-West Road, East: 23 F North-South Road, South: Site No.83, West: Land in SF No.556. Mortgage Property of Smt.Y.Nilicani. | AT 10.45 A.M.<br><br>Rs.4.00 Lacs |

3. Account: Shri.A.J.Kanikara, S/o.A.Joseph and the Guarantor Smt.Seraphine Margaret, W/o Shri.A.J.Kanikara all residing at 077/2, H Type Quarters, Cordia Factory, Aravangadu, Nilgiris-643 202 Date of Demand Notice: 22.02.2006, Possession Taken Date: 12.10.2006, Amount Outstanding: Rs.3,87,343.14 and interest thereon.

| Description of the Property   | Time of Auction & Reserve Price   |
|---|-----------------------------------|
| All that piece and parcel of land and building situated at Site No.84, "Bri Devi Nagar", Near CRPF Camp, Kurudampalayam Village & Panchayat, Coimbatore Dist comprised in SF 596/2 measuring 1307 sq.ft. or 3 cents of land with 533 sq.ft. of house building thereon within the Registration District Coimbatore and sub District of Perinthakavipalayam, Boundaries North: Site No.83, East: 23 F North-South Road, South: Site No.82, West: Land in SF No.556. Mortgage Property of Shri.A.J.Kanikara. | AT 11.00 A.M.<br><br>Rs.3.96 Lacs |

**TERMS AND CONDITIONS:**

1. The intending bidders should send their bids in the prescribed tender form in a closed cover separately for each property along with the respective EMD (i.e. 10% of the reserve price) by means of DD/Banker's cheque drawn in favour of Authorized Officer, State Bank of India, Mettupalayam Branch payable at Chennai, which is refundable without interest if the bid is not successful. Tender forms can be collected from State Bank of India, Mettupalayam Branch, by paying Rs.100/- towards the cost of tender form (which is not refundable) from 17.03.2008 till the date without EMD will be rejected. The EMD shall be liable for forfeiture without any prior notice and the properties shall be sold again, if the successful bidder fails to adhere to the terms of sale, time or commit any default in any manner.
2. The last date and time for submitting the tenders at State Bank of India, Mettupalayam Branch is on or before 15.04.2008 at 4.00 P.M.
3. The sealed tender will be opened by the authorized officer in the presence of available/standing tenderers on the date & time mentioned above.
4. After opening the tenders, the intending bidders may be given opportunity at the discretion of the authorized officer to have, in case of any error, their bids corrected or withdrawn.
5. The successful bidder shall deposit 25% of the bid amount (inclusive of EMD) immediately after auction on the same day of the sale in cash or DD drawn as above and the balance bid amount within 15 days from the date of confirmation of sale or such extended period as may be agreed in writing by the authorized officer. In case of default, all amounts deposited therein shall be forfeited and the property shall be resold.
6. The successful bidder should bear statutory dues like Property Tax, E.B. charges, etc., and fees payable for conveyance such as stamp duty, registration fees etc. so applicable as per Law and Income Tax laws.
7. The authorized officer has absolute right to accept or reject the bid or adjourn/postpone the auction without assigning any reason therefor.
8. The sale is subject to confirmation by the Bank.
9. The sale of property shall be under "As is where is" and "As is what is condition". The buyers should satisfy themselves on the title, ownership, statutory approvals etc. before participating in the auction. The same can be verified at the Bank premises on 04.04.2008.
10. The sale shall not be accepted if the bid is below the Reserve Price.

The prospective can be inspected on 09.04.2008 between 11.00 a.m. and 4.00 p.m. For further details the intending bidders may contact the Manager, State Bank of India, Mettupalayam Branch 212-A, Karamadal Road, EMS Complex, Mettupalayam-641 202. Ph.04254-221823 or Bank's Authorized Enforcement Agent M/s.Reyivish Associates Pvt Ltd, Coimbatore, Mobile Phone: 94419 39294 during the office hours.

DATE : 14.03.2008  
 PLACE : Mettupalayam

Authorized Officer  
 State Bank of India

ANNEXURE  
 NO: 14







## ANNEXURE - 15

**In the letter Head of Respective Bank****SALE NOTICE**

Name &amp; Address of Borrower/Guarantor/LH

Dear Sir/Madam

Sub : Notice issued in terms of Sec.13(4) (D) of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 read with Rules 6(2) of the Security Interest (Enforcement) Rules,2002

Ref : Name of the Borrower - Loan A/c No.10002525252

As you are aware, we have already taken possession of the assets described in schedule annexed hereto in terms of section 13(4) of the subject act in connection with outstanding dues payable by you to our branch.

The undersigned proposes to sell the assets more fully described in the schedule. Hence, in terms of the provisions of the subject Act and Rules made thereunder, we issue this notice to you to enable you to discharge the amount due to the bank within 30 days from the date of this notice and take back the assets mentioned in the schedule, failing which the assets will be sold to discharge the liabilities.

This is without prejudice to any other rights available to the bank under the subject Act or any other law in force.

## Description of immovable property

1. All that piece and parcel of vacant Land to an extent of 1 Acre and 4 Cents, comprised in Survey No.39.3, at Rathinamangalam Village, bearing Patta No.330, situated within the Sub\_Registration District of Guduvancherry and the Registration District of South Chennai, bounded as

North by : Property Owned by Srinivasa Mudalier in Survey No.71/3  
 South by : Ganesan Nambi Land in Survey No.45/1 A & Meganatha Mudalier Land in Survey No.44/2A  
 East by : Meganatha Mudalier Land in Survey No.39/2D, Shanmuga Mudalier Land in Survey No.39/2C,Nithyakalyana Mudalier Land in Survey No.39/2B, Srinivasa Mudalier Land in Survey No.39/2A  
 West by : Ganesa Samba Vaigayara Land in Survey No.39/4.

MORTGAGED PROPERTY OF : Mr.XYZ, S/o Mr.ABC

AUTHORISED OFFICER,  
 NAME & ADDRESS OF THE BANK & BRANCH

PLACE :

## ANNEXURE – 16

Date : \_\_\_\_\_

Dear Sir/Madam,

SALE CONFIRMATION ADVICE

You are the successful bidder in the auction of the mortgaged property of Mr \_\_\_\_\_ Address \_\_\_\_\_. Held on \_\_\_\_\_. You are allotted the said property against the bid amount of Rs. \_\_\_\_\_. (Rupees \_\_\_\_\_ only).

You have today remitted Rs. \_\_\_\_\_/- (Rupees \_\_\_\_\_ only) and you are informed to remit the balance Rs. \_\_\_\_\_/- (Rupees \_\_\_\_\_ only) within 15 days from this day the \_\_\_\_\_ for the transfer of the said property in your favour.

**You may kindly note that on failure to remit the balance amount within the specified period mentioned above, the amount already remitted would be forfeited.**

Hearty Congratulations.

Yours truly,  
For \_\_\_\_\_

Authorised Officer.  
For \_\_\_\_\_ Branch  
Region \_\_\_\_\_ Zonal Office.  
\_\_\_\_\_ District.

## ANNEXURE - 17

[ Rule - 9 (6) ]  
**SALE CERTIFICATE**  
 (For immovable property)

Whereas the undersigned being the Authorised Officer of the Name of the Bank/Institutions, under Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest (Second) Act, 2002 (Act.3 of 2002) and in exercise of the powers conferred under sub-section 13 read with rule 12 of the Security Interest (Enforcement ) Rules,2002 sold on behalf of the Name of the Bank/Institutions having address of ..... in favour of \_\_\_\_\_ (Name & Address of successful Bidder) \_\_\_\_\_, the immovable property shown in the Schedule below secured in favour of the Name of the Bank/Institutions **by Mrs.....** **W/o Mr.....** towards the financial facilities **Housing Term Loan** offered by Name of the Bank/Institutions. The undersigned acknowledge the receipt of the sale price in full and handed over the deliver and possession of the scheduled property. The sale of the scheduled property was made free from all encumbrances known to the secured creditor listed below on deposit of the money demanded by the undersigned.

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Description of the immovable Property

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**Place :****BOUNDRY :**

On the North by  
 On the South by  
 On the East by  
 On the West by

**MEASUREMENT****PROPERTY OWNED BY**

List of encumbrances : Nil (As per Bank Records)

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**PURCHASER**

**AUTHORISED OFFICER  
 NAME OF THE BANK  
 INSTITUTIONS**

\_\_\_\_\_ (DISTRICT)

**WITNESS 1 :**

**WITNESS 2 :**