**SARFAESI Act Legal Services – Protecting Creditors’ Rights with Legal Precision**

**📌 Introduction:**

If you're a financial institution, asset reconstruction company, or borrower involved in a loan default situation, the **SARFAESI Act (Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act), 2002** is your key legal tool. This Act empowers banks and financial institutions to enforce security interests without court intervention—saving precious time, effort, and costs.

As a professional legal service provider, we help both **creditors** and **borrowers** navigate SARFAESI-related proceedings with expert guidance, documentation, and representation—ensuring your interests are protected and justice is efficiently served.

**🔍 Scope of Our SARFAESI Legal Services:**

We offer specialized assistance in:

* **Legal Notices (Section 13(2))**: Drafting and serving notices to defaulting borrowers on behalf of banks or advising borrowers on appropriate responses.
* **Possession Proceedings (Section 13(4))**: Assisting with legal possession of mortgaged property or opposing unlawful possession.
* **Appeals to DRT (Debt Recovery Tribunal)**: Filing appeals under Section 17 for aggrieved borrowers or representing financial institutions.
* **Stay Orders & Injunctions**: Securing interim reliefs and preventing illegal dispossession.
* **Auction Sale & Recovery Process**: Legal support in property valuation, auction compliance, and recovery mechanisms.

**🔄 Types of SARFAESI Cases We Handle:**

1. **For Banks & Financial Institutions:**
   * Non-Performing Asset (NPA) recovery
   * Enforcement of security interest
   * Representation before DRT & DRAT
   * Sale of assets under auction
2. **For Borrowers/Defaulters:**
   * Unlawful possession defense
   * Relief against wrongful auction or valuation
   * Filing appeal for debt restructuring
   * Negotiation & settlement facilitation

**⚖️ Legal Levels Involved:**

* **Initiation Stage:** Issuance of notice under **Section 13(2)**
* **Action Stage:** Taking possession or managing secured assets under **Section 13(4)**
* **Appeal Stage:** Filing applications under **Section 17** before **DRT** (Debt Recovery Tribunal)
* **Further Appeal:** Under **Section 18** to **DRAT** (Debt Recovery Appellate Tribunal)

**🔍 Detailed Overview of the SARFAESI Act:**

**📘 Full Form:**

**Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002**

**🏦 Applicable to:**

* Scheduled Commercial Banks
* Financial Institutions
* Asset Reconstruction Companies (ARCs)
* NBFCs (above specified asset size threshold, subject to RBI notification)

**⚙️ Key Objectives of the SARFAESI Act:**

* Empower banks to recover **Non-Performing Assets (NPAs)** without court involvement
* Facilitate **securitization** and **reconstruction of financial assets**
* Improve financial discipline among borrowers
* Speed up recovery of defaulted loans
* Reduce burden on civil courts and tribunals

**🧩 Key Provisions at a Glance:**

| **Section** | **Purpose** |
| --- | --- |
| **13(2)** | Notice to defaulting borrower to clear dues within 60 days |
| **13(4)** | Possession of secured asset, management of the business |
| **14** | Magistrate’s assistance to take physical possession |
| **17** | Appeal by aggrieved party to **DRT** |
| **18** | Further appeal to **DRAT** |

**🧾 Essential Documents Required:**

* Loan agreement and sanction letter
* Default notice and account statement
* Security documents (mortgage deed, hypothecation, etc.)
* Copy of Section 13(2) & 13(4) notices
* Valuation report of secured asset
* Borrower’s response (if any)

**⚖️ Borrower’s Rights Under the Act:**

* Right to receive 60 days’ notice before enforcement action
* Right to file a representation or objection to the notice
* Right to appeal before **DRT** if aggrieved by action taken under Section 13(4)
* Right to claim damages in case of wrongful possession or undervalued sale

**⚠️ Limitations of SARFAESI Act:**

* Not applicable to:
  + Agricultural land
  + Loans below ₹1 lakh
  + Unsecured loans
* Only available to secured creditors
* Can be challenged under constitutional law if due process is violated

**📝 Our Assistance Covers:**

* Drafting & reviewing **SARFAESI notices**
* Filing petitions before **Magistrate, DRT, DRAT**
* Challenging auctions, possession, or undervaluation
* Representing in **settlement negotiations & debt restructuring**
* Advising on **SARFAESI compliance and documentation**

**🌐 Industries We Serve:**

* Real Estate & Construction
* MSMEs and Large Corporates
* Housing Finance & NBFCs
* Individual & Commercial Borrowers
* ARCs and Debt Recovery Agents

**✅ Why Choose Us?**

* ✅ **Experienced Legal Representation** before DRT, DRAT & High Courts
* ✅ **Comprehensive Drafting Support** for notices, replies, and petitions
* ✅ **Speedy Legal Strategy** to protect your rights and minimize litigation delays
* ✅ **Strong Negotiation & Mediation Skills** for debt settlements