IN THE HIGH COURT OF PUNJAB AND HARYANA
AT CHANDIGARH

CWP-21681-2025
Date of decision : 11.08.2025

SMFG India Home Finance Company Limited
…….Petitioner

Versus

District Magistrate, Sri Muktsar Sahib, Punjab and others
...….Respondents

CORAM: HON'BLE MR. JUSTICE SHEEL NAGU, CHIEF JUSTICE
HON'BLE MR. JUSTICE SANJIV BERRY

Present: Mr. Himendra Pal Singh, Advocate,
for the petitioner.

Mr. Vipin Pal Yadav, Addl. Advocate General, Punjab.

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SHEEL NAGU, CHIEF JUSTICE (Oral)

1. An oral prayer has been made for correction of the description of respondents No.2 and 3 to the effect that they should be substituted with the following description:-

> "2. Tehsildar Malout, District Sri Muktsar Sahib, Punjab.
>
> 3. Senior Superintendent of Police, Sri Muktsar Sahib, Punjab."

The oral request made by the petitioner is acceded to. Amended memo of parties, filed by the petitioner, is taken on record.

2. The present petition has been filed by petitioner – Financial Institution aggrieved by non-execution of order dated 09.12.2024 (Annexure P-4) passed by the District Magistrate, Sri Muktsar Sahib, under the provisions

of Section 14 of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (in short, 'SARFAESI Act').

3. It is rather surprising that the Tehsildar Malout, District Sri Muktsar Sahib (respondent No.2), has failed to discharge his statutory duty of assisting and handing over physical possession of the secured asset to the petitioner – Financial Institution.

3.1 Non-Performing Assets (NPAs) are a huge burden on the public exchequer, banking and financial system, and, thus, prompt enforcement of recovery mechanism under the SARFAESI Act is paramount for liquidity in the system.

4. In view of the above, this Court by way of writ of mandamus directs respondents No.2 and 7 to execute the order dated 09.12.2024 (Annexure P-4) passed by the District Magistrate, Sri Muktsar Sahib, under Section 14 of the SARFAESI Act, by handing over physical possession of the secured asset to the petitioner – Financial Institution, as expeditiously as possible, preferably within a period of thirty days. The petitioner – Financial Institution, thereafter, can proceed to adopt all possible legitimate means to liquidate the secured asset to recover the due amount.

5. This petition for the time being stands disposed of in the terms aforesaid. Needless to say that the guidelines laid down by Coordinate Bench in ***Bank of Maharashtra Vs. District Magistrate, Hisar and others,*** CWP-7018-2022 (decided on 28.05.2024) be adhered to by the concerned authorities.

6. We hasten to add that this order shall, however, be subject to any restraint/interim/final order which may have been passed by any judicial

forum, in favour of the borrowers/guarantor/any aggrieved person, who is party to this lis.

(SHEEL NAGU)
CHIEF JUSTICE

(SANJIV BERRY)
JUDGE

August 11, 2025
Ajay Prasher

Whether speaking/reasoned : Yes/No
Whether reportable : Yes/No