



**IN THE HIGH COURT OF PUNJAB & HARYANA
AT CHANDIGARH**

**CWP No. 24064 of 2025
Date of decision: 20.08.2025**

AU SMALL FINANCE BANK LTD.

....Petitioner

V/S

STATE OF PUNJAB AND OTHERS.

... Respondents

**CORAM: HON'BLE MR. JUSTICE SHEEL NAGU, CHIEF JUSTICE
HON'BLE MS. JUSTICE RAMESH KUMARI, JUDGE**

**Present:- Ms. Deepika Mittal, Advocate (Arguing Counsel) and
Mr. Bharat Mani Goyal, Advocate for the petitioner.**

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

SHEEL NAGU, CHIEF JUSTICE (Oral)

1. The present writ petition has been filed by petitioner/bank aggrieved by non-execution of the order dated 13.03.2025 (Annexure P-3) passed by the Chief Judicial Magistrate, Ludhiana under the provisions of Section 14 Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (SARFAESI Act for brevity).

2. It is rather surprising that concerned Naib Tehsildar/Tehsildar-cum-Executive Magistrate, Ludhiana i.e. respondent no. 3 has failed to discharge his statutory duty of assisting and handing over physical possession of the secured asset to the petitioner Bank.

3. 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 respondent no.3 or the concerned authority to execute the order dated 13.03.2025 (Annexure P-3) passed under Section 14 of SARFAESI Act by handing over



physical possession of the secured asset to the petitioner Bank as expeditiously as possible, preferably, within a period of 30 days. The petitioner/bank, thereafter, can proceed to adopt all possible legitimate means to liquidate the secured asset to recover the due amount.

5. The 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] and directions issued by this Court in **CWP No. 23941 of 2025 titled *AU Small Finance Bank v. State of Punjab and Others* decided on 20.08.2025**, 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.

7. Accordingly, this petition stands disposed of.

(SHEEL NAGU)
CHIEF JUSTICE

(RAMESH KUMARI)
JUDGE

20.08.2025

Kamal Gandhi

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