IN THE HIGH COURT OF PUNJAB & HARYANA
AT CHANDIGARH

138

CWP-28402-2025
Date of Decision:- 22.09.2025

AU SMALL FINANCE BANK LTD

....Petitioner(s)

Versus

ADDITIONAL DISTRICT MAGISTRATE, MOGA

...Respondent(s)

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

Present: Mr. Vaibhav Mittal, Advocate,
Mr. Shivansh Mahajan, Advocate for the petitioner.

Mr. Salil Sabhlok, Sr. DAG Punjab.

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SHEEL NAGU, C.J. (Oral)

1. The present writ petition has been filed by petitioner-Bank aggrieved by non-execution of the order dated 29.01.2025 (Annexure P-3) passed by the Additional District Magistrate, Moga 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 Additional District Magistrate, Moga (respondent No.1) or the concerned Naib Tehsildar (Respondent No.2) have failed to discharge their statutory duty of assisting and handing over physical possession of the secured asset to the petitioner-Bank.

2.1 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.

3. In view of the above, this Court by way of writ of mandamus directs Respondent No.1 to execute the order dated 29.01.2025 (Annexure P-3) passed u/s 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.

4. 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] be adhered to by the concerned authorities.

5. 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

22.09.2025
S.Sharma

i) Whether speaking/reasoned? Yes/No
ii) Whether reportable? Yes/No