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

CWP-2656-2026

Date of decision: 25.02.2026

India Shelter Finance Corporation Limited Petitioner.

Versus

State of Haryana and others Respondents.

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

**Present:- Ms. Puja Chopra, Sr. Advocate (arguing counsel)
with Ms. Palak Sharma, Advocate,
for the petitioner.**

Mr. Neeraj Gupta, Addl. Advocate General, Haryana.

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SHEEL NAGU, CHIEF JUSTICE (Oral)

1. Petitioner/financial institution is seeking execution of the order 02.07.2024 (Annexure P-3) passed by respondent No.2/District Magistrate, Faridabad, u/s 14 of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (for short 'the SARFAESI Act')

2. Respondents No. 5 and 6/borrowers had earlier filed SA before the Debt Recovery Tribunal-II, Chandigarh, which at that point of time was not functional and thereafter, they approached this Court by filing CWP-24039-2024, '*Sandipa and another vs. The District Magistrate,*



Faridabad and others', and the same was disposed of vide order dated 19.09.2024 (Annexure P-5) in the following terms: -

'Learned counsel for the petitioners submits that petitioners had taken a home loan in the year 2019, however, there was discrepancy in the loan amount because the sanctioned amount was Rs.6,76,814/-, but an amount of Rs.6,16,054/- was disbursed to the petitioners. The petitioners had paid a sum of Rs.2,21,718/-, but they could not pay the outstanding amount due to financial difficulty and due to Covid-19 Pandemic. He submits that the petitioners have preferred SA bearing Diary No.2015/2024 (Reference No.3146572825) before the DRT-II, but as it is not functioning, the same is not being heard.

2. *Heard.*

3. *The petitioner has preferred SA before the DRT-II and due to its non-functioning, the same is not being taken up for hearing. The petitioner or a litigant cannot be left remediless especially when the same has been provided by a Statute. We draw our support from the order of the Supreme Court dated 16.12.2021 in the case of 'State Bar Council of Madhya Pradesh Vs. Union of India' Special Leave Petition (C) No.10911/2021. Relevant extract is reproduced herein-below:-*

"13. With a view to resolve the problem being faced by the parties, for the time being and purely as a stopgap arrangement, we request the concerned High Court(s) to entertain the matters falling within the jurisdiction of DRTs and DRATs under Article 226 of the Constitution of India, till further orders.

14. We make it clear that once the Tribunal(s) is/are constituted, the matters can be relegated to the Tribunals by the High Court(s)."



4. *Consequently, the petition is disposed of with a direction that till the prayer of the petitioners for interim relief is decided by the DRT-II, no coercive steps under the SARFAESI Act be taken against the petitioners.*

5. *It is clarified that this Court is not making any comment on the merits of the case including the fact that whether or not the petitioner is in possession of the secured asset.*

6. *It is further made clear that the petitioner shall not make any effort to delay the proceedings and shall remove the defects in the application, if any, immediately.'*

3. It is further informed by learned counsel for the financial institution, petitioner herein, that vide Annexure P-6, i.e. the status report in SA diary No. 2015/2024 dated 17.09.2024, filed by borrowers/respondents No. 5 and 6, disclosing that after being filed and due to failure of the borrowers to remove the defects, the same was declined to be registered on 10.09.2025.

4. Learned counsel for the petitioner/financial institution does not dispute that civil miscellaneous application (review) No. 18375-2024 in CWP-24039-2024 is pending consideration before a Special Bench and is now listed on 20.03.2026.

5. Learned counsel for the petitioner/financial institution makes a categorical statement that the said civil miscellaneous application (review) No. 18375-2024 in CWP-24039-2024 needs to be withdrawn and shall be withdrawn by filing an appropriate application.

6. In view of the above, this Court by way of writ of mandamus directs Respondents No. 2 and 3, District Magistrate,



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Faridabad (Haryana) and Naib Tehsildar, cum-Executive Magistrate, Faridabad, District Faridabad, to execute the order dated 02.07.2024 (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.

7. 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.

8. 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.

9. Respondent No. 3, Naib Tehsildar, cum-Executive Magistrate, Faridabad, District Faridabad, is directed to file a compliance report before the Registry of this Court within 45 days from the date of passing of this order. The Registry shall ensure that, in case any deficiency is found in the compliance report so filed, the matter be placed before the appropriate Bench on the judicial side under IOIN category.



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10. Needless to clarify that this order shall not come in way of any party aggrieved by any recourse/action taken under SARFAESI Act to avail appropriate remedy before DRT/DRAT as per law.

11. This order shall be subject to withdrawal of the aforesaid civil miscellaneous application (review) No. 18375-2024.

(SHEEL NAGU)
CHIEF JUSTICE

(SANJIV BERRY)
JUDGE

25.02.2026
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| i) | <i>Whether speaking/reasoned?</i> | <i>Yes/No</i> |
| ii) | <i>Whether reportable?</i> | <i>Yes/No</i> |