



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

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**CWP-9940-2026
Date of Decision: 06.04.2026**

AU Small Finance Bank Limited

....Petitioner

Versus

The District Magistrate/District Collector, Ludhiana and others

....Respondents

**CORAM: HON'BLE MR. JUSTICE SUVIR SEHGAL
HON'BLE MR. JUSTICE VIKAS SURI**

Present: Mr. Nitin Thatai, Advocate
Ms. Monika Thatai, Advocate
Ms. Shruti Sharma, Advocate
Mr. Karan Sharma, Advocate
for the petitioner.

Ms. Neha Sonawane, Deputy Advocate General, Punjab
for respondents No.1 and 2.

Mr. Akhilesh Vyas, Advocate
for respondents No.3 to 10.

SUVIR SEHGAL, J. (ORAL)

1. This petition has been filed under Article 226/227 of the Constitution of India for issuance of a writ in the nature of mandamus for directing official respondents No.1 and 2 to execute the warrants of possession and enforce order dated 10.03.2026 (Annexure P-2) passed by the learned Chief Judicial Magistrate, Ludhiana under Section 14 of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (for short, 'the SARFAESI Act').



2. Counsel for the petitioner states that various loan facilities were provided to the private respondents and on the default of re-payment of the amount, the loan accounts were classified as Non-Performing Assets (NPA) on 03.08.2025. He states that a demand notice dated 06.08.2025 (Annexure P-1) was issued under Section 13 (2) of the SARFAESI Act, and upon the failure of the private respondents to discharge their liability, possession notice under Section 13(4) of the SARFAESI Act, was issued on 15.10.2025. Counsel states that the petitioner approached the competent authority by filing of petition under Section 14 of the SARFAESI Act, which has been allowed vide order dated 10.03.2026 (Annexure P-2) after rejecting the objections raised by some of the private respondents. He points out that an authorized officer was permitted to take over the secured asset and warrants of possession were issued which have not been executed. Counsel has relied upon a judgment passed by a Division Bench of this Court in ***IIFL Home Finance Limited vs. State of Haryana and others*** (CWP No.7214-2026 decided on 11.03.2026).

3. Issue notice of motion restricted to official respondents No.1 and 2.

4. Ms. Neha Sonawane, Deputy Advocate General, Punjab, accepts notice on behalf of official respondents No.1 and 2. She has been confronted with the observations made by this Court in ***IIFL Home's case (supra)***. She states that the directions given by this Court in the aforesaid matter shall be strictly adhered to.



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5. In view thereof, writ petition is disposed of with a direction to respondent No.1 to deliver the possession of secured asset to the petitioner within a period of 60 days from the date of communication of the copy of this order.
6. Writ petition is disposed of accordingly.

(SUVIR SEHGAL)
JUDGE

(VIKAS SURI)
JUDGE

April 06, 2026
Varinder

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