



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

188**CWP-18246-2026****Date of Decision: 29.05.2026****AU Small Finance Bank Limited****....Petitioner****Versus****State of Punjab and others****....Respondents**

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

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

Mr. Akhil Kamra, Assistant Advocate General, Punjab.

SUVIR SEHGAL, J. (ORAL)

1. This writ petition has been filed, *inter alia*, for issuance of a writ in the nature of mandamus directing Chief Judicial Magistrate, Ludhiana, to decide the application, Annexure P-3, filed by petitioner under Section 14 of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (for short, 'SARFAESI Act').

2. Counsel for the petitioner submits that borrowers had taken a loan from the petitioner-bank and had mortgaged immovable property. Counsel asserts that due to continuous default in repayment, the loan account was classified as NPA on 09.12.2024. A notice under Section 13(2) of SARFAESI Act was issued on 13.12.2024 (Annexure P-1), followed by notice under Section 13(4) of SARFAESI Act dated 16.04.2025 (Annexure P-2), whereafter symbolic possession of the secured asset was taken. Counsel states



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that petitioner moved an application (Annexure P-3) under Section 14 of SARFAESI Act before the Chief Judicial Magistrate, Ludhiana in August 2025, which is still pending. Counsel has made a reference to the statutory provisions and has urged that the application has to be decided within the time frame provided in the statute.

3. Advance copy of the petition has been served upon the official respondents.

4. On asking, State counsel has put in appearance on behalf of respondents-state. He does not have any instructions.

5. Having heard counsel for parties and keeping in view the observations of this Court in **Bank of Maharashtra vs. District Magistrate, Hisar and others, 2024 (2) PLR 346**, as well as in **IIFL Home Finance Limited vs. State of Haryana and others, Law Finder Doc ID #2875322**, writ petition is disposed of with a direction to Chief Judicial Magistrate, Ludhiana, to decide the application (Annexure P-3) as expeditiously as possible, preferably within a period of 60 days from the date of communication of copy of this order, unless there is any legal impediment in doing so.

(SUVIR SEHGAL)
JUDGE

(VIKAS SURI)
JUDGE

May 29, 2026
Varinder

Whether speaking/reasoned : Yes/No

Whether reportable : Yes/No