



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

193**CWP-18324-2026****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 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 respondents No.3 to 7 had availed a loan facility from the petitioner-Bank and had mortgaged immovable property. Counsel asserts that due to continuous default in repayment, loan account was classified as NPA on 08.11.2023. A demand notice under Section 13(2) of SARFAESI Act was issued on 09.04.2025 (Annexure P-1), followed by a notice dated 26.06.2025 (Annexure P-2) under Section 13(4) of SARFAESI Act, whereafter symbolic possession of the secured asset was



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taken. Counsel states that petitioner moved an application, Annexure P-3 under Section 14 of SARFAESI Act in September, 2025 before the Chief Judicial Magistrate, Ludhiana, 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. Heard counsel for the petitioner.

4. In view of 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