

2026 PHHC 001623-DB



CWP-38758 of 2025

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

**CWP-38758 of 2025
Date of decision: 12.01.2026**

STATE BANK OF INDIA**....Petitioner****V/S****STATE OF PUNJAB AND OTHERS****... Respondents**

**CORAM: HON'BLE MR. JUSTICE SHEEL NAGU, CHIEF JUSTICE
HON'BLE MS. JUSTICE NEERJA KULWANT KALSON, JUDGE**

Present: Mr. Gaurav Goel, Advocate for the petitioner.
Mr. Vipin Pal Yadav, Addl. Advocate General, Punjab.

SHEEL NAGU, CHIEF JUSTICE (Oral)

1. The present writ petition has been filed by petitioner-Financial Institution aggrieved by non-execution of the order dated 26.12.2023 (Annexure P-3) passed by the Additional District Magistrate, Ludhiana, under the provisions of Section 14 Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (SARFAESI Act for brevity).

1.1. It is informed that no S.A. is pending before the Debts Recovery Tribunal or Debts Recovery Appellate Tribunal.

2. It is pertinent to mention here that in Para no. 9 of the present writ petition, vide order dated 07.07.2025 (Annexure P-4) passed in CWP No. 18322 of 2025, respondent no.5 was directed to clear overdue amounts within stipulated time and in default of the same, to hand over the possession of subject property to the petitioner/Bank. However, respondent no.5 has failed to comply with the abovesaid order.

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3. It is rather surprising that concerned Tehsildar (Central), Ludhiana and Commissioner of Police, Ludhiana, i.e. respondents no. 3 and 4 have failed to discharge their statutory duty of assisting and handing over physical possession of the secured asset to the petitioner/Bank.

3.1 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.

4. In view of the above, this court by way of writ of mandamus directs respondents No. 3 and 4 to execute the order dated 26.12.2023 (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.

5. 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.

6. 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.

7. Respondents no. 3 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

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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.

(SHEEL NAGU)
CHIEF JUSTICE

(NEERJA KULWANT KALSON)
JUDGE

12.01.2026
Kamal Gandhi

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