



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

CWP-26976-2025

Date of decision : 11.09.2025

AU Small Finance Bank Ltd.

.....Petitioner

Versus

State of Punjab and others

.....Respondents

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

Present: Ms. Deepika Mittal, Advocate,
for the petitioner.

Mr. Vipin Pal Yadav, Addl. Advocate General, Punjab.

SHEEL NAGU, CHIEF JUSTICE (Oral)

1. This petition has been filed by petitioner – Financial Institution aggrieved by non-execution of order dated 23.05.2025 (Annexure P-3) passed by Chief Judicial Magistrate, Gurdaspur (respondent No.2), under the provisions of Section 14 of Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (in short, 'SARFAESI Act').

2. It is rather surprising that Tehsildar, Batala (respondent No.3), has failed to discharge his statutory duty of assisting and handing over physical possession of secured asset to petitioner – Financial Institution.

2.1 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.

3. In view of the above, this Court by way of writ of mandamus directs respondents No.3 and 4 to execute the order dated 23.05.2025 (Annexure P-3) passed by respondent No.2 under Section 14 of the SARFAESI Act, by handing over physical possession of secured asset to petitioner – Financial Institution, as expeditiously as possible, preferably within a period of thirty days. Petitioner – Financial Institution, thereafter, can proceed to adopt all possible legitimate means to liquidate secured asset to recover the due amount.

4. This 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.

5. 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.

(SHEEL NAGU)
CHIEF JUSTICE

(SANJIV BERRY)
JUDGE

September 11, 2025
narotam

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