(2025) 12 P&H CK 1961

In the Punjab And Haryana At Chandigarh

Case No : Civil Writ Petition No. 36494 Of 2025 (O&M)

AU Small Finance Bank Ltd — APPELLANT

Vs

State Of Punjab And Others — RESPONDENT

Date of Decision : 18-12-2025

Acts Referred:

Securitisation And Reconstruction Of Financial Assets And Enforcement Of Security Interest Act, 2002 — Section 14

Citation : (2025) 12 P&H CK 1961

Bench : Division Bench

Final Decision : Disposed Of

Judgement

Sheel Nagu, CJ

CM-19054-CWP-2025

An affidavit dated 15.12.2025 of authoriized representtative of petitioner-Bank has been filed, stating therrein that no Securitisation Application (S.A.) or Appeal has been filed by the borrowers(s)/co-borrower(s) or any other stakeholdeer(s) concerninng the loan transaction in question before the Deebts Recovery Tribunal (DRT) or thee Debts Recovery Appellate Tribunal (DRAT). The same is taken on record.

The application (CM-19054-CWP-2025) stands allowed accordingly.

CWP-364494-2025 (O&M)

1. The present writ petition has been filed by petitioner-Bank agggrieved by non-execution of the order dated 04.10.20024 (Annexure P-3) passed by the Chief Judicial Magistrate, Fazilka, under the provisions of Section 14 of Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (SARFAESI Act for brevity).

2. It is rather surprising that the concerned Naib Tehsildar-cum-Duty Magistrate, Arniwala-respondent No.3 has failed to discharge his statutory duty of assisting

and handing over physical possession of the secured asset to the petitioner-Bank.

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 respondent Nos.3 to execute the order dated 04.10.2024 (Annexure P-3) passed under Section 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.

4. 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.

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.

6. Respondent No. 3-Naib Tehsildar-cum-Duty Magistrate, Arniwala, 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 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.