IN THE HIGH COURT OF PUNJAB & HARYANA
AT CHANDIGARH

CWP-21620-2026
Date of decision: 17.07.2026

AU SMALL FINANCE BANK LIMITED
….PETITIONER

Versus

DISTRICT MAGISTRATE CUM DISTRICT COLLECTOR SAS NAGAR MOHALI AND ORS.
...RESPONDENT

CORAM: HON'BLE MR. JUSTICE JASGURPREET SINGH PURI
HON'BLE MR. JUSTICE SANJIV BERRY

Present: - Mr. Nitin Thatai, Advocate for the petitioner (through Video Conferencing).

Ms. Shruti, AAG, Punjab.

SANJIV BERRY, J. (Oral)

1. The present writ petition has been filed by petitioner aggrieved by non-execution of the order dated 10.03.2026 (Annexure P-2) passed by Chief Judicial Magistrate, SAS Nagar (Mohali), 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 Officers have failed to discharge their statutory duty of assisting and handing over physical possession of the secured asset to the petitioner-financial institution.

3. 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.2 to 4 to provide all necessary assistance including police help etc., to the official Receiver (respondent No.5 appointed as official receiver vide order dated 10.03.2026) and to execute the order dated 10.03.2026 (Annexure P-2) passed under Section 14 of SARFAESI Act by handing over physical possession of the secured asset to the petitioner-financial institution as expeditiously as possible, preferably, within a period of 30 days. The petitioner-financial institution, 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.4 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.

8. Needless to clarify that this order shall not come in way of any party aggrieved by any recourse/action taken under SARFAESI Act to avail appropriate remedy before DRT/DRAT as per law.

(SANJIV BERRY)
JUDGE

(JASGURPREET SINGH PURI)
JUDGE

17.07.2026
kanika

i)	Whether speaking/reasoned?	Yes/No
ii)	Whether reportable?	Yes/No