IN THE HIGH COURT OF ORISSA AT CUTTACK

W.P.(C) No.657 of 2022

Suvendu Kumar Champatiray and Another .... ***Petitioners***

Mr. Santanu Kumar Sarangi, Senior Advocate with Mr. Arun Kumar Nayak, Advocate

-versus-

Branch Manager, UCO Bank, Banpur Branch, District-Khurda and Another .... ***Opp. Parties***

Mr. B. N. Udgata, Advocate for the Bank

CORAM:
JUSTICE JASWANT SINGH
JUSTICE M.S. RAMAN

ORDER (Oral)
28.07.2022

Order No.

09. **1.** This matter is taken up through hybrid arrangement (virtual/physical mode).

2. Petitioner No.1 is the Proprietor of M/s. Rupa Sova Fly Ash Bricks (Petitioner No.2) who had availed a Term Loan of Rs.14,58,900/- and a Cash Credit Loan facility for a sum of Rs.3,50,000/- from UCO Bank, Banapur Branch, Khurda on 17th November, 2017. Due to financial indiscipline, both the loan accounts were declared as NPA on 21st March, 2021 and a Demand Notice under Section 13(2) of the SARFAESI Act, 2002 (for short, "the Act, 2002") was issued on 24th August, 2021 recalling an outstanding amount of Rs.14,06,555/- inclusive of interest as on 31st March, 2021. Subsequently, symbolic possession of the mortgaged properties offered as collateral security was assumed on 24th August, 2021 by issuance of a Notice under Section 13(4) of the Act, 2002.

3. By filing the present Writ Petition challenge has been laid to the recovery process under the Act, 2002 and also for a direction for settlement under the prevailing OTS scheme or upgrade the account to a standard account upon deposits of the amounts over due.

4. Upon notice, the Bank has filed two affidavits dated 11.03.2022 and 10.05.2022 in reply, whereby it becomes clear that the Petitioner is not entitled for consideration under the special OTS scheme dated 27th July, 2021 being ineligible, however, would be free to either upgrade the account by deposit of the required amounts and fulfillment of the conditions or in the alternative settle the account under the regular OTS policy by submitting a viable offer.

5. Learned counsel for the Petitioners prays for permission to withdraw the Writ Petition to enable the Petitioners to approach the Bank for seeking their remedy in accordance with law.

6. In view of the above, the Writ Petition is dismissed as withdrawn with the aforesaid liberty.

(Jaswant Singh)
Judge

(M. S. Raman)
Judge

AKK 28th July, 2022
Cuttack