

IN THE HIGH COURT OF ORISSA AT CUTTACK
W.P. (C) No. 5207 of 2012

Samaru Pasayat

....

Petitioner

Mr. Amit Pr. Bose, Advocate

-versus-

Orissa State Financial Corporation & Another

Opposite Parties

Mr. Bijaya Kumar Dash, Advocate

CORAM:
JUSTICE JASWANT SINGH
JUSTICE M.S. RAMAN

ORDER (Oral)

26.04.2022

Order No.

- 06.**
1. This matter is taken up by virtual/physical mode.
 2. The Petitioner has invoked the jurisdiction of Article 226/227 of the Constitution of India with a prayer to issue Mandamus to the Odisha State Financial Corporation for acceptance of payment to be made in respect of settled amount under the MFD-OTS-07-Scheme by quashing the intimation of OSFC, whereby the representation of the Petitioner for extension of further time for payment of “settlement amount” was rejected.
 3. This Court vide order dated 23rd March, 2012 issued notice and as an interim measure directed no coercive action against the Petitioner pursuant to said intimation dated 1st March, 2012.
 4. A Counter affidavit dated 4th April, 2022 has come to be filed by the Opposite Parties. The facts adumbrated in the said affidavit reveals that the Odisha State Financial Corporation had sanctioned a term loan of Rs. 11,25,000/- in favour of M/s. Sangita

Travels, a partnership firm with Sri Samaru Pasayat (the Petitioner, Sri Kuldip Singh and Sri Jagadish Pasayat as partners) to acquire two numbers of buses vide sanction order No. 5106 dated 22nd November, 1991. Since loan could not be availed in time additional loan of Rs.60,000/- was sanctioned against cost escalation. The partnership firm executed loan agreement with OSFC on 10th March, 1993 and availed the entire sanctioned loan of Rs.11,85,000/- to acquire two buses.

5. After retirement of two partners namely Kuldip Singh and Jagadish Pasayat, the partnership got dissolved and the Petitioner took over the entire loan liability of Rs.12,89,372/- against which one Sri Jagadish Pasayat stood as guarantor and mortgaged his property as additional security.

6. As there was financial indiscipline, demand notices dated 7th February, 2008 and 8th April, 2008 for repayment of entire loan liability were issued. When the Petitioner could not discharge his loan liability he approached the Corporation and applied to settle his loan dues under MFD-OTS-07 Scheme which was duly considered and the Petitioner was asked to deposit a sum of Rs.18,71,000/- which includes initial deposit of Rs.12,14,108/- but the Petitioner did not honour the settlement order, yet he approached this Court and obtained the order of no coercive action .

7. The affidavit of the OSFC shows, the position as on 31st December, 2021 as under:-

Principal Outstanding	-Rs.11,38,228.00
Interest Outstanding	-Rs.18,20,73,489.00

Penal Interest	-Rs.1,74,96,963.00
Total	-Rs.20,07,08,653.00

8. When the matter is taken up today, the counsel for the Petitioner fairly conceded to the facts as asserted in the affidavit dated 4th April, 2022 filed by the Opposite Parties-Corporation. Since the Petitioner has expressed his inability to discharge his loan liability, this Court feels not to extend any further indulgence in the matter.

9. Accordingly, the writ petition stands dismissed and all the interim orders stand vacated.

(Jaswant Singh)
Judge

(M.S. Raman)
Judge