

IN THE HIGH COURT OF ORISSA AT CUTTACK

W.P.(C) No.1435 of 2014

**Women's Adventure
Association (WADA), High
School Road, Sakhigopal,
Dist-Puri.**

.... **Petitioner**
None

-versus-

**The Authorised Officer-cum-
Chief Manager, State Bank
of India and Others**

.... **Opp. Parties**

None for the O.P. Nos.1 and 2/Bank
Mr. S.B. Jena, Advocate for O.P. No.3.

**CORAM:
JUSTICE JASWANT SINGH
JUSTICE M. S. RAMAN**

**ORDER (Oral)
22.03.2022**

Order No.

- 04.** 1. This matter is taken up through virtual/physical mode.
2. The petitioner is stated to be a registered society of self help group of women of Sakhigopal area having undertaken the activities of tailoring/manufacturing of readymade ladies garments and also selling that in the nearby markets. It was sanctioned a term loan for Rs.3,87,600/- and Cash Credit facility for Rs.5,62,400/- on 10th December, 2008 by the State Bank of India (SBI), Sakhigopal, Dist-Puri after the loan application was scrutinized and forwarded by the Odisha Khadi and Village Industries Board/O.P. No.3 for loan finance under the REGP Scheme. Due to non-

deposit of the installments in the term loan and non-servicing of the Cash Credit facility, the loan account was declared NPA on 30.04.2011 and recovery process under the SARFAESI Act, 2002 was initiated, apart from filing a suit for recovery under the Recovery Act, 1993 by the SBI.

3. A demand notice under Section 13(2) of the SARFAESI Act, 2002 (for short “the Act, 2002”) was issued on 23rd September, 2011 recalling the outstanding liability of Rs.9,33,423/- plus interest and incidental expenses due on 31st March, 2011. Symbolic Possession was assumed on 25th February, 2012 by issue of notice under section 13(4) of the Act, 2002. The physical possession of the unit is stated to have been taken on 6th January, 2014.

It transpires that the project undertaken by the petitioner-Society envisaged release of subsidy/ margin money by KVIB/O.P. No.3 through SBI, which amounted to 30% of the project cost of Rs.10 lakh, i.e., Rs.3 lakh. However, the subsidy amount was never credited to the account even after lapse of many years. The case of the petitioner-Society appears to have also been covered under the SBI OTS-MSME Scheme, 2012, thereby requiring it to deposit a sum of Rs.8,89,306/- within twelve months with effect from the date of sanction, i.e., 30.09.2012 which was not successfully availed by the petitioner-Society.

4. Challenge in the present writ petition filed by the petitioner-Society through its Secretary Smt. Sandhya Rani Mohanty is to the possession notice dated 6th January, 2014 (Annexure-4), whereby physical possession was forcibly taken for the outstanding liability of Rs.9 lakhs.

5. This Court while issuing notice vide order dated 07th March, 2014 had stayed further coercive measure subject to deposit of Rs.1 lakh within two weeks.

6. Mr. S.B. Jena, learned counsel for the Opposite Party No.3 i.e. Odisha Khadi and Village Industries Board states that the margin money was not released as the KVIB has not received the margin money/subsidy claim paper either from the Bank directly or from the G.M., District Industries Center, Puri till the closure of the REGP Scheme on 31st of March, 2008. In fact the loan itself had been released after the closure of the Scheme thereby there is no question of release of subsidy amount.

7. None has appeared on behalf of the petitioner or the SBI/O.P. Nos.1 and 2 at the time of hearing today. It is apparent that by efflux of time, nothing would survive in the present writ petition that is why none has chosen to appear on behalf of the contesting parties.

8. In view of the above, the writ petition is dismissed as infructuous.

However, liberty is granted to the petitioner to seek the revival of the writ petition in case any cause of action still subsists, by making a proper application within six weeks from today.

Registry is directed to inform the parties of this order.

(Jaswant Singh)
Judge

(M. S. Raman)
Judge

AKK

March 22nd, 2022
Cuttack

