

**IN THE HIGH COURT OF ORISSA AT CUTTACK**

**W.P.(C) No.10634 of 2021  
(Through hybrid mode)**

***Surya Sponge Iron Ltd. and  
another***

....

***Petitioners***

Mr. S.K.Sarangi, Advocate

*-versus-*

***Allahabad Bank, Nayapalli Branch  
and others***

....

***Opposite Parties***

Mr. A.Mishra, Advocate for O.Ps.1 and 2

Mr. S.D.Ray, Advocate for O.P.3.

**CORAM: JUSTICE ARINDAM SINHA**

**ORDER  
09.02.2022**

**Order No.**

**05.**

1. Mr. Sarangi, learned advocate appears on behalf of petitioner and submits, his client was borrower from opposite party no.1. The account had become irregular. It was sold away as a non-performing asset (NPA) to the reconstruction company being opposite party no.3. His client put in margin money of Rs.115 lakhs with the bank (opposite party no.1) in support of its offer for settlement at the amount agreed. His client by letter dated 13<sup>th</sup> April, 2013 had deposited the amount requesting it to be kept in a no lien account.

2. His client worked out settlement with the asset reconstruction company (opposite party no.3). Said opposite party by letter dated 21<sup>st</sup>

February, 2018 requested the bank to release / transfer the amount of Rs.115 lakhs together with up-to-date interest to it. He submits, this has not been done.

3. Mr. Mishra, learned advocate appears on behalf of the bank and draws attention to his client's counter, paragraph 16 and 17. It appears therefrom, the bank has put forth condition of causing disposal of certain writ petitions before it releases the money. On query from Court Mr. Mishra, submits the money has been kept in no lien account. On further query from Court Mr. Mishra submits, there is no restraint order in the mentioned writ petitions, against the bank. Mr. Sarangi submits, there be direction upon the bank to release Rs.75 lakhs in favour of opposite party no.3 and the balance in favour of applicant in I.A. no.13614 of 2021.

4. Opposite party no.1 will forthwith release the money in the no lien account along with accrued interest to opposite party no.3. The money must be transferred to opposite party no.3 within two weeks of communication of this order.

5. The writ petition is disposed of.

**(Arindam Sinha)**  
**Judge**