IN THE HIGH COURT OF ORISSA AT CUTTACK

W.P.(C) No.11382 of 2022

M/s. Subham Enterprises .... ***Petitioner***

Mr. Susanta Kumar Baral, Advocate

-versus-

Chief Manager-cum-Authorized Officer, Canara Bank, Cuttack and another .... ***Opposite Parties***

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

CORAM:
JUSTICE JASWANT SINGH
JUSTICE M.S. RAMAN

<u>ORDER (Oral)</u>

<u>Order No.</u> **01.08.2022**

03. 1. This matter is taken up through virtual/physical mode.

2. The Petitioner, a proprietorship concern is in default of two loan accounts with an outstanding liability of Rs.96,50,000/- as on 30th April, 2022, for which the recovery process under the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 has culminated into the auction sale of the mortgaged property fixed for 13th June, 2022.

3. Upon the willingness of the Petitioner to clear the outstanding liability provided some reasonable time was granted, this Court on 16th May, 2022 passed the following order:-

> *"1. This matter is taken up through virtual/physical mode.*
> *2. The Petitioner, a proprietorship concern is in default of two loan accounts with an outstanding liability of Rs.96,50,000/- as on 30th April, 2022, for which the*

recovery process under the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 has culminated into the auction sale of the mortgaged property fixed for 13th June, 2022.

3. Counsel for the Petitioner states that his client is prepared to clear the entire outstanding liability provided some reasonable time is granted, and to show the bona fides, the Petitioner is prepared to pay more than 50% of the outstanding liability.

4. Issue notice for 19th July, 2022.

5. Mr. B.N. Udgata, learned counsel appears and waives notice on behalf of the Opposite Parties-Bank.

6. Let requisite number of copies of the writ petition be served on him during the next three working days.

7. As an interim measure, subject to the Petitioner depositing a sum of Rs.48,00,000/- with the Bank on or before 10th June, 2022, the successful bid, if any, shall not be confirmed without leave of this Court.

Issue urgent certified copy as per rules."

4. At the time of resumed hearing today, Mr. Udgata, counsel for the Bank concedes that the required amount of Rs.48.00 lakhs was deposited within the stipulated time. He further states that the auction sale of the collateral security with the realizable value of more than Rs.1.00 crore had failed on 13th June, 2022 for lack of any intending bidders. He states that as of now around Rs.50.00 lakhs in aggregate would be due.

5. Counsel for the Petitioner, upon instruction, undertakes to clear up the outstanding liability by depositing in equated monthly installments, to be intimated by the Bank, on or before 31st December, 2022. Such an undertaking shall be filed by the Petitioner before the Bank within two weeks.

6. In response, counsel for the Bank has no objection, if the present writ petition is disposed of.

7. In view of the aforesaid agreed stand, the present writ petition is disposed of in view of respective aforesaid stands of the parties.

Issue urgent certified copy as per rules.

(Jaswant Singh)
Judge

(M.S. Raman)
Judge

Jyostna August 1st, 2022
Cuttack