HIGH COURT OF ORISSA AT CUTTACK

W.P.(C) No.15312 of 2022

Kalpita Kumar Ghosh .... ***Petitioner***

Mr. Lalatendu Samantaray, Advocate

-versus-

Punjab National Bank, represented through the Dy. General Manager, Zonal Office, At-Jagamara, Bhubaneswar, District-Khurda and Others .... ***Opp. Parties***

Mr. Manoj Kumar Mohapatra, Advocate for the Bank

CORAM:
JUSTICE JASWANT SINGH
JUSTICE M.S. RAMAN

ORDER (Oral)
14.07.2022

Order No.

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

2. The petitioner is a defaulting borrower of a Cash Credit facility availed to the tune of Rs.70 lakhs on 28.09.2016 from Punjab National Bank, Baripada Branch, District-Mayurbhanj. Due to default in servicing the account, it was classified as NPA on 30.09.2017. The recovery process under the SARFAESI Act, 2002 (for short “the Act, 2002”) was initiated by issuance of a Demand Notice under Section 13(2) of the Act, 2002 on 14.12.2017 recalling an outstanding liability of over Rs.1 crore.

The petitioner had been extended the benefit of an amicable settlement under the OTS Scheme vide sanction letter dated 20.09.2019, whereby he was required to pay a total sum of Rs.62,80,000/- within a period of six months. Admittedly, the petitioner could only pay a sum of Rs.24 lakhs within the stipulated time. Thereafter on the request of the petitioner the time period was extended till 30.09.2020, within which period also no further amount was paid.

3. The recovery process has now reached the stage of the auction sale of the mortgaged property fixed for 28.07.2022 with an outstanding liability of around Rs.1 crore.

4. By filing the present writ petition, the petitioner has prayed for a direction to extend the initial period of the sanctioned OTS, i.e., on 26.09.2019 or in the alternative for settlement of the loan account under the prevailing OTS Policy.

5. Learned counsel for the Bank states that apart from the regular OTS Policy for an amicable settlement, there is no such special OTS Scheme in operation which provides right of consideration to the petitioner. He further submits that the petitioner is always free to come up with a viable offer for consideration, however, at the stage of auction sale, even that recourse would not be proper.

6. Be that as it may, learned counsel for the petitioner prays for permission to withdraw the writ petition to enable the petitioner to approach the Bank authorities for his remedy under the regular OTS in accordance with law.

7. In view of the above, the writ petition is dismissed as withdrawn with the aforesaid liberty.

(Jaswant Singh)
Judge

(M. S. Raman)
Judge

AKK

14th July, 2022
Cuttack