IN THE HIGH COURT OF ORISSA AT CUTTACK
W.P(C). No.22172 of 2022

Anil Kumar Muduli .... ***Petitioner***
Mr. T.P. Tripathy, Advocate

-versus-

Canara Bank & Others .... ***Opposite Parties***

Mr. B.N. Udgata, Advocate for Bank

CORAM:
JUSTICE JASWANT SINGH
JUSTICE M.S. RAMAN

ORDER (Oral)
12.10.2022

Order No.

04. This matter is taken up by virtual/physical mode.

1. Petitioner-Anil Kumar Muduli is a borrower and his father namely, Mr. Bhaskar Muduli is a co-borrower *inter alia* of two home loan accounts bearing Nos. 80699740000016 and 80699740000054. Mr. Sunil Muduli, brother of Petitioner is the guarantor having offered immovable property owned by him as collateral security in both the aforesaid home loan accounts. Due to non-payment of instalments, both accounts were declared as NPA on 29th December, 2021 leading to issuance of a demand notice dated 31st December, 2021 under Section 13(2) of the SARFAESI Act recalling the outstanding liability of Rs.19,42,635.78 due as on 31st December, 2021. The symbolic possession of the collateral security was assumed on 11th March, 2022 by issuance of notice under Section 13(4) of the SARFAESI Act.

2. The challenge in the present petition is to the e-auction sale notice dated 22nd August, 2022, whereby the auction sale of the collateral security has been fixed for 7th September, 2022 for recovery of the outstanding liabilities of around Rs.20.00 lakhs in the aforesaid home loan accounts.

It is pertinent to mention here that there is a third NPA account which is a cash credit limit account of the Petitioner where the outstanding liability is around Rs.16,32,000/- but without any collateral security and is not a subject matter of the present dispute raised in the present petition.

3. Upon willingness of the Petitioner to deposit more than 50% of the outstanding liability as upfront and with the remaining balance within next four months in order to save his sole residential property i.e. the secured asset being put to auction on 7th September, 2022, this Court had issued notice with an interim direction to the Petitioner to deposit a sum of Rs.10.00 lakhs on or before the date fixed for auction.

4. It is conceded by the counsel for the Bank that a sum of Rs.10.00 lakhs in terms of the interim order dated 6th September, 2022 was deposited by the Petitioner. It is further stated that the auction fixed for the said date had failed due to lack of any intending bidder.

5. At the time of hearing today and undertaking dated 12th October, 2022 has been filed by the Petitioner in Court, whereby he has undertaken to clear the remaining outstanding balance in the aforesaid two home loan accounts by 6th January, 2023.

It is clarified that the remaining balance along with monthly equated instalments to be paid by the Petitioner shall be determined by the Bank and conveyed to the Petitioner at the earliest so as to ensure due compliance of the undertaking.

6. In view of the aforesaid agreed terms, counsel for the parties pray for disposal of the writ petition as infructuous.

7. Accordingly, the writ petition is disposed of as infructuous.

The parties shall be bound by their respective stands before this Court.

(Jaswant Singh)
Judge

(M.S. Raman)
Judge

Aks October 12, 2022 Cuttack