IN THE HIGH COURT OF ORISSA AT CUTTACK
W.P. (C) No. 37190 of 2021

Sarojini Ojha .... ***Petitioner***
Mr. Kirtiraj Nanda, Advocate

-versus-

Odisha Gramya Bank & Others .... ***Opposite Parties***
Mr. Aurovinda Mohanty, Advocate for Bank

CORAM:
JUSTICE JASWANT SINGH
JUSTICE M.S. RAMAN

ORDER (Oral)
18.04.2022

Order No.

07. **1.** This matter is taken up by virtual/physical mode.

2. The Petitioner-Sarojini Ojha had availed Cash Credit facility for an amount of Rs.4,00,000/- (rupees four lakhs) on 04.05.2012 from the Odisha Gramya Bank, Kabatabandha Branch, Dist-Jajpur. Due to lack of financial discipline, the said loan account was classified as NPA on 28.03.2015. Statutory demand notice U/s. 13(2) of the SARFAESI Act, 2002 was issued on 02.07.2021. The Petitioner by filing the present petition has laid challenge to this demand notice dated 02.07.2021 vide Annexure-3 and further prayed is for issuance of a direction to the Bank to rephase/restructure the loan account.

3. Upon notice, the additional affidavit dated 22nd February, 2022 stands filed, and Paragraphs-4 and 5 of the same read as under:-

“**4.** That, so far the rephasement of loan account of the Petitioner, it is humbly submitted on behalf of the Opposite Party-Bank that the credit facility granted to the Petitioner-borrower is in cash credit mode, which cannot be rephrased, but the same can be renewed in yearly interval subject to satisfactory operation of the account, existence of the unit, submission of financial papers like balance sheet. IT returns, stock statement, sales projection, etc. But in the instant case, the account has been classified as NPA and the same has not been renewed since long. However, the account can be renewed subject to fulfillment of certain terms and conditions enumerated hereunder:-

a) Total amount overdue i.e. the amount due to the Bank beyond the sanction limit of Rs.4.00 lakh is to be deposited in the Petitioner’s account.

b) Furthermore in order to consider the renewal, the Unit should be existing and functional.

c) In order to consider the renewal of the limit, the borrower has to submit the financial paper along with up to date IT return copy, balance sheet, stock statement, sales projection, etc.

d) Further, the property mortgage confirmation, fresh valuation report, nil EC and up to date rent receipts are to be deposited by the Petitioner/borrower.

e) In order to consider the request, the Petitioner/borrower has to submit the necessary renewal application and debit confirmation along with all required/relevant documents in the Bank’s prescribed format.

5. That, in view of the above facts and circumstance, if the Petitioner is ready and willing to comply the terms and conditions of the recovery Policy as well as the condition enumerated in the aforementioned paragraph, the case of the Petitioner is either under OTS or renewal

> of her loan account can be considered as per the existing policy and circular governing the field."

4. At the time of hearing, counsel for the Petitioner prays for an unconditional withdrawal of the writ petition. A memo to that effect has been filed.

5. In view of the above, the writ petition is dismissed as withdrawn.

(Jaswant Singh)
Judge

(M.S. Raman)
Judge

Laxmikant April 18, 2022
Cuttack