

M/L 06
09.06.2025
Court No.14
PRADIP

IN THE HIGH COURT AT CALCUTTA
CONSTITUTIONAL WRIT JURISDICTION

WPA 11220 of 2025

Hotel Shambala (P) Ltd & Anr.

Vs.

State of West Bengal & Ors.

Mr. Sankar Nath Mukherjee

Mr. Niraj Gupta

Ms. Monisha Paswan

...for the Petitioners.

Mr. Dipanjan Datta

Mr. Rudranil De

Ms. Sukanya Datta

...for the State.

Mr. Saptansu Basu, Sr. Adv.

Mr. Sannidhya Dutta

Mr. Abhijit Sarkar

Mr. Abhik Chitta Kundu

...for the Respondent nos.2-4.

1. Affidavit of service filed in Court today is taken on record.
2. Notice dated 23rd May, 2025 followed by the Corrigendum dated 27th May, 2025 published by the West Bengal Financial Corporation signed by OSD-GENERAL MANAGER (AMD) are also taken on record.
3. The petitioners are aggrieved by the steps taken by the West Bengal Financial Corporation to recover the loan amount. The e-auction sale notice of December, 2024 was under challenge in WPA 28533 of 2024 wherein an order was passed on 4th December, 2024 directing the respondents to file affidavits in the matter. The Court directed that the steps taken by the respondents shall abide by the final result of the writ petition.

4. It has been submitted that even after expiry of the time limit fixed by the Court, affidavit-in-opposition has not been filed by the respondents.
5. A further e-auction sale notice was published in April, 2025. The petitioners have challenged the same in the instant writ petition.
6. During the pendency of the writ petition, the Corporation, by a notice dated 23rd May, 2025, has intimated the petitioners to pay the sum of Rs. 87,86,29,009.54/- together with further interest and other dues within thirty days from the date of the notice and on receipt of the amount, the Corporation shall release the mortgage and hypothecation charge on the secured asset.
7. The notice further mentions that in the event, the petitioner fails or neglects to pay the entire outstanding dues, the Corporation shall proceed to sell the entire fixed asset including land, building/shed, plant & machinery and miscellaneous other fixed asset.
8. The petitioner submits that the fixed asset belongs to a tribal and the Corporation is taking steps to transfer the same in favour of a non-tribal, contrary to the provisions of law.
9. It has been submitted that the secured asset has not been valued properly. Prayer has been made to restrain the authority from proceeding with the e-auction sale notice.
10. Learned counsel representing the Corporation submits, upon instruction that, the bidder who has responded to the impugned e-auction sale notice is also a tribal.

11. The subject property, being the secured asset, was put to mortgage by the Company in whose favour the tribals had executed a registered deed relinquishing their right. On relinquishment of such right, the secured asset cannot be said to be the asset of a tribal.
12. It has been submitted that the notice dated 23rd May, 2025 and the corrigendum dated 27th May, 2025 have been issued in accordance with the provisions of the State Financial Corporations Act, 1951. The petitioners have been granted opportunity to match the amount quoted by the highest bidder.
13. It appears from the submissions made on behalf of the parties that, certain amount is admittedly due and pending from the petitioners to the Corporation. The loan was availed in the year 2009 and in 2025 the outstanding amount calculated by the Corporation is around rupees eighty seven crore and odd. Whether the secured asset has been properly valued or not is not open for scrutiny before the writ Court.
14. The Corporation has published a public notice for e-auction and sale of the secured asset. A bidder has responded to the said notice and has quoted the bid amount.
15. It will be open for the petitioners to either match up the bid or to pay the amount that is due and payable to the Corporation upfront. The Corporation may proceed with the sale strictly in accordance with law.
16. The corrigendum notice dated 27th May, 2025 was published by the corporation mentioning that the consideration amount has to be paid by 25th June, 2025. The Corporation shall follow the date as mentioned in

the corrigendum notice dated 27th May, 2025 and permit the petitioners time till 25th June, 2025 to match up the bid or to pay the due amount.

17. The writ petition stands disposed of.

18. Urgent photostat certified copy of this order, if applied for, be supplied to the parties upon compliance of all requisite formalities.

(Amrita Sinha, J.)