05.10.2026
Sl. No. 12
Ct No. 446
SG

WPA 15214 of 2026

Rajesh Prasad
Vs
The State of West Bengal & Ors.

Mr. Piyush Kumar,
Mr. Avishek Das,
Mr. Soubhik Dey.

...for the petitioner

Mr. Ajit Kumar Chaubey,
Mr. Vaibhav Prakash,
Ms. Ritika Pipalwa.

...for the State

Ms. Parna Roy Choudhury.

...for the respondent Bank

1. Fundamentally, the present writ petition has been preferred seeking a direction upon the respondent Bank to refund an amount of Rs. 11,20,000/- deposited by the petitioner as an upfront amount to materialize the process of one-time settlement of the outstanding dues at Rs. 56 lakhs.

2. Succinctly stated, the petitioner firm had availed itself of a credit facility of Rs. 2,72,95,477.90/- for expanding its business of manufacturing cast iron. However, as the borrower defaulted in repayment of the loan, the loan account was classified as NPA and, subsequently, action under the SARFAESI Act (for short, “the Act”) was taken in respect of the secured asset. A notice under Section 13(2) of the Act was issued. Subsequently, another notice under Section 13(4) of the Act was issued. Thereafter, the Bank filed an application under Section 19 of the Recovery of Debts and Bankruptcy Act, 1993 before the learned Tribunal. The same was allowed and, subsequently, a recovery proceeding being RC/135/20-19 was

also initiated by the secured creditor. In the meantime, the petitioner made a proposal for one-time settlement of the outstanding dues at Rs. 56 lakhs. The petitioner deposited 25% of the said amount, i.e., Rs. 11,20,000/-, as an upfront amount. Ultimately, the said settlement process did not materialize. Subsequently, the petitioner submitted another application proposing to settle the outstanding dues at Rs. 86 lakhs. By this time, the Bank accepted the proposal, and the petitioner deposited the said amount of Rs. 86 lakhs in two phases. Now, the petitioner, in an effort to recover the aforesaid amount of Rs. 11,20,000/- deposited as an upfront amount, has presented the present writ petition.

3. The record reveals that the same issue was raised by the petitioner in the recovery proceeding, as would be evident from the order dated 11th June, 2026 passed by the Recovery Officer in Recovery Case being RC/135/2019. Taking note of the fact that, in the said recovery proceeding, the present petitioner had prayed for a direction upon the Bank to refund the amount of Rs. 11,20,000/-, the Recovery Officer directed the respondent Bank to file a reply addressing such claim of the borrower. Therefore, it appears that the petitioner has made the same prayer in the present writ petition.

4. Since the recovery officer is in seisin of the matter and is examining the justification of the borrower’s claim of refund of Rs.11,20,000/-, this Court is not inclined to entertain the present writ petition.

5. Accordingly, the writ petition is dismissed. However, there shall be no order as to costs.

6. This order is passed without rights and contention to be raised by the parties before the recovery officer regarding the claim of the borrower of the amount and the rival claim in respect thereto to be raised by the Bank.

7. Let urgent Photostat certified copy of this order, if applied for, be supplied to the parties on usual undertaking.

(Partha Sarathi Chatterjee, J.)