IN THE HIGH COURT OF ORISSA AT CUTTACK
WP(C) No.17543 of 2026

CNR No. ODHC010416682026

1) Parvati Ghanashyam Rice Mills, Pvt. Ltd, Kendrapara 2) DHIREN GHANASHYAM PATRA	.....	***Petitioners*** Represented by Adv. - Mr. Prafulla Ku. Rath (Sr.Adv.) along with Mr. Prasanta Kumar Satapathy

-versus-

1) BANK OF INDIA, TRISHULIA, CUTTACK 2) CHIEF MANAGER-CUM-BRANCH MANAGER, BHUBANESWAR SME BRANCH. BANK OF INDIA	.....	***Opposite Parties*** Represented by Adv. – Mr. Budhadeb Routray (Sr. Adv.) along with Mr. Sibadutta Ramaprasad Mishra

CORAM:
JUSTICE KRUSHNA RAM MOHAPATRA
JUSTICE MRUGANKA SEKHAR SAHOO

ORDER
31.07.2026

Order No.

04. 1. This matter is taken up through hybrid mode.

2. Heard Mr. Rath, learned Senior Advocate appearing for the Petitioners and Mr. Routray, learned Senior Advocate appearing for Opposite Parties-Bank.

3. In course of argument, Mr. Rath, learned Senior Advocate drew attention of this Court to paragraph No.10 of the affidavit dated 17.07.2026 filed by the Chief Manager, Asset Recovery Branch, Cuttack.

4. The paragraph No.10 of the said affidavit is culled out for ready reference:-

> *"10. That, the averment made in para-1 of the writ petition and in reply Opp. Party-Bank has already issued the letter to the present Petitioner by rejecting the One Time Settlement Scheme (OTS) application and settlement of dues under the OTS is not a matter of right of the present Petitioner but is subject to the Bank's discretion arid various commercial considerations and interest of the stakeholder. In the present case, the Bank already has physical possession of the mortgaged property. The two mortgaged properties are valued at Rs.3.44 crore, and the plant and machinery are valued at Rs.61.32 Lakh. Therefore, 0pp. Party Bank does not see any reason to settle the dues under the On-time Settlement Scheme. However, the Borrower has the right to redeem the property under the SARFAESI Act by paying the entire dues. The present principal outstanding is Rs.1.70 crore and the uncharged interest from 07.06.2023 till 02.07.2026 is approximately Rs.54.18 Lakh. Total recoverable dues of the Bank as on 02.07.2026 are*

Rs.2.24 Crore plus other charges incurred by Bank for recovery of dues, and if the Borrower pays the said amount, the Bank will close the loan account and release the title deed to Axis Bank. Therefore, the bank has rightly rejected the OTS proposal of the borrower and asked him to pay the entire dues."

5. In view of the above, this Court made a suggestion to both learned senior counsels to settle the matter. Accordingly, it is suggested that both the petitioners and the Authorized Officer of the Bank to sit together on 3rd August, 2026 at 11:00 AM in the office of the Chief Manager, Asset Recovery Branch, 1st Floor, Plot No.293/1523, Opposite OSRTC Bus Stand, At-Kunheipara, Trisulia, Katak and make an endeavour to work out the modalities of settlement of loan account of the petitioner.

6. Both Mr. Rath, learned Senior Advocate appearing for the petitioners and Mr. Routray, learned Senior Advocate appearing for the Opposite Parties-Bank agree to the above proposal. Accordingly, it is directed that the petitioners and the Chief Manager, Asset Recovery Branch or his authorized representatives shall sit together on the aforesaid date, time and place to make an endeavour to work out the modalities of settlement.

7. Put up this matter on 5th August, 2026, on which date the learned Senior Advocates appearing for the

parties shall apprise the Court about the developments in the matter.

8. Interim order dated 09.06.2026 shall continue till the next date.

(K.R.MOHAPATRA)
Judge

(Mruganka Sekhar Sahoo)
Judge

Utkalika