



IN THE HIGH COURT OF ORISSA AT CUTTACK

W.P.(C) No. 18128 of 2026

1. *M/s. K.C. Agency represented
through its Proprietor : - Krushna
Chandra Jena*
2. *Krushna Chandra Jena* *Petitioners*

Mr. P.C. Das, Advocate

-versus-

1. *Union Bank of India, represented
through the Branch Manager-cum-
Authorized Officer, Mahanadi
Vihar Branch, Cuttack*
2. *The Branch Manager, Union Bank
of India, Mahanadi Vihar Branch,
Cuttack* *Opp. Parties*

Mr. P.K. Satapathy, Advocate
on behalf of
Mr. T. Sahu, Advocate

CORAM:

**THE HON'BLE MISS JUSTICE SAVITRI RATHO
AND
THE HON'BLE MR JUSTICE V. NARASINGH**

ORDER

17.06.2026

Order No.

(Through Virtual Mode)

02. 1. Heard learned counsel for the Petitioners and learned counsel for the Opposite Parties-Bank.
2. The Petitioners herein assail the E-auction Sale Notice dated 12.05.2026 at Annexure-1 issued by the Authorized Officer, Union Bank of India in terms of SARFAESI Act, 2002



read with proviso to Rule 8(6) of the Security Interest (Enforcement) Rules, 2002, inter alia, on the ground that notwithstanding the willingness of the Petitioners to seek settlement of the loan dues by way of One Time Settlement (OTS) scheme of the Bank, such opportunity is not extended, on extraneous considerations.

3. Mr. Satapathy, learned counsel appearing on behalf of Mr. Sahu, learned counsel for the Opposite Parties-Bank refutes such submission, inter alia, on the ground of the Petitioners having efficacious alternative remedy and issuance of E-auction Sale Notice fixing the date for sale to this day (17.06.2026).

4. By order dated 12.06.2026, the writ petition along with I.A. No.10697 of 2026 were taken up for consideration and in the light of the rival submission, as an interim measure, this Court directed as under;

“5. Considering the rival submission, as an interim measure, it is directed that in the event, the Petitioners deposit a sum of Rs.5,00,000/- (Rupees Five Lakhs only) by 16.06.2026 which is stated to be a working day for the banks and undertake to deposit a further sum of Rs.5,00,000/- (Rupees Five Lakhs only) by 27.06.2026 along with an application for rephasing/ settlement of the loan dues, further steps in terms of the E-auction Sale Notice dated 12.05.2026 at Annexure-1 shall not be taken till the next date.”

5. Learned counsel for the Petitioners submits that in terms of the aforementioned order of this Court, the Petitioner has deposited a sum of Rs.3,00,000/- (Rupees Three Lakhs) and



undertakes to deposit a sum of Rs.7,00,000/- (Rupees Seven Lakhs) by 27.06.2026 and submits that on such deposit, the Petitioner may be given an opportunity to approach the Bank for settlement/rephasing.

6. Mr. Satapathy, learned counsel appearing on behalf of Mr. Sahu, learned counsel for the Opposite Parties-Bank, while acknowledging the deposit of Rs.3,00,000/- (Rupees Three Lakhs) as noted above, submits that since the Petitioners had not deposited the entire amount of Rs.5,00,000/- (Rupees Five Lakhs) as undertaken, no further indulgence should be granted and the Bank should be allowed to proceed with the E-auction Sale Notice.

7. Taking into account the submission of the learned counsel for the Petitioners as well as Bank and perusing the recitals of the writ petition along with the annexures, balancing equity inter se, in exercise of its plenary power, this Court directs that in the event the Petitioners deposit further sum of **Rs.7,00,000/- (Rupees Seven Lakhs) by 27.06.2026, as undertaken**, no further steps in terms of the E-auction Sale Notice shall be taken.

7-A. It shall be open for the Petitioners to approach the Bank for settlement /rephasing by submitting written representation on deposit of Rs.7,00,000/- (Rupees Seven Lakhs) by 27.06.2026, as undertaken.

7-B. In the event such a representation is made, this Court has no iota of doubt that the Bank shall consider the same sympathetically affording an opportunity of hearing to the



Petitioner taking into account that out of amount sought to be recovered i.e. Rs.48,86,190.43/-, the Petitioner to prove his bonafides has deposited a sum of Rs.10,00,000/- (Rupees Ten Lakhs) by 27.06.2026. The fate of the representation shall be communicated to the Petitioner.

Till consideration of such representation, if submitted by 27.06.2026 along with further sum of Rs.7,00,000/- (Rupees Seven Lakhs) as noted above, no coercive steps shall be taken by the Bank against the Petitioners for realization of outstanding dues.

7-C. In the event the Petitioners do not deposit further sum of Rs.7,00,000/- (Rupees Seven Lakhs) by 27.06.2026, it shall be open for the Bank to proceed in accordance with law for securing its interest.

8. Accordingly, the Writ Petition and I.A. are disposed of. No Costs.

(Savitri Ratho)
Vacation Judge

(V. Narasingh)
Vacation Judge

Santoshi