

IN THE HIGH COURT OF JAMMU & KASHMIR AND LADAKH
AT SRINAGAR

WP (C) No. 1383/2025

Reserved on: 12.11.2025
Pronounced on: 19.11.2025
Uploaded on: 19.11.2025
Whether the operative part or full
judgment is pronounced: FULL

**M/s Allied Builders & Engineers Private
Limited, Akson Building, Residency Road,
Srinagar through its Directors:**

- 1. Mohammad Saleem Thakur,
S/o Abdul Kareem Thakur,
age 67 years.**
- 2. Parvaiz Ahmad Thakur,
S/o Mohammad Saleem Thakur,
Age 48 years.**
- 3. Sameer Ahmad Thakur,
S/o Mohammad Saleem Thakur,
Age 43 years.**
- 4. Waseem Sikander Thakur,
S/o Mohammad Saleem Thakur,
Age 40 years**

...Petitioner(s)/Appellant(s)

All residents of Lasjan-A, Srinagar.

Through: Mr. Z. A. Shah, Sr. Adv. with Mr. A. Hanan, Adv.

Vs.

- 1. J&K Bank Ltd. through its Managing Director
& CEO, Corporate Headquarters, M.A. Road,
Srinagar.**
- 2. Zonal Head, Kashmir Central, The J&K Bank
M.A. Road, Srinagar.**
- 3. Branch Manager, Jammu and Kashmir Bank,
B/O Polo view, Srinagar.**
- 4. Tehsildar, Pantha Chowk, Srinagar.**

... Respondent(s)

Through: Mr. Rabinder Singh, Adv.

CORAM:

HON'BLE MR. JUSTICE SANJEEV KUMAR, JUDGE

HON'BLE MR. JUSTICE SANJAY PARIHAR, JUDGE

J U D G M E N T

Per Sanjeev Kumar, J

1. In this petition filed under Article 226 of the Constitution of India, the petitioner has prayed for the following reliefs:-

- a. Writ of Mandamus directing the respondent-Bank to issue "sanction letter" in their favour in terms of One Time Settlement Scheme (OTS)-2025.

2. The said relief has been claimed in the context of following facts:

3. The petitioner is a borrower who has been advanced various loan facilities by the respondent-Bank aggregating to total amount of Rs. 5, 32,32,449/-. The aforesaid loan facilities were availed by the petitioner after execution of various security documents including Mortgage Deeds in favour of the Bank. The properties mortgaged by the petitioner with the respondent-Bank comprises of: (1) Equitable Mortgage of land measuring 4 kanal along-with Stone Crusher Plant situate at Samarbugh, Shalina, Lasjan, Chadoora, Budgam (2) Mortgage of 4 kanals of land under Khasra No. 434 along-with Stone Crusher Plant and Office Building situate at Sumarbugh, Lasjan, Budgam and (3) extension of charge on property comprising of two storeyed residential house with attic and single shed along-with land measuring 1 kanal underneath the said house etc.

4. When the petitioner failed to pay back the loan amount as per the terms and conditions of the loan contract, the proceedings under the SARFAESI Act were initiated by the respondent-Bank.

5. With a view to taking the possession, the respondent-Bank approached the Chief Judicial Magistrate, Srinagar in terms of Section 14 of the SARFAESI Act, 2002. Vide order dated 24th April 2024, the CJM, Srinagar, allowed the application and directed the Tehsildar concerned to take over the possession of the secured assets. This was challenged by the petitioner in WP (C) No. 1260/2024. The said writ petition was disposed of giving liberty to the respondent-Bank to start the process for auction, providing further that the Sale Notice would provide a 30 days window to

the petitioner to produce the buyer or to pay an amount of Rs. 4,72,00,000/- to the respondent-Bank.

6. After the decision of the writ petition, the respondent-Bank vide its Communication dated 6th February 2025, intimated to the petitioner that the Bank has formulated a special scheme for One Time Settlement of Non-Performing Assets and that its accounts have been found eligible for settlement under the said scheme on the terms and conditions enumerated in the aforesaid communication.

7. The petitioner claims that it deposited Rs. 25.00 lacs on 28th March 2025 to avail the benefit of OTS Scheme, but the respondent-Bank did not process the case of the petitioner for grant of sanction in respect of OTS Scheme in favour of the petitioner. It is in these circumstances, the petitioner claims that it was left with no option but to file the instant petition seeking *inter-alia* a direction to the respondent-Bank to issue a formal letter of sanction of OTS in its favour so that the loan accounts are squared.

8. The petition is contested by the respondent-Bank. In the reply affidavit filed by the Bank, it is the stand taken by the respondent-Bank that Special One Time Settlement Scheme-2024 was for a limited period, but the petitioner failed to take the benefit of said scheme by complying with the terms and conditions laid down in the said scheme. It is submitted that the petitioner who was required to make a deposit of Rs. 25% of the OTS amount upto 31st March 2025 did not deposit the said amount, therefore, disentitled him of the benefit of the said scheme.

9. Having heard learned counsel for the parties and perused the material available on record, we are of the considered opinion that the petitioner having failed to comply with the terms and conditions of the OTS Scheme is not entitled to the benefit of the scheme.

10. The argument of Mr. Z. A. Shah, learned senior counsel appearing for the petitioner that in terms of Communication dated 6th February 2025, he was supposed to deposit only 10% upfront amount of OTS and not 25% as is claimed by the respondent-Bank is without any substance and cannot be accepted.

11. From perusal of Communication dated 6th February 2025, in particular, its Clause (iv), it is made abundantly clear that application for

OTS was to be processed only after deposit of minimum 25% of the OTS amount. The Clause (iv) reads thus:-

“(iv) Application for OTS will be processed only after deposit of minimum 25% of the OTS amount.”

12. It is true that in the concluding lines of the aforesaid communication, the petitioner has been advised to deposit 10% upfront amount of OTS before his request for settlement is processed for acceptance or otherwise. The concluding lines read as under:-

“Please advise your willingness to settle the dues latest by 25.03.2025. Your request for settlement will be processed for acceptance or otherwise on receipt of your communication and 10% upfront amount of OTS.”

13. The stand of the Bank is that in terms of Clause (iv), the application for OTS was to be processed only after deposit of minimum 25% of the OTS amount and that the figure 10% appearing in the concluding lines of the communication was only a typographical error. The copy of the Communication dated 6th February 2025 placed on record by the respondent-Bank contains the correction and indicates the upfront amount as 25%. Be that as it may, the fact remains that on 6th February 2025, the petitioner was informed through e-mail that its NPA accounts are eligible to avail the benefit of OTS Scheme-2024 and, therefore, if he intended to avail the benefit of the scheme, he would submit his acceptance of offer along-with 25% of the OTS amount in the shape of demand draft/cheque/cash etc. The petitioner was further informed through another e-mail on 2nd May 2025 that it having failed to make the deposit of 25% of the token amount has forfeited his right to avail the benefit of OTS Scheme. The emails sent by the Bank to the petitioner on 6th February 2025 and 2nd May 2025 were passed on to this court by the counsel appearing for the respondent-Bank and were taken on record. The petitioner has not disputed these emails.

14. From the above, it clearly transpires that the petitioner was well aware that his request for settlement of his NPA in terms of JKB Special OTS-2024 Scheme was subject to making a deposit of 25% of the OTS amount and yet he failed to comply with the aforesaid condition and thus forfeited his right to avail the benefit of the scheme. The petitioner cannot be permitted to take

the benefit of a clerical error that has apparently crept in the concluding lines of the Communication dated 6th February 2025, more particularly, when Clause (iv) of the said communication makes it abundantly clear that application for OTS would be processed only after deposit of minimum 25% of the OTS amount.

(SANJAY PARIHAR)
JUDGE