

**IN THE HIGH COURT OF PUNJAB AND HARYANA AT
CHANDIGARH**

CWP No.14088 of 2015

Date of decision: 16.7.2015

Navdeep Bioceuticals and others

....Petitioners

VERSUS

Indian Overseas Bank

.....Respondent

CORAM: HON'BLE MR. JUSTICE HEMANT GUPTA

HON'BLE MRS. JUSTICE LISA GILL

Present: Mr. Ankit Goel, Advocate for the petitioners.

HEMANT GUPTA, J.(Oral)

The challenge in the present writ petition is to the communication dated 17.03.2015 (Annexure P-15) whereby One Time Settlement proposal submitted by the petitioner was rejected by observing as under:-

“We refer to your OTS offer dated 02.03.2015/ 03.03.2015 for an amount of Rs.4.85 crores and inform that your OTS proposal is not acceptable to us. We also advise that your earlier proposals for Rs.7.28 crores given in 2011 and proposal for Rs.7.50 crores given in 2012 have already been rejected by the Bank.”

Earlier, the petitioner has approached this Court through Civil Writ Petition No.2984 of 2015 titled M/s Navdeep Bioceuticals and others v. Indian Overseas Bank and others, which writ petition was disposed of on 23.02.2015 with consent of the parties to the effect that One Time Settlement proposal if made within two weeks from today shall be decided by the first respondent (Bank).

A perusal of the impugned communication shows that earlier proposal for Rs.7.28 crores given in the year 2011 and later for Rs.7.50 crores given in the year 2012 were rejected by the Bank obviously for the reason that it was not adequate. Surprisingly, instead of increasing the amount for settlement, the petitioner reduced the amount by almost Rs.3 crores when it offered to pay a sum of Rs.4.85 crores.

We find that such proposal does not merit any consideration for the reason that earlier proposals for higher amount stand declined. Whether the proposal for settlement should be accepted or not depends upon commercial decision of the Bank keeping in view the relevant factors. The impugned communication does not show that the Bank has acted in unreasonable manner while rejecting the One Time Settlement offer submitted by the petitioner.

In view of the said fact, we do not find any reason to interfere in the communication issued. However, nothing said herein will preclude the petitioner from giving a better proposal to the Bank for settlement.

Thus the present writ petition is dismissed.

(HEMANT GUPTA)
JUDGE

JULY 16, 2015
'D. Gulati'

(LISA GILL)
JUDGE