IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 10.01.2018

CORAM

THE HONOURABLE Mr.JUSTICE V.PARTHIBAN

W.P.No.7291 of 2012

E.C.Latha ... Petitioner

Vs

1. The Deputy General Manager,
   Bank of Baroda, Regional Office,
   Coimbatore.

2. The Authorised Officer,
   Bank of Baroda, Nambiyur,
   Erode. ... Respondents

PRAYER : Petition filed under Article 226 of the Constitution of India, praying to issue a writ of Mandamus, to direct the 1st respondent to consider the representation made by the petitioner on 06.03.2012 for a "One Time Settlement" and further direct the respondents not to take coercive steps till then.

For Petitioner : Mr.V.Raghavachari
For Respondents : Ms.V.Valarmathi for Mr.S.Pandurangan for RR1 & 2

O R D E R

Heard Mr.V.Raghavachari, learned counsel for the petitioner and Ms.V.Valarmathi, learned counsel appearing for the respondents.

2. The petitioner has approached this Court, seeking the following relief,

> "To issue a writ of Mandamus, to direct the 1st respondent to consider the representation made by the petitioner on 06.03.2012 for a "One Time Settlement" and further direct the respondents not to take coercive steps till then."

3. The case of the petitioner is as follows:-

The petitioner is a partnership firm involved in jewellery business. The firm has availed a loan facility from the respondent Bank for a sum of Rs.11,85,00,000/- under two heads, viz., Cash Credit and Term Loan. The loan was availed after offering security belonging to the family members of the

https://hcservices.ecourts.gov.in/hcservices/

partners. The properties are located at Gopichettipalayam, Erode and Coimbatore. The movable properties were hypothecated in the form of Gold ornaments, Semi-finished Goods, Furniture and Fittings, Plant and Machineries etc.

4. According to the petitioner, the partnership was quite regular in repayments from the inception of the loan in 2010 and they had paid over Rs.2.06 crores. However, due to loss of business, the petitioner firm had committed some default in the payment and therefore, the Bank has classified the account as Non-Performing Assets (NPA).

5. The grievance of the petitioner is that the properties which offered as security for loan, were worth several crores over and above the loan amount payable to the Bank. If only the Bank give a chance to the petitioner to sell the property, the entire loan can be settled by way of One Time Settlement and the entire issue can be given quietus.

6. According to the petitioner, the bank was not agreeable for such offer as they insisted on bringing the properties to public auction. The petitioner has apprehension that the properties would not be sold with proper price in public auction, the petitioner would therefore, suffer further loss on that account. In the above circumstances, the petitioner appears to have submitted representation to the Bank for One Time Settlement seeking waiver of interest on the loan amount.

7. However, the representation was not considered. Today when the matter is taken up for hearing, learned counsel for the petitioner would submit that he would advise his client to make comprehensive representation towards One Time Settlement to the Bank and the Bank may be directed to consider the offer by taking into consideration, over all circumstances of the petitioner's request, seeking One Time Settlement.

8. Upon notice, learned counsel appearing for the respondents entered appearance and made her submissions.

9. Considering the limited direction sought for in the writ petition, there shall be a direction to the petitioner to submit a comprehensive representation to the respondent Bank, offering One Time Settlement on reasonable terms. On such representation being made, the Bank shall consider the same by taking into all relevant circumstances of the case which form the basis of the request and dispose of the representation, within a period of eight weeks, on such representation being made by the petitioner in this regard.

WEB COPY
https://hcservices.ecourts.gov.in/hcservices/

10. With the above direction, the writ petition is disposed of. No costs.

-s/d-
Assistant Registrar(CS-IV)

True Copy

Sub-Assistant Registrar

gsk

To

1. The Deputy General Manager,
   Bank of Baroda, Regional Office,
   Coimbatore.

2. The Authorised Officer,
   Bank of Baroda, Nambiyur,
   Erode.

+1 CC to Mr.V.Raghavachari, Advocate sr 1933.
+1 CC to Mr.S. Mohan, advocate sr 2584.

W.P.No.7291 of 2012

NRJK(CO)
SP(14/02/2018)

WEB COPY

https://hcservices.ecourts.gov.in/hcservices/