THE HON'BLE SRI JUSTICE SANJAY KUMAR
AND
THE HON'BLE SRI JUSTICE P.KESHAVA RAO

WRIT PETITION No.23638 OF 2017

ORDER: (per Hon'ble Sri Justice Sanjay Kumar)

The prayer of the petitioner in this case reads as under:

> "For the reasons stated in the accompanying affidavit, it is prayed that this Hon'ble court may be pleased to issue an appropriate Writ, order or Direction, more particularly in the nature of Writ of Mandamus declaring the action of the respondent bank trying to take the physical possession of the petition schedule property while the petitioner is constantly in touch with the respondent bank for settlement of all the group loan accounts by selling the collateral security properties which were mortgaged at the time of sanctioning the said loans under FT KCC more particularly a KCC sanction to the 3rd respondent vide sanctioned letter No. FT KCC 0093655100000310, dated 18-04-2011 and in not acting in the spirit of settlement of the loan account under OTS proposal though the petitioner requested to settle the account umpteen times as illegal, unjust, unconstitutional and against the procedures of law and against the principles of Natural Justice while consequently to direct the respondents herein to consider the OTS proposal keeping in mind of the natural calamities occurred in the year 2014 and to pass such other order or orders as the Hon'ble court may deem it fit and proper in the facts and circumstances of the case."

At the outset, it may be noted that a borrower in default cannot claim any right, as a matter of course, to force upon the bank any One Time Settlement proposed by him. It is only when the bank itself comes out with a One Time Settlement scheme that borrowers who come within the parameters thereof would be entitled to avail its benefit.

That apart, the IDBI Bank, respondents 1 and 2 herein, filed a counter-affidavit, through the Deputy General Manager and Branch Head of its Rajahmundry Branch, East Godavari District, wherein details were furnished of the One Time Settlement request letter dated 06.06.2016, whereby the petitioner informed the bank that he secured a purchaser for the mortgaged properties and proposed to pay Rs.650.00 lakh as against the total outstanding of Rs.10,33,10,085/- as on 15.11.2017 in relation to nine loan accounts. The bank further stated that the offer of Rs.650.00 lakh was far below the value of the mortgaged properties. In any event, the proposed purchaser, viz., N.V.Satyanarayana, Managing Partner, Sri Gokul Profits, addressed letter dated 21.07.2016 to the bank seeking return of the sum of Rs.65.00 lakh deposited by him in the event the One Time Settlement was not sanctioned within a time frame. The bank, *vide* its reply dated 21.07.2016, gave liberty to him to withdraw the said amount and he did so on 24.10.2016.

In the light of the aforestated developments, it is clear that the offer sought to be put forth by the petitioner failed. In any event, we are of the opinion that the petitioner, being a borrower, as defined in Section 2(1)(f) of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002, cannot claim, as a matter of right, that any One Time Settlement offer made by him should be accepted by the bank.

We therefore find no merit in this writ petition and the same is accordingly dismissed.

Pending miscellaneous petitions, if any, shall also stand dismissed. No order as to costs.

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SANJAY KUMAR,J

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P. KESHAVA RAO,J

Date: 14.02.2018
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