IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH

CWP No.27124 of 2018

Date of Decision : 25.10.2018

M/s Bansal RealTech Limited

....Petitioner

Versus

State Bank of India

....Respondent

CORAM : HON'BLE MR.JUSTICE MAHESH GROVER
HON'BLE MR.JUSTICE AMIT RAWAL

Present: Mr.Alok Mittal, Advocate
for the petitioner.

<u>MAHESH GROVER, J.</u> (Oral)

This petition has been filed by the petitioner to quash the letter dated 28.06.2018 whereby the bank discontinued with the one time settlement arrived at between the petitioner and them at some point of time.

The petitioner and his associates are borrowers. Having defaulted in their loan commitments they entered into a one time settlement with the bank vide Annexures P-9 and P-10. On 28.06.2018, the bank issued a letter, which the petitioner impugns now, pointing out that the petitioner had not adhered to the terms of the OTS conveyed vide letter dated 26.03.2018 and failed to pay the due instalments within the stipulated period. Besides, on agreed terms the court cases have also not been withdrawn. The petitioner is in liability to the extent of 11.50 crores. The impugned communication also highlights condition No.6, which is extracted here-below :-

"In case of default in payment of OTS amount/instalment

> within due date/stipulated period or non-compliance of any of the above terms & conditions of OTS, the Bank will have the right to treat the compromise as null and void without any notice and withdraw all the concessions/waivers. The OTS will be treated as failed and cancelled at the occurrence of any one default or the first instance. In the event of exercise of such a right, the entire dues of the Bank at the time of compromise also with all costs and expenses shall become payable after adjusting the amount deposited."

We are of the opinion that once a borrower enters into a one time settlement with the bank, he accepts the window offered by the bank and would thus have either none or very little flexibility to deviate from the terms agreed upon. Even otherwise, there would be no occasion for the court to intervene in a matter which is purely flowing from a consensus between the lender and the borrower, particularly when there is no violation of any law.

We, therefore, decline interference and leave the petitioner to his remedies with the respondent-bank.

Dismissed.

(MAHESH GROVER)
JUDGE

25.10.2018 (AMIT RAWAL)
dss JUDGE

Whether speaking/reasoned Yes/No
Whether reportable Yes/No