

THE HIGH COURT FOR THE STATE OF TELANGANA

THE HON'BLE SRI JUSTICE V.RAMASUBRAMANIAN

AND

THE HON'BLE SRI JUSTICE P. KESHA VA RAO

WRIT PETITION No.8384 OF 2019

Date: 22.04.2019

Between:

Smt. M. Vanitha W/o. M. Anji Reddy,
R/o.HUDA Colony, Saroornagar, Hyderabad
and another.

... Petitioner

v.

The Union of India, represented by its Secretary,
Ministry of Banking & Finance, Government of India,
New Delhi and others.

... Respondents

For Petitioner : Mr. Ch. Samson Babu

For Respondents : Mr. K. Lakshman and
Mr.M. Srikanth Reddy

Gist :

Head Note :

Cases Referred : Nil

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HONOURABLE SRI JUSTICE V. RAMASUBRAMANIAN

AND

HONOURABLE SRI JUSTICE P. KESHA VA RAO

WRIT PETITION No.8384 OF 2019

ORDER: *(Per Hon'ble Sri Justice V. Ramasubramanian)*

Aggrieved by the rejection of a One Time Settlement (OTS) and the proposed auction of the property, the borrower has come up with the above writ petition.

2. Heard Mr. Ch. Samson Babu, learned counsel for the petitioners. Mr. M. Srikanth Reddy, learned Standing Counsel takes notice for the respondents 2 and 3. The 1st respondent is not a necessary party. Therefore, they are struck off from the array of parties.

3. The grievance of the petitioner is that they made a proposal for one time settlement, on 20.01.2017, along with a payment of Rs.2,34,000/- and that the Bank which received the money and the OTS proposal, kept quiet for two full years and issued the impugned communication rejecting the proposal and also simultaneously proposing to proceed with the auction.

4. We have repeatedly been holding that a unilateral offer made by a borrower for one time settlement, cannot be thrust upon the bank through a Court order. If the petitioner had not received any reply for two years, it is a good indication that the bank was not happy with the amount offered. The concession that the bank has shown is that they

have not taken any action for the past two years. It is no indication that the OTS was tacitly approved by the bank.

5. OTS is a commercial decision which is taken by a bank, taking into account various factors. Into such a commercial decision, Court cannot impose a judicial discretion. Therefore, the writ petition is devoid of merits and hence, it is dismissed. Insofar as the auction is concerned, it is open to the petitioner to go before the Debts Recovery Tribunal.

The miscellaneous petitions, if any pending, shall stand dismissed. No order as to costs.

V. RAMASUBRAMANIAN, J

P. KESHA RAO, J

April 22, 2019

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