

THE HON'BLE SRI JUSTICE V. RAMASUBRAMANIAN

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THE HON'BLE SRI JUSTICE P. KESHA RAO

WRIT PETITION No.41565 of 2018

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

Challenging the refusal of the bank to accept an OTS proposal given by them, the borrowers have come up with the above writ petition.

2. Heard Mr. Ram Mohan Palanki, learned counsel for the petitioners and Mr. E. Madam Mohan Rao, learned counsel for the respondents.

3. As we have repeatedly held, an OTS is a commercial decision taken by the banks with reference to various parameters such as viability of prosecuting the borrowers for recovery, the value of the secured interest etc. Therefore, if a bank takes a decision not to accept an OTS proposal, it is not open to this Court to scrutinize the same.

4. It is contended by the learned counsel for the petitioners that the OTS scheme floated by the respondent bank, titled as SBI OTS 2018, was stated to be a non-discretionary and non-discriminatory scheme and that certain parameters were laid down therein for grant of OTS. It is the case of the petitioners that they satisfied all the parameters indicated in the said scheme and they made an application. But the said application was rejected by a one line order dated 12.10.2018 without even assigning any reason. Therefore, the learned counsel contends that the bank should be directed to accept the application.

5. But we have to point out that OTS schemes are floated year after year. The scheme, under which the petitioners want to fall back upon, is of the year 2018. Now we are in 2019. The decision not to accept the OTS proposal is not actually justiciable in a Court. Therefore, we find no merit in the writ petition.

Hence, the writ petition is dismissed. Consequently, pending miscellaneous applications, if any, shall stand closed. There shall be no order as to costs.

V. RAMASUBRAMANIAN, J

P. KESHAVA RAO, J

April 26, 2019
DSK

