

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED :: 17-03-2020

CORAM

THE HON'BLE MR.JUSTICE M.M.SUNDRESH

AND

THE HONOURABLE MR.JUSTICE KRISHNAN RAMASAMY

W.P.No.6746 OF 2020

M.V.Sesha Rao

...

Petitioner

-vs-

1.Indian Overseas Bank,
rep.by its Chief Regional Manager,
Regional Office,
No.763, Anna Salai,
Chennai-600 002.

2.The Assistant General Manager,
Indian Overseas Bank,
Mount Road Branch,
No.807, Anna Salai,
Chennai-600 002.

...

Respondents

Petition under Article 226 of the Constitution of India, praying for issuance of a Writ of Mandamus to direct the respondents to consider the petitioner's representation, dated 22.02.2019, followed by reminder, dated 06.03.2020, seeking extension of time for making payment of Rs.1,23,00,000/- (One crore twenty three lakhs) arrived at under OTS offer made by petitioner and accepted by the respondents' bank on 28.11.2018, by way of two settlements i.e., Rs.60 lakhs before the closure of this financial year i.e., 31.03.2020 and the balance amount Rs.63 Lakhs before 30.06.2020 to enable the petitioner to redeem his personal property offered as collateral security, within a time frame as may be fixed by this Court.

For Petitioner : Mr.R.Veeramani

For Respondents : Mr.F.B.Benjamin George

ORDER
(By M.M.Sundresh, J.)

Petitioner is the borrower. On an earlier occasion, the respondent Bank offered a One Time Settlement (OTS) to the petitioner for repayment of loan, but, the petitioner could not comply with the same. Thereafter, the proceedings continued and the auction of the property of the petitioner is scheduled to be held on 19.03.2020. Therefore, the present Writ Petition has been filed, seeking extension of time for making payment of the amount, arrived at under OTS.

2. Learned counsel for the petitioner has submitted that the time for making payment under One Time Settlement can be extended as the petitioner is willing to comply with the same this time and the petitioner may be permitted to submit a fresh proposal to the said effect, which can be directed to be considered by the respondent Bank.

3. On the other hand, learned counsel for the respondent Bank has submitted that the earlier proposal, due to non-compliance by the petitioner, was rejected; the petitioner was only asked to give a fresh proposal, as the sale of the property is proposed to be held on 19.03.2020 and, in the absence of any legal right, the relief sought for by the petitioner cannot be granted.

4. We have heard the learned counsel for the parties and also gone through the records.

5. The fact remains that the earlier proposal/OTS has not been given effect to and the request of the petitioner for extension of OTS is also rejected by the respondent Bank with an observation "the petitioner may give a fresh proposal".

6. In the given situation, we are not inclined to stop the conduct of the auction slated for 19.03.2020, except stating, "the confirmation shall not be made". This order is passed in view of the fact that the petitioner was actually offered OTS and even from the latest communication he was once again asked to give a fresh proposal.

7. In such view of the matter, the petitioner can submit a fresh proposal to the respondent Bank within a period of three days from the date of receipt of a copy of this order and, on such receipt of the proposal, the respondent Bank may consider the feasibility. The said action on the part of the respondent Bank is to be concluded within a further period of one week from the date of receipt of the said proposal and,

until such time, the confirmation of sale shall remain stayed.

8. Writ Petition is disposed of accordingly. No costs. Consequently, the connected W.M.P.No.8021 of 2020 is closed.

Sd/-
Assistant Registrar(CS)

//True Copy//

Sub Assistant Registrar

dixit

To

1.Indian Overseas Bank,
rep.by its Chief Regional Manager,
Regional Office,
No.763, Anna Salai,
Chennai-600 002.

2.The Assistant General Manager,
Indian Overseas Bank,
Mount Road Branch,
No.807, Anna Salai,
Chennai-600 002.

+1cc to Mr.R.Veeramani , Advocate SR.No.23768

+1cc to Mr.F.B.Benjamin , Advocate SR.No. 24174

W.P.No.6746 OF 2020

A.SK(20/03/2020)

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