

215 **IN THE HIGH COURT OF PUNJAB AND HARYANA AT
CHANDIGARH**

CWP No. 12053 of 2021

Date of Decision: 09.09.2021

Subash Kumar

.... Petitioner

Versus

Circle Office, Punjab National Bank and others

... Respondents

**CORAM: HON'BLE MR. JUSTICE JASWANT SINGH
HON'BLE MR. JUSTICE SANT PARKASH**

Present: Mr. Mohit Sadana, Advocate
for the petitioner.

Mr Ritesh Kumar Bansal, Advocate
for the respondents.

SANT PARKASH, J.

*[The aforesaid presence is being recorded through video conferencing
since the proceedings are being conducted in virtual court]*

Prayer in the instant petition is for issuance of a writ in the nature of certiorari quashing the impugned letter dated 10.06.2021 (Annexure P-4) passed by respondent No.2-PNB whereby OTS entered by the petitioner with the bank has been declared as failed by the respondents; as also for issuance of a writ in the nature of mandamus directing the respondents No.1 and 3 to grant extension of six months to clear outstanding amount as per OTS scheme and further issuance of a writ in the nature of mandamus directing respondents No.1 and 3 to stay the proceedings arising out of the impugned letter dated 10.06.2021 (Annexure P-4).

Brief facts of the case are that the petitioner availed credit facilities of Rs.25 Lakh from respondent No.3 and for the same, he had

mortgaged his one booth and one booth was mortgaged by his wife as

guarantor. The petitioner was regularly paying the installments of the bank but in the year 2017, owing to bad health, the petitioner was unable to look after his business and resultantly, could not adhere to the financial discipline. As a result thereof, his account was declared NPA on 30.06.2017. Respondent No.3-bank offered an OTS scheme under which the petitioner deposited an amount of Rs.4,10,000/- till April, 2021 but thereafter, he could not pay the outstanding amount. The petitioner requested the respondent bank to grant six months' time to clear the outstanding amount but the respondent bank issued letter dated 10.06.2021 (Annexure P-4) informing him that due to non payment of Rs.13,90,000/-, the OTS scheme stands failed. The petitioner also submitted a representation dated 21.06.2021 (Annexure P-5) to the respondent bank for recalling of the letter dated 10.06.2021 (Annexure P-4) and for grant of six months' time to clear the arrears of OTS amount, but to no avail.

On the last date of hearing, Chief Manager of Punjab National Bank, Sangrur was granted permission to file a fresh affidavit and in the meanwhile, the petitioner was also permitted to deposit the total remaining amount as per the sanctioned OTS before the next date of hearing to be kept in no lien account by the respondent bank with compensation on delayed payment to be worked out on the next date.

In compliance thereof, an affidavit dated 08.09.2021 on behalf of respondent bank stands filed wherein it has been stated that the petitioner has deposited Rs.5,00,000/- on 27.08.2021 and Rs.9,76,000/- on 31.08.2021

and out of total amount of Rs.15,16,000/- (i.e. Rs.13,90,000/- balance outstanding of OTS+ Rs.86,000/- interest @ 8.35% on defaulted amount+Rs.40,000/- litigation expenses), the petitioner has paid Rs.14,76,000/-.

Today, at the very outset, learned counsel for the petitioner submits that in compliance of the previous order dated 22.07.2021 passed by this Court, the petitioner has paid the entire outstanding amount with the bank as per the sanctioned OTS. However, learned counsel for the respondent bank submits that the petitioner has cleared the entire outstanding amount except the litigation expenses i.e. Rs.40,000/-.

Keeping in view the aforesaid facts as also for the redressal of the dispute between the parties, we deem it appropriate to extend the time period under the OTS till the time remaining payments have been made and accordingly, dispose of the instant petition as having been rendered infructuous.

(JASWANT SINGH)
JUDGE

(SANT PARKASH)
JUDGE

09.09.2021
Maninder

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