

WPO 1916 of 2022

IN THE HIGH COURT AT CALCUTTA
Constitutional Writ Jurisdiction
ORIGINAL SIDE

FAIR DEAL SUPPLIES LIMITED & ORS.
VERSUS
INDIAN OVERSEAS BANK & ORS.

BEFORE:

The Hon'ble JUSTICE RAJASEKHAR MANTHA

Date : 5th April, 2022.

APPEARANCE:

Mr. Jayanta Kumar Mitra, Sr. Adv.

Mr. Prabhat Sil, Adv.

Mr. Subhanuar Nag, Adv.

Mr. Kaushik Banerjee

Ms. Rashmita Sen, Adv.

Mr. R.K. Jha, Adv.

The Court :- The writ petitioners have outstanding dues towards the Indian Overseas Bank. Attempts have been made by and between the parties to enter into a compromise. The bank has taken commercial decision not to accept the offer of the petitioner. It has proposed to refund the upfront amount paid by the petitioners in support of the offer.

In the meantime, proceedings have been instituted against the petitioners by the Bank under the willful defaulter guidelines of the Reserve Bank of India. The identification committee has taken a decision. The matter is pending before the review committee.

Mr. Jayanta Kumar Mitra, learned Senior Advocate appearing for the petitioner has labored to impress before this Court that his defence before the review committee would be diluted, if the bank proceeds to refund the sum of Rs. 1.5 crores paid by the petitioners in support of its offer for a one-time settlement.

Having carefully noted the submissions of the learned Senior Counsel, this Court is of the view that the refund of upfront amount paid by the petitioner in support of its OTS offer, cannot be linked to the proceedings under the willful defaulter guidelines. The OTS offer made by the petitioner may not succeed as has happened in the instant case. That cannot have any bearing on the willful defaulter proceedings. Secondly, as to whether the OTS proposal offered by the borrower will be accepted by the bank or not is an exclusive commercial decision of the bank which cannot be interfered with by a Writ Court under Article 226 of the Constitution of India. The relations between the parties are purely in the realm of private contract.

Hence prayer (a) which is the only prayer sought to be pressed by learned Senior Counsel for the petitioner, cannot even be entertained by this Court .

For the reasons stated above, no relief could be granted to the petitioner and the writ petition is disposed of without any orders.

(RAJASEKHAR MANTHA, J.)