



W.P.(MD)No.14902 of 2022

BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

DATED: 13.07.2022

CORAM

THE HONOURABLE MR.JUSTICE **S.S.SUNDAR**
and
THE HONOURABLE MRS.JUSTICE **S.SRIMATHY**

W.P(MD)No.14902 of 2022
and
W.M.P(MD)No.10659 of 2022

Kiruthika

... Petitioner

Vs.

1.The Regional Manager,
Indian Overseas Bank, Erode.

2.The Branch Manager,
Indian Overseas Bank, Kulithalai, Karur District. ... Respondents

Prayer: Writ Petition filed under Article 226 of Constitution of India, to issue a Writ of Mandamus, to direct the respondents not to conduct the sale on 26.07.2022 in violation of the one time settlement arrived between petitioner and the respondents on 21.09.2021 and to direct the respondents to implement the one time settlement arrived on 21.09.2021.

For Petitioner :Mr.S.Muthukrishnan

For Respondents :Mr.N.Dilipkumar



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ORDER

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(Order of the Court was made by **S.S.SUNDAR, J.**)

This Writ Petition is filed for issuance of a Writ of Mandamus to direct respondents not to conduct the sale on 26.07.2022 in violation of the one time settlement arrived at between petitioner and the respondents on 21.09.2021 and to direct the respondents to implement the one time settlement.

2.Heard Mr.S.Muthukrishnan, learned Counsel for the petitioner and Mr.N.Dilipkumar, learned Standing Counsel, who takes notice for the respondents. By consent of both parties, the Writ Petition is taken up for final disposal at the admission stage itself.

3.It is admitted that following the One Time Settlement offer, the respondent bank has directed the petitioner to deposit the initial amount of Rs.1.95 lakhs in his savings bank account and the petitioner has also paid initial amount, so that the bank can consider the offer of the petitioner. It is also admitted that the petitioner has purchased demand draft for the remaining balance, which was arrived at the time of submitting his proposal under One Time Settlement scheme. When the petitioner handed over the demand draft for a sum of Rs.17.55 lakhs, it is



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admitted that the respondent bank has returned the demand draft on the next day stating that the offer of the petitioner was not accepted by the competent authority of the respondent bank. Despite the petitioner has shown his *bona fide* to settle the amount by availing One Time Settlement scheme, the respondent bank seems to have proceeded with the sale of the secured asset.

4.It is seen that the value of the secured asset, even according to the respondent bank, is more than one crore. It is also represented that the petitioner has already challenged the communication, by which the petitioner was informed that he is not entitled for One Time Settlement.

5.Considering the fact that the petitioner has reduced his liability by 45% of the total outstanding, the Writ Petition is disposed of with a direction to the respondent bank to defer the sale proceedings on condition that the petitioner deposits the demand draft for a sum of Rs.17.55 lakhs or handover the same to the first respondent within a period of two weeks from the date of receipt of a copy of this order. It is open to the petitioner to approach the respondent bank once again by submitting fresh proposal of One Time Settlement for regularisation of the loan account or for rescheduling the loan. Till such time the



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respondent bank consider the application or request of the petitioner and pass appropriate orders and communicate the same to the petitioner, there shall not be any coercive action. No costs. Consequently, connected miscellaneous petition is closed.

[S.S.S.R., J.] [S.S.Y., J.]
13.07.2022

Index : Yes / No

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and

S.SRIMATHY, J.

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