



W.P.No.8406 of 2023

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IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 18.07.2023

CORAM :

THE HON'BLE MR.SANJAY V.GANGAPURWALA, CHIEF JUSTICE

AND

THE HON'BLE MR.JUSTICE P.D.AUDIKESSAVALU

W.P.No.8406 of 2023

1. K.Niramala Devi
2. G.Karuppiah
3. T.Vijayakumar

.. Petitioners

Vs.

1. The Manager
Punjab National Bank Branch Office
Mid Corporate Branch
Oppanakara Street
Coimbatore 641 001.
2. The Manager
Punjab National Bank
Circle Sastra Centre
448A, Dr. Nanjappa Road
Coimbatore 641 018.
3. Punjab National Bank
Zonal Head Office
PNB Towers, No.46-49, 4th & 5th Floor
Royapettah High Rd. Flyover
Jagadambal Colony
Royapettah, Chennai 600 014.

.. Respondents



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Prayer: Petition filed under Article 226 of the Constitution of India seeking a writ of Declaration declaring that the communication pertaining to the rejection of OTS offer of Rs.33,30,000/- as referred in "Closure Intimation for Complaint N202223023252194" as illegal, void and non-est in the eyes of law and consequently directing the respondents 1 to 3 to comply with the approved one-time settlement issued vide Ref. CS/CBE/OTS/2021 dated 20.01.2022, collect the balance sum payable as per the one time settlement offer in a time frame fixed by this Hon'ble Court and close the Loan Account in Acc.No.09800NC00428994.

For the Petitioners : Mr.D.G.Hariprasath

For the Respondents : Mr.M.L.Ganesh

ORDER

(Made by the Hon'ble Chief Justice)

We have heard Mr.D.G.Hariprasath, learned counsel for the petitioners and Mr.M.L.Ganesh, learned counsel for the respondents.

2. The petitioners assail the rejection of OTS offer and also assail the order of Ombudsman.



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3. It appears that initially, on or about 27.09.2021, a special OTS was proposed by the petitioners, thereby agreeing to settle the amount at Rs.33.30 lakh. They had also paid Rs.2.00 lakh on 27.09.2021. On or about 20.01.2022, the bank communicated its acceptance of the settlement offer at Rs.33.30 lakh. By that time, the petitioners had deposited Rs.5.00 lakh. The petitioners were supposed to deposit Rs.28.00 lakh within 90 days. The petitioners, on 05.02.2022, claim to have deposited Rs.5.00 lakh. However, failed to deposit Rs.23.00 lakh within 90 days as per the communication dated 20.01.2022. The OTS proposal stood cancelled. The Bank Ombudsman also did not accept the contention of the petitioners.

4. The loan in question is a housing loan. Naturally, the settlement proposal granted by the bank comes to an end after the stipulated date, i.e. 90 days if the payment is not made. Even in May 2022, the petitioners have approached the bank showing their financial incapability to pay the amount. We may not find fault with the bank for cancellation of the OTS proposal. It needs to be considered that the loan was a housing loan. The property has not yet been sold by the



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bank.

5. In the light of that, the petitioners may approach the bank with the settlement proposal. The bank may consider the proposal of the petitioners for OTS as per its policy considering that the loan in question is a housing loan and not a commercial loan. The proposal shall be given by the petitioners with some upfront amount within eight days.

6. With the aforesaid observation, the writ petition is disposed of. There will be no order as to costs. W.M.P.No.8589 of 2023 filed to permit the petitioners to file a single writ petition is allowed, inasmuch as they have paid separate court-fee. W.M.P.No.8590 of 2023 is closed.

(S.V.G., CJ.)

(P.D.A., J.)

18.07.2023

Index : Yes/No
Neutral Citation : Yes/No
kpl



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