



W.P.(MD) No.5427 of 2023

BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

DATED : 14.03.2023

CORAM:

**THE HONOURABLE MR.JUSTICE R.SUBRAMANIAN
and
THE HONOURABLE MRS.JUSTICE L.VICTORIA GOWRI**

W.P.(MD) No.5427 of 2023

and

W.M.P(MD)No.5076 of 2023

1.K.M.Prasad @ Manoharprasad

2.M.P.Dinaharan

... Petitioners

-VS-

1.The Authorized Officer,
Indian Overseas Bank,
Regional Office,
Plot No.40, Eighty Feet Road,
Arignar Anna Nagar,
Madurai – 625020.

2.The Branch Manager,
Indian Overseas Bank,
Pattiveeranpatti Branch,
11-1-1-A5, Anna Nagar Mainroad,
Pattiveeranpatti,
Dindigul District – 624 211

... Respondents

PRAYER: Petition filed under Article 226 of the Constitution of India, to
issue a Writ of Certiorarified Mandamus calling for the records pertaining



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to the impugned E-Auction Sale Notice dated 21.02.2023 issued by the first respondent and quash the same consequently direct the respondents to consider for One Time Settlement within a stipulated time fixed by this Court.

For Petitioners : Mr.K.Muruganantham

For Respondents : Mr.R.Pandivel, Standing Counsel

ORDER

[Order of the Court was made by R.SUBRAMANIAN, J.]

Mr.R.Pandivel, learned Standing Counsel takes notice for the bank.

2. The sale notice, dated 21.02.2023, is under challenge.

3. The learned counsel appearing for the petitioners would submit that the petitioners will be able to liquidate the loan if some time is given. The learned counsel would point out that the bank is unwilling to grant any concession because the buyers are ready.

4. It is common knowledge that One Time Settlement is offered by the banks only for those borrowers, who pledge worthless property and



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borrowed huge money and leave the bank in lurch and the banks are unable to recover the money even by selling the property. For the borrower, who pledged valuable property and sale of which would fetch the entire amount for the bank, the bank will not be willing for One Time Settlement. Therefore, the rejection of the claim for One Time Settlement by the bank is according to 'Dharmasastra' adopted by the 'Indian' banks. However, with a view to permit the petitioners to liquidate the loan, the following directions are issued:

- (i) The bank can go on with the sale, but shall not confirm the same.
- (ii) The petitioners shall pay a sum of Rs.10,00,000/-(Rupees Ten Lakhs Only) on or before 30th of March, 2023.
- (iii) The remaining amount shall be paid by the petitioners in three equated monthly installments. The expenses and interest occurring during the interregnum should be paid along with last instalment.
- (iv) If there is any default in payment of any of the instalments as aforesaid, the bank can proceed to confirm the sale.



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5. The Writ Petition is disposed of accordingly. No costs.

Consequently, connected miscellaneous is closed.

[R.S.M., J.]

[L.V.G., J.]

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NCC : Yes/No
Index : Yes/No

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and
L.VICTORIA GOWRI, J.

pm

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