



W.P(MD)No.22120 of 2021

BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

DATED : 03.03.2023

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THE HONOURABLE MR.JUSTICE G.R.SWAMINATHAN

W.P(MD)No.22120 of 2021

P.M.Neelamegan

... Petitioner

Vs.

1.The Chief General Manager,
REPCO Home Finance Ltd.,
Corporate Office,
3rd Floor, Alexander Square,
New No.2, Old No.34 & 35, Sardhar Patel Road,
Guindy, Chennai – 32.

2.The Chief Manager,
REPCO Home Finance Ltd.,
Trichy.

... Respondents

Prayer : Writ Petition filed under Article 226 of the Constitution of India, praying this Court to issue a Writ of Mandamus, directing respondents to release the documents in original and to cancel the Mortgage deed in the settled loan in Loan No.TRY1178 forthwith.

For Petitioner : Ms.R.Jenifar Bibin

For Respondents : Mr.V.Veerapandian,
For M/s.Vast Law Associates.



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ORDER

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Heard the learned counsel on either side.

2. Though the Writ Court does not have the jurisdiction to direct any creditor bank to come for one time settlement with the debtor, considering the special facts and circumstances obtaining in this case, this Court nudged the respondent to make some reasonable offer. The respondent bank had made the following offer:-

“This has reference to your above referred letter seeking for One Time Settlement of the dues under loan accounts availed at Trichy branch vide loan accounts No.TRY 1258 & 1397. In this connection, we inform that subject to approval by competent authority, a OTS for Rs.140.00 Lakhs (Rupees One Crore and forty lakhs only), may be considered for closure of the said loan accounts, as a special case, subject to the following terms and conditions:-

- 1. You have to pay 25 % of the proposed OTS amount by way of Demand Draft within 7 days from the date of receipt of this letter.*
- 2. Finalization of this OTS amount is subject to approval from competent authority.*
- 3. The balance 75% of the OTS amount shall be payable on or before 31.03.2023. Failing to honour this commitment shall*



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result in cancellation of the sanctioned OTS.

4. *Company reserves the right to appropriate to the loan account remitted towards OTS at any point of time.*
5. *We are not in any way connected or liable in any manner with other transactions whatsoever you have with any third party and any agreement / undertaking given by you to the said third party are not legally binding on us.”*

3.The bank can need not insist that the petitioner should pay 25% of the proposed one time settlement amount within seven days. If the petitioner remits 10% of the proposed one time settlement within 30 days from today 03.03.2023, the bank shall issue a formal order sanctioning one time settlement. Since the petitioner has been locked in a prolonged litigation with the respondent bank, I am confident that for paying the balance payment, reasonable time will be given by the bank. It is for the petitioner to avail this offer.

4.This writ petition is disposed of accordingly. No costs.

03.03.2023

NCC : Yes/No
Index : Yes / No
Internet : Yes/ No
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G.R.SWAMINATHAN, J.

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