AD-13
Ct No.09
12.03.2024
TN

WPA No. 28740 of 2023

Anubrata Santra
Vs.
Bank of Baroda and others

Mr. Ashok Sarkar,
Mr. Asish Dutta
.... for the petitioner

Mr. Rahul Sarkar,
Ms. Dipika Sarkar,
Ms. Shreya Deashi
.... for the respondent-Bank

1. Learned counsel for the respondent-Bank hands over two documents. The first is a printout as per previous direction of court which indicates that credit facility status of the petitioner as "WRITTEN-OFF".

2. Learned counsel also hands over the norms issued by the CIBIL authorities. In the section 'Terms and Key Words', the caption "Written-off and Settled Status" is followed by an instruction that if the section is populated, the lender has either restructured the loan by offering different terms (extended the loan tenure or reduced the interest rate etc.), written-off this amount, or settled at some amount less than what the lender believes it was owed.

3. It is, thus, argued that the terms "written-off" and "settled" are interchangeable.

4. Against the caption "Settlement Amount" in the said guidelines it has been indicated that if an amount is settled, the balance amount which has not been paid by the borrower which the lender believes is owed is to be written-off by the lender.

5. Although it transpires that 'written-off' and 'settled' status have been mentioned under the same caption in the said guidelines, upon hearing learned counsel and going through the said guidelines, it transpires that there is a qualitative difference between a loan being written-off and being settled.

6. In the first case, the expression "written-off" indicates that the entire loan has been written-off in the absence of any further qualification of the term.

7. However, in the event a loan is settled between the parties, the two components are to be indicated separately – the portion which has been paid by the borrower is to be shown as 'settled' and that which has been written-off by the Bank is to be shown as such.

8. There is no reason why the same principle should not apply to the present case as the petitioner had entered into an One-Time Settlement, upon which only a portion of the loan was written-off and the rest was settled. It is evident that if a portion of the loan is settled, the status of the petitioner ought to be on a higher footing that if the entire loan amount had to be written-off.

9. Keeping in view the above considerations, WPA No. 28740 of 2023 is disposed of by directing the respondent no.1-Bank to communicate to the CIBIL authorities within a week from date the request of the respondent no.1-Bank to modify the credit facility status regarding the loan amount which has been settled between the parties by way of One-Time Settlement to the effect that instead of the expression "written-off", the same will be depicted as part settled and part written-off. The Bank, if it so chooses, can also indicate the respective quanta of the amounts settled and that which has been written-off separately. Upon such request being sent in writing by the Bank, the appropriate authorities maintaining the CIBIL scores shall reflect such modification and modify the CIBIL ratings of the petitioner in accordance therewith, within a further fortnight after such communication.

10. There will be no order as to costs.

11. Urgent photostat certified copies of this order, if applied for, be made available to the parties upon compliance with the requisite formalities.

(Sabyasachi Bhattacharyya, J.)