



WP.No.18036/2017

IN THE HIGH COURT OF JUDICATURE AT MADRAS

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Reserved on 15.07.2024

Delivered on 12.08.2024

CORAM

THE HONOURABLE MR. JUSTICE S.S. SUNDAR

AND

THE HONOURABLE MR. JUSTICE N.SENTHILKUMAR

WP.No.18036/2017

M/s.Ride Master Rims Private Limited
rep.by its Director Mrs.R.Sivasakthi
No.27, Avadi Poonamallee Road
Paruthipet, Chennai 600 071

... Petitioner

Vs.

- 1.The State Bank of India
[Formerly State Bank of Travancore]
rep.by its Authorised Officer
Asset Recovery Management Branch
No.4/1, Eldams Road, Alwarpet
Chennai 600 018.
- 2.B&C Machinery Ltd
rep.by its President & CEO of Machinery Division
No.208, Arakonam Road,
Sengadu Village
Sriperumbudur Taluk
Kancheepuram District



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Tamil Nadu 602 002.

... Respondents

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Prayer : Writ Petition filed under Article 226 of the Constitution of India for issuance of Writ of mandamus directing the 1st respondent Bank to disburse the sum of Rs.10.50 Crores, deposited in A/c.No.67095405385 with interest at 24% per annum, calculated from 12.07.2016 till date of realization to the petitioner company.

For Petitioner	: M/s.K.M.Valsala Kumari for Mr.R.Annamalai
For R1	: Mr.T.Mohan, Senior Counsel for Mr.T.Senthil Kumar
For R2	: No appearance

ORDER

S.S.SUNDAR, J.,

(1) This writ petition is filed seeking for issuance of a writ of mandamus directing the 1st respondent to disburse a sum of Rs.10.50 Crores deposited by the petitioner in a "No Lien" Account with interest @ 24% per annum calculated from 12.07.2016 till the date of realization to the petitioner.

(2) The petitioner company is neither a borrower nor a mortgagor and the



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petitioner company is a third party to the loan transaction between the 1st respondent / Bank and the 2nd respondent, but was involved because the petitioner had a private negotiation with the borrower and the Bank to deposit certain amount towards One Time Settlement [OTS] on the understanding that on payment of entire amount of OTS, the petitioner would get one of the properties which are mortgaged by the borrower / 2nd respondent herein.

(3) Brief facts that are necessary for the disposal of this writ petition are as follows:

(4) The petitioner is a Private Limited Company incorporated under the Companies Act, 1956. The 2nd respondent is the borrower who had borrowed huge sums to the tune of Rs.143.43 Crores from six Banks. It is admitted that all the six Banks altogether formed a Consortium with the State Bank of Travancore as the "Lead Bank". The State Bank of Travancore has now merged with the State Bank of India, the 1st respondent herein.

(5) On behalf of the Consortium, the Lead Bank initiated proceedings under SARFAESI Act in respect of an extent of 34.45 acres of land in



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Sriperumbudur Taluk by bringing the properties for E-auction under the SARFAESI Act. The Lead Bank issued E-auction Sale Notice on 23.05.2016 fixing the auction to be conducted on 28.06.2016. It is at that time, the 2nd respondent / borrower mooted an One Time Settlement [OTS] proposal with the Lead Bank on 28.06.2016, informing the Lead Bank that they had identified the petitioner Company as the financial partner for sourcing funds for the OTS payment. A resolution was passed by the borrower Company wherein it was agreed by the Board of Directors that OTS proposal would be submitted making an offer of Rs.70 Crores out of which Rs.45 Crores would be funded by the petitioner and the remaining will be contributed by the borrower.

(6) In response to the proposal submitted by the 2nd respondent / borrower on 28.06.2016, the 1st respondent wanted the CEO of the 2nd respondent / borrower to submit the details regarding the credit worthiness of the petitioner / company who has promised to fund the OTS proposal. On the same day, the 1st respondent after satisfying that the proposal is agreeable in-principle, as per the communication dated 01.07.2016, approved the proposal submitted by the 2nd respondent informing that a



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sum of Rs.10.50 Crores [being 15% of the total OTS offer of Rs.70 Crores] be remitted to Account No.67095405385 in the name of the borrower. There is no dispute that this Account is a "No Lien" account. It is admitted that the petitioner transferred a sum of Rs.10.50 Crores to this account and the 1st respondent / Bank also acknowledged the receipt of the said amount by way of transfer from the petitioner's account. It is admitted that the three remittances were made from the petitioner's account on 08.07.2016, 11.07.2016 and 12.07.2016 as seen from the remittance challans annexed in the typed set of papers.

(7) On 12.07.2016, the 1st respondent / Bank sent an acknowledgment to the borrower stating that they have received a sum of Rs.10.50 Crores by RTGS from the account of the petitioner. After remittance of the amount by the petitioner and acknowledgment of the receipt of Rs.10.50 Crores under three different remittances by the 1st respondent / Bank on 12.07.2016, the 1st respondent / Bank sent a communication to the 2nd respondent on 12.09.2016 regarding OTS proposal with the following contents:-

"With reference to the OTS proposal dated



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28.06.2016 submitted by the company for payment of Rs.70.00 Crore for full and final settlement of the subject account, we hereby advise you that, the respective appropriate authorities of the members of the consortium have approved the OTS proposal subject to the following terms and conditions.

The balance OTS offer amount of Rs.59.50 Crore [after receipt of a sum of Rs.10.50 Crore being 15% upfront of the OTS offer amount of Rs.70.00 crore] will be paid in the following manner:-

- 1. Rs.7.00 crore will be paid by the company within 10 working days from the date of this final approval i.e., on or before 26.09.2016 [10% of OTS offer amount]*
- 2. 1st instalment of Rs.17.50 crore will be paid on or before 26.10.2016 [25% of OTS offer amount],*
- 3. 2nd instalment of Rs.17.50 Crore will be paid on or before 26.11.2016 [25% of OTS offer amount],*
- 4. 3rd instalment of Rs.17.50 Crore will be paid on or before 26.12.2016 [25% of OTS offer amount].*

Rs.10.50 Crore [being 15% upfront of the OTS offer



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amount of Rs.70 Crore] received by the consortium, will be adjusted towards the loan account of the consortium immediately.

Non-payment of installments/above mentioned payments of the OTS settlement, as agreed to, on the due date, at any stage, the OTS proposal shall be treated as null and void and cancelled. The amount deposited till then will be forfeited and adjusted towards the loan account.

Upon cancellation of the OTS proposal, the members of the consortium shall be entitled to recover the entire dues outstanding along with interest as applicable along with further interest and other charges from the said date till the date of realization after adjusting the amount received.

All existing securities, guarantees and legal documents including the loan/security documents entered into with the respective consortium shall remain in full force and effect till the entire amount is paid as per the schedule stated supra."

(8)It is to be noted that it is not as if the 1st respondent is not aware of the involvement of petitioner company. However, this communication was



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not sent to the petitioner. On 28.10.2016, the petitioner had sent an E-mail to the borrower [2nd respondent] that the petitioner company had come to know about the winding up proceedings with respect to the guarantor company which is under the control of the Official Liquidator as per the orders of this Court and sought some clarifications to proceed further with the OTS as the OTS may not go through if the guarantor company is being wound up. The petitioner also sent a copy of the communication to the 1st respondent / Bank. However, the 1st respondent / Bank did not sent any reply to the E-mail. As a matter of fact, as per the order of this Court dated 27.07.2016 passed in CP.No.63/2013, the Official Liquidator was directed to take control of the assets of the company.

(9) Therefore, due to various reasons payments that are required to be made under the OTS by the borrower, could not be made and the 1st respondent / Bank cancelled OTS proposal on 28.10.2016. It is the specific case of the petitioner company that the 1st respondent / Bank did not intimate the cancellation of OTS to the petitioner even though it was sent to the borrower / 2nd respondent herein.



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(10) On 18.11.2016, the 1st respondent / Bank issued a notice to the 2nd respondent / borrower, guarantor and the Official Liquidator under Rule 8[6] of the Security Enforcement Rules, 2002, calling upon them to pay the entire dues of Rs.228,68, 65,893/- within thirty days. The 1st respondent / Bank thereafter, issued a E-auction notice on 18.11.2016, fixing the date of auction on 28.12.2016, to bring the property namely, an extent of 34.45 acres of land at Sriperumbudur Taluk which is the property to be sold to the petitioner for a sum of Rs.45 Crores as part of OTS proposal. The reserved price of the property was Rs.51.20 Crore even though the total amount payable to the Bank is more than Rs.228 Crores as on 31.10.2016. On 28.12.2016, the sale was confirmed in favour of a third party, namely, M/s.Johnson Lifts Private Limited, and a Sale Certificate was also issued to the auction purchaser on 04.01.2017. The 2nd respondent / borrower filed an application before the Debt Recovery Tribunal challenging the same in SA.No.8/2017. The petitioner was not arrayed as a party to the said proceedings. The said application filed by the borrower was dismissed by DRT-II, Chennai on 05.04.2017.



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The sale certificate was issued in favour of the auction purchaser on 21.04.2017.

(11)After coming to know about the sale certificate issued in favour of auction purchaser, M/s.Johnson Lifts Private Limited, by the 1st respondent / Bank, the petitioner sent a representation to the 1st respondent / Bank requesting the Bank to refund a sum of Rs.10.50 Crores deposited by the petitioner in the "No Lien" account. Since the 1st respondent did not refund, the petitioner has filed the above writ petition with the aforesaid prayer.

(12)The 2nd respondent did not respond after the notice and remained exparte. The 1st respondent filed the counter affidavit on 06.12.2017. In the counter affidavit, it is admitted that the petitioner/company as financial partner, transferred a sum of Rs.10.50 Crores from its account to "No Lien" Account opened in the name of borrower.

(13)In the counter affidavit of the 1st respondent / Bank, it is stated as follows:-

"8.I state that, the petitioner company as a financial partner, paid the said sum of Rs.10.50 Crores



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to the lead bank immediately, in the account of the 2nd respondent through the account of the petitioner company, maintained in Oriental Bank of Commerce, which has been acknowledged by the 1st respondent bank by its letter vide ARMB/CHN/OT/21, dated 12.07.2016. Since the OTS approval was awaited by all the members of the consortium including the lead bank, the lead bank opened a new account in the name of the 2nd respondent exclusively for the receipt of Rs.70 Crores, agreed to be paid by the borrower, by way of one time settlement. The account number of the borrower, thus opened, vide Account No.67095405385, the account is a no-lien account opened for keeping the money deposited till the approval of the OTS proposal by the consortium"

(14) It is also stated by the 1st respondent / Bank in the counter affidavit as follows:-

"....At the meeting of the members of the consortium the said OTS was placed and approved and an approval letter dated 12.09.2016 was sent to the 2nd respondent. The said letter besides approving the OTS proposal of the 2nd respondent dated 28.06.2016 had among other things imposed conditions....."



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(15)The learned counsel for the petitioner submitted that the Bank has categorically admitted in their counter affidavit that the account though opened in the name of borrower was a "No Lien" account and that the said account was opened exclusively for the purpose of receiving the OTS amount. The bank has also admitted that the petitioner has nothing to do with the loan account of the 2nd respondent / borrower and that the amount transferred from the petitioner's account to the "No Lien" account. Hence, the learned counsel submitted that the amount deposited cannot be treated as part of secured asset or the amount in respect of which the 1st respondent / Bank could claim any lien, in terms of Section 171 of Contract Act.

(16)However, the learned Senior counsel appearing for the 1st respondent / Bank though admitted that the account in which the amount was transferred is a 'No Lien' account, submitted that this 'No Lien' account should be distinguished from any other 'No Lien' account for the fact that the account was specifically opened for the purpose of OTS and thus, it was forfeited as soon as OTS was cancelled by the members of consortium. Learned Senior Counsel relied upon the letter of the 1st



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respondent / Bank dated 12.09.2016 which imposes a condition of forfeiture. In the letter dated 12.09.2016, addressed to the 2nd respondent, the 1st respondent mentioned that the sum of Rs.10.50 Crores received by consortium, will be adjusted to the loan account of the consortium immediately and that, non payment of installments as per OTS settlement as agreed to, on the due date, at any stage, will enable the OTS proposal to be treated as null and void and cancelled. It is further contended that the amount deposited till then, can be forfeited and adjusted towards loan account. Therefore, the only defence that was raised by the 1st respondent Bank is by characterising the 'No Lien' account as a special account enabling the 1st respondent / Bank to forfeit the amount on failure of OTS proposal placing reliance on the letter dated 12.09.2016. However, the learned counsel for the petitioner submitted that the 1st respondent / Bank is not authorised to forfeit the money deposited by the petitioner who is a third party to the whole transaction. Though the petitioner deposited the initial amount to fulfill the promise of the 2nd respondent towards OTS, the amount deposited by the petitioner cannot



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be treated as the amount of borrower, namely, the 2nd respondent herein, unless the OTS goes through.

(17) The learned counsel for the petitioner submitted that the amount deposited by the petitioner is neither a secured asset nor a secured debt and therefore, it is unlawful for the 1st respondent to withhold or appropriate towards the loan. Since securitisation under SARFAESI Act only enables the Bank to proceed against the secured assets mentioned in Section 13[2] of SARFAESI Act, any other amount which was deposited by the borrower on his behalf pursuant to Court order or as part of settlement, cannot be treated as the amount secured under the provision of SARFAESI Act. Learned counsel relied upon the judgment of one of us in ***P.M.Neelamegam Vs. Senior Manager, Indian Bank and Another*** [2020 SCC Online Mad 2278], wherein it is held as follows:-

"6.It is to be seen that the amount deposited by the petitioner in "No lien" account is to facilitate repayment under one time settlement. The Bank is entitled to have a lien in terms of Section 171 of the Indian Contract Act, if there is no contract contrary. If any amount is paid towards one time settlement to



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close any loan account, the borrower is required to pay the initial amount to show his bonafide in a 'no lien' account. In such instance, the Bank cannot exercise their right to appropriate in terms of Section 171 of the Indian Contract Act, as there is a contract contrary. This arrangement is only to avoid the Bank exercising their right of lien and to enable the borrower to withdraw the amount, in case the settlement proposal does not fructify. The amount deposited in such “No lien” account is to facilitate repayment under settlement. If the amount is lying in the deposit and the settlement is arrived at, the Bank as part of the settlement appropriate the amount in “No lien” account without any interest. However, if no settlement is reached, the petitioner or the borrower is entitled to withdraw the amount with interest by treating the amount as lying in deposit under any one of the scheme offered by the Bank. The minimum interest cannot be denied by the Bank. Even though in the counter affidavit, it is stated that the amount remitted will not fetch any interest as it is deposited in a current account, the respondent Bank has not produced any Rules or Norms which are framed by the Reserve Bank



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of India in this regard, before this Court. If the borrower pays any amount as a deposit in a “no lien” account expecting that there is a possibility of one time settlement or settlement, such amount goes to the Bank and utilized by the Bank unless the proposal is withdrawn and money is returned. Once the settlement does not fructify, the borrower should be allowed to withdraw the amount which was deposited to facilitate the terms made before the initiation of the settlement process. "

(18)The learned counsel for the petitioner then relied upon the judgment of Hon'ble Supreme Court in ***Axis Bank Vs. SBS Organics [P] Ltd [2016 [12] SCC 18]***, wherein the Hon'ble Supreme Court has considered the issue whether any amount deposited before the DRT or DRAT as a precondition for considering the application on merits, is a secured asset so that the secured creditor lay a claim on it. In paragraphs No.21 and 22, it is held as follows:-

"21.The appeal under Section 18 of the Act is permissible only against the order passed by DRT under Section 17 of the Act. Under Section 17, the



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scope of enquiry is limited to the steps taken under Section 13(4) against the secured assets. The partial deposit before DRAT as a precondition for considering the appeal on merits in terms of Section 18 of the Act, is not a secured asset. It is not a secured debt either, since the borrower or the aggrieved person has not created any security interest on such pre-deposit in favour of the secured creditor. If that be so, on disposal of the appeal, either on merits or on withdrawal, or on being rendered infructuous, in case, the appellant makes a prayer for refund of the pre-deposit, the same has to be allowed and the pre-deposit has to be returned to the appellant, unless the Appellate Tribunal, on the request of the secured creditor but with the consent of the depositors, had already appropriated the pre-deposit towards the liability of the borrower, or with the consent, had adjusted the amount towards the dues, or if there be any attachment on the pre-deposit in any proceedings under Section 13(10) of the Act read with Rule 11 of the Security Interest (Enforcement) Rules, 2002, or if there be any attachment in any other proceedings known to law.



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22. We are also unable to agree with the contention that the Bank has a lien on the pre-deposit made under Section 18 of the SARFAESI Act in terms of Section 171 of the Contract Act, 1872. Section 171 of the Contract Act, 1872 on general lien, is in a different context."

(19) Following the judgment of Hon'ble Supreme Court in ***Axis Bank case [cited supra]***, the Hon'ble Supreme Court reiterated the same principle subsequently in ***KUT Energy Private Limited and Others Vs. Authorised Officer, Punjab National Bank and Others [2020 [19] SCC 533]***, wherein, the Hon'ble Supreme Court has held as follows:-

*"12. Going by the law laid down by this Court in **Axis Bank [2016 [12] SCC 18]** the "secured creditor" would be entitled to proceed only against the "secured assets" mentioned in the notice under Section 13[2] of the SARFAESI Act. In that case, the deposit was made to maintain an appeal before the DRAT and it was specifically held that the amount representing such deposit was neither a "secured asset" nor a "secured debt" which could be proceeded against and that the appellant before DRAT was entitled to refund of the*



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amount so deposited. The submission that the bank had general lien over such deposit in terms of Section 171 of the Contract Act, 1872 was rejected as the money was not with the bank but with the DRAT. In the instant case also, the money was not with the bank but with the Registry of the High Court."

(20) A Division Bench of Punjab and Haryana High Court considered similar issue in ***M/s. Hari Kewal Private Limited Vs. DRAT, New Delhi and Others [RA.CW.No.267/2020 order dated 26.03.2021]***. The Punjab and Haryana High Court considered the OTS policy of the Bank which requires deposit of 5% of the amount of OTS at the time of submission of OTS proposal which will be kept in 'No-lien' account. If the OTS proposal is accepted by the bank, the Bank can appropriate the initial deposit of 5%. Thereafter, 10% of the OTS amount has to be deposited within thirty days after the receipt of intimation of acceptance of OTS proposal. A similar condition that the Bank is entitled to appropriate the whole amount if further amount is not deposited is also considered. It has been held as follows:-



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"It is thus clear that even the respondent bank(s) follow this settled principle (whether specifically provided or not in the instructions) that the upfront amounts deposited with the banks are to be appropriated only in case, if the settlement proposal pursuant to such deposits is finally accepted. This is based on the principle of law, that the upfront amount deposited by the borrower is treated as bailment for the purpose of considering its proposal for settlement. If the proposal is accepted, the upfront is adjusted in terms of approved OTS and in case if rejected, then the upfront amount is to be returned back to the borrower, which is so contemplated by Section 148 of the Act, 1872. Thus, the aforesaid condition as contained in the OTS Policy of the Respondent-Punjab and Sind Bank is in consonance with the principles regarding interplay between Section 148 and 171 of the Act, 1872 as explained above. The action of the bank in retaining/appropriating the upfront amount deposited by the petitioner in terms of interim orders passed by this Court to show bona fide towards settlement inspite of non-acceptance of the proposal of the borrower, cannot be approved on this ground as well."



(21) In the same judgment, the Division Bench of Punjab and Haryana High

Court has also relied upon the following principle:-

"There is always an inherent jurisdiction to order restitution a fortiori where a party has acted on the faith of an order of the Court. A litigant should not go back with the impression that the judicial process so operated as to weaken his position and whatever it did on the faith of the Court's order operated to its disadvantage. It is the duty of the Court to ensure that no litigant goes back with a feeling that he was prejudiced by an act which he did on the faith of the Court's order. Both on principle and authority it becomes the duty of the Court-as much moral as it is legal- to order refund and restitution of the amount to the petitioner since the question of compensating the auction purchaser had never arisen as the auction had not been set aside. "

(Emphasis supplied)

(22) The National Company Law Appellate Tribunal [NCLAT] has also considered an identical issue in **2022 ibclaw.in-750 NCLAT [Bank of India Vs. Vinodkumar P.Ambavat [RP] of Actif Corporation Limited.**



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Following the judgment of Hon'ble Supreme Court in ***KUT Energy Private Limited case [cited supra]***, NCLAT has held as follows:-

"7.The brief point that falls for consideration in this appeal is whether the amount of Rs.1 crore lying in the 'no-lien account' belongs to the Appellant Bank. At the outset, it is relevant to note that this amount was admittedly paid by the 'Corporation Debtor' pursuant to an OTS proposal on 15.07.2017 to show its bona fide. It is not in dispute that the OTS as proposed, did not materialise and the amount of Rs.1 Crore was parked in the 'no-lien account' maintained with the Bank. CIRP was initiated on 26.11.2019. Despite repeated requests of the RP, the appellant Bank did not release the said amount. At this juncture, it is relevant to reproduce the letter dated 12.07.2017 addressed by the 'Corporate Debtor' to the Bank enclosing the check of Rs.1 Crore stating as follows....."

(23)The learned counsel for the petitioner also submitted that it is the duty of secured creditor to disclose all material aspects in the sale notice and all encumbrance should be disclosed by the 1st respondent. This submission is based on an assumption that there was a privity of contract



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between the petitioner and the 1st respondent. In this case, the petitioner was introduced by the borrower as a financial partner to invest a sum of Rs.45 Crore out of the total amount of Rs.70 Crore fixed as the amount for OTS. Since the petitioner did not have any agreement with the 1st respondent / Bank in connection with the sale of secured asset, the petitioner cannot advance an argument relying upon the judgment of ***PR.Thangamshiri Vs. Chief Manager, Punjab National Bank [2023 [1] CTC 807 [DB]]*** wherein the Division Bench has observed that purchaser cannot be compelled to complete the sale with encumbrance if the secured creditor who is duty bound to disclose all material aspects in the sale notice failed to reveal as to the subsisting encumbrance.

(24)Learned counsel also relied upon the communications exchanged between the parties to litigate that the 1st respondent though aware of winding up of company, failed to disclose the same even though the petitioner sent a communication to the borrower with a copy marked to the 1st respondent / Bank. In the absence of admissible contract between the petitioner and the 2nd respondent, in relation to the sale of the secured asset, this Court does not find any merit in the argument.



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(25)The petitioner was introduced by the borrower to the 1st respondent / Bank as a financial partner who has shown interest in buying one fo the secured assets for a sum of Rs.45 Crores. The petitioner has approached the 1st respondent / Bank only to confirm whether the Bank is willing to agree for OTS as per the communication which was earlier addressed to the borrower. The petitioner being satisfied with the terms of settlement, probably made the deposit which is required by the 1st respondent Bank to consider whether they accept the OTS proposal or not.

(26)After the deposit, there was a communication two months later, i.e., on 12.09.2016, addressed to the 1st respondent / Bank in which the 1st respondent / Bank informed the borrower that the amount of Rs.10.50 Crores will be adjusted towards the loan account in case the payment as indicated earlier is not made within due date. This communication dated 12.09.2016 is long after the transfer of amount by the petitioner to the 'No Lien' account.

(27)As pointed out earlier, there is no privity of contract between the petitioner and the 1st respondent / Bank. The petitioner made payment



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only to facilitate the OTS on the understanding that the petitioner will get the property of the mortgagor for the price agreed between the petitioner and the 2nd respondent. On failure of OTS proposal, the 1st respondent / Bank cannot withhold the amount which never becomes the property of mortgagor merely because the 1st respondent / Bank by a subsequent communication, informed the 2nd respondent about the forfeiture or misappropriation. The petitioner paid Rs.10.50 Crores as part of sale consideration which could incidentally used by borrower to fulfill his commitments under OTS.

(28) There is absolutely no merit in the contention that the petitioner was aware of the condition that was mentioned in the subsequent communication dated 12.09.2016. The fact that money was transferred from the petitioner's account to the 'no lien' account meant for the purpose of OTS settlement, is not in dispute. Unless the OTS proposal fructify, there is no scope for adjustment of the amount in the loan account of the 2nd respondent. Hence, this Court finds that the 1st respondent is liable to refund the amount with interest.



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(29)The learned counsel for the 1st respondent / Bank submitted that the petitioner though made substantial payment, the entire amount deposited was made not only by the petitioner but also by the borrower. This Court is unable to find any material to substantiate the contention that some portion of the money out of Rs.10.50 Crores came out through the borrower. Since the amount had been transferred from petitioner's account and this deposit was made in a 'no lien' account as part of OTS, any amount that was deposited by the petitioner, shall be refunded to the petitioner upon failure of OTS.

(30)As a result, the writ petition **stands allowed**. Considering the fact that the petitioner is doing business by way of investment in immovable properties and buildings and factories and the petitioner's investment is likely to give good return, at least interest at 18% per annum will be appropriate.

(31)Therefore, the 1st respondent / Bank is directed to refund the sum of Rs.10.50 Crores with interest @ 15% per annum calculated from



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12.07.2016 till the date of realization to the petitioner company within a period of sixty days from the date of receipt of a copy of this order. No costs.

[S.S.S.R., J.] [N.S., J.]
.08.2024

AP

Internet : Yes

Neutral Citation: Yes

To

- 1.The Authorised Officer
State Bank of India
[Formerly State Bank of Travancore]
Asset Recovery Management Branch
No.4/1, Eldams Road, Alwarpet
Chennai 600 018.
- 2.President & CEO of Machinery Division
B&C Machinery Ltd
No.208, Arakonam Road,
Sengadu Village
Sriperumbudur Taluk
Kancheepuram District, Tamil Nadu 602 002.



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S.S. SUNDAR, J.,
and
N.SENTHILKUMAR, J.,

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Order in
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