

IN THE HIGH COURT OF PUNJAB AND HARYANA AT  
CHANDIGARH

CWP-11796-2022

Date of Decision: 30.01.2024

M/S BALAJI TYRES

..... Petitioner

Versus

STATE BANK OF INDIA

..... Respondent

CORAM:- HON'BLE MRS. JUSTICE LISA GILL  
HON'BLE MRS. JUSTICE AMARJOT BHATTI

Present: Mr. Sanjiv Gupta, Advocate for the petitioner.

Ms. Madhu Dayal, Advocate for the respondent.

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LISA GILL, J. (Oral)

1. Prayer in this writ petition is for directing respondent-Bank to reconcile account of petitioner by extending One Time Settlement (OTS) and to consider representation submitted by petitioner and not take any coercive steps pursuant to notice dated 27.04.2022 (Annexure P-2) issued under Section 13(2) of Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act (SARFAESI Act), 2002 Act.

2. Notice of motion was issued in this writ petition on 27.05.2022 by Coordinate Bench with a direction to respondent to dispose of representations dated 02.08.2021 and 12.01.2022 submitted by petitioner seeking OTS within three weeks from said date and communicate the same to petitioner.

3. Learned counsel for respondent while raising an objection qua entertainability of this writ petition itself submits that both representations have been considered and rejected by Bank and due communication dated 01.09.2022 attached with written statement as Annexure R-2 was duly communicated to petitioner. It is further submitted that it is clearly mentioned in said communication that OTS was not available at that point of time. However, borrower was at liberty to approach Bank on any working day with an acceptable compromise offer, which should be considered as per Compromise Policy of Bank. Petitioner, it is submitted has never approached thereafter.

4. It is to be noted at this stage that Hon'ble the Supreme Court of India in *The Bijnor Urban Cooperative Bank Limited, Bijnor and others Vs. Meenal Aggarwal and others, 2022 AIR (SC) 56 State Bank of India Vs. Arvindra Electronics Pvt. Ltd., 2023 (1) SCC540*. has held that a borrower/guarantor has no vested right to claim OTS and that financial institution/bank should not be directed to positively grant benefit of OTS to a borrower and neither can extension of time granted in terms of an OTS be directed to be afforded as it would tantamount to rewriting/modification of contract.

5. Prayer regarding consideration of representations submitted by petitioner is also rendered infructuous in view of communication dated 01.09.2022 (Annexure R-2). We do not find any ground whatsoever to interfere in the matter at this stage.

6. Writ petition is accordingly dismissed with liberty to petitioner to avail remedy/ies as available to it in accordance with law. It is always open to parties to arrive at any mutually acceptable settlement.
7. Pending miscellaneous application(s), if any, stand disposed of accordingly as well.

(LISA GILL)  
JUDGE

(AMARJOT BHATTI)  
JUDGE

30.01.2024

*Sunil Devi*

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| Whether speaking/reasoned: | Yes/No |
| Whether reportable:        | Yes/No |