Serial No.6
Regular Cause List-I

IN THE HIGH COURT OF JAMMU & KASHMIR AND LADAKH AT SRINAGAR

WP(C) 1099/2023CM(1269/2025) CM(2612/2023)
CM(2929/2026)

TRISONS FARMS AND CONSTRUCTIONS PVT LTD THROUGH ITS DIRECTOR …Petitioner(s)/Appellant(s).

Through: Mr. R. A. Jan, Sr. Advocate with
Mr. Ubaid Mir, Advocate

Vs.

JAMMU AND KASHMIR BANK LTD. THROUGH ITS CHAIRMAN AND OTHERS ...Respondent(s).

Through: Mr. Adil Asmi, Advocate

CORAM:

HON'BLE MR. JUSTICE MOHD YOUSUF WANI, JUDGE

ORDER

30.10.2026

1. It is submitted by the learned counsel for the petitioner that the petitioner company's loan account, after being declared NPA by the respondent's bank, involved both parties in the settlement of the account under Special One-Time Settlement Scheme 2022. That after the negotiations between the representatives of the parties, the settlement was worked out as per the scheme then in vogue, but unfortunately, before the Special One-Time Settlement Scheme could be finally acted upon by the issuance of the formal settlement order by the respondent's bank, the later stopped to do the needful under a misconception that the loan account was under investigation/attachment as per the proceedings initiated and maintained by the Enforcement Directorate under the PMLA, 2002.

That petitioner company was constrained to file this petition asserting its stand that its loan account was not subject to any such

investigation, and as such, this court vide order dated 10.05.2023, directed the respondent's bank to allow the petitioner company to deposit the agreed settlement amount with it i.e., the respondent bank, subject to the final outcome of that petition.

2. The learned counsel submits that subsequently vide order dated 25.02.2025 passed on this petition, the respondents bank was directed to explain as to under what circumstances the petitioner company was declared ineligible for the benefit under SOTS scheme 2022, despite earlier final settlement.
3. It is further submitted that now the respondent's bank upon verification of the facts has realized that it had unjustly and arbitrarily denied the formal one-time settlement and is now ready to act upon the same.
4. A miscellaneous application CM No.2929/2026 dated 13.05.2026 also came to be filed before the Court on 14.05.2026 by the petitioner with the prayer that its loan account bearing No.0252261030000011 be directed to have been finally settled in terms of the SOTS scheme 2022 notified by the bank vide circular No.494 dated 1.11.2022.
5. The respondents bank has also filed its response to the aforesaid application of the petitioner company by *inter-alia* mentioning that the bank was earlier under a *bona fide* misconception that the petitioner company's loan account was under investigation of the ED, but the same was not found true. It has also been admitted in the said response that the petitioner company has already deposited an amount of Rs.5,22,64,000/- with the bank pursuant to the order dated 10.05.2023 and the earlier one-time settlement between the parties. The learned counsel for the respondents submits that bank is ready to formally settle the loan account of Petitioner Company in terms of the Special One-

Time Settlement against the deposit of the agreed amount already made.

He further submitted that the loan account of the petitioner company be deemed as settled in terms of SOTS scheme 2022, arrived at between the parties.

6. In the light of the statements made by the learned counsel for the parties before the court, the instant writ petition is disposed of in the following terms:

    i.) That the loan account of the petitioner company bearing No.0252261030000011 stands settled under the SOTS Scheme 2022.

    ii.) The respondent's bank shall issue the formal NOC and other necessary certificates, including the release of the mortgaged properties.

    iii.) The respondent's bank shall withdraw all other proceedings initiated/filed by it in respect of the subject matter against the petitioner company, including the proceedings reported to be pending before learned DRT Chandigarh.

7. **Disposed of.**

(MOHD YOUSUF WANI)
JUDGE

SRINAGAR
30.10.2026
"Opinder"