IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH

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Date of decision: 27.01.2026

CR-8095-2025(O&M)

Balwinder Singh

...Petitioner(s)

Vs.

IDBI Bank Limited, Kapurthala & Anr.

...Respondent(s)

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CORAM: HON'BLE MS. JUSTICE NIDHI GUPTA

Present:- Mr. Dilpreet Singh Gandhi, Advocate
for the petitioner.

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<u>NIDHI GUPTA, J.</u>

Present Revision Petition has been filed by defendant No.1 seeking setting aside of the impugned order dated 06.10.2025 (Annexure P7) passed in Execution Petition No.EXE/47/2024 by the learned Civil Judge (Junior Division), Kapurthala; whereby application filed by the petitioner for permission to deposit balance amount of Rs.95,000/- as per OTS Scheme and for disposal of Execution Petition, has been dismissed.

2. Learned counsel for the petitioner submits that as per the One Time Settlement/ OTS arrived at between the petitioner and the respondent No.1, it was agreed that the petitioner would pay an amount of Rs.1,10,000/- to the respondent No.1, in the manner stipulated therein. In compliance, the petitioner had duly deposited an amount of Rs.15,000/-.

Learned counsel submits that as per the said One-Time Settlement, the balance amount was to be paid by the petitioner on or before 25.03.2025. Learned counsel contends that the petitioner in good faith had time and again contacted the respondent to settle the loan but it was the respondent who kept on lingering the matter on one pretext or the other. It is contended that however, in passing the impugned order, the learned Executing Court has ignored the above facts. The learned Court has ignored the fact that part performance of the OTS had already been made by the petitioner. Bona fide of the petitioner was also established from the fact that he had made payment of Rs.15,000/-. It is submitted that even now, the petitioner is ready and willing to deposit the remaining amount. Therefore, the impugned order deserves to be set aside.

3. No other argument is made on behalf of the petitioner. I have heard learned counsel and perused the case file in detail. I find no merit in the submissions advanced on behalf of the petitioner.

4. Perusal of record of the case shows that the respondent No.1 had filed a Civil Suit on dated 12.10.2015 against the petitioner for recovery of Rs.12,33,268/- along with interest. The said Suit was decreed ex parte vide Decree dated 17.05.2017 (Annexure P1) against the petitioner with costs for recovery of Rs.12,33,268/- with interest @ 9% per annum from the date of filing the suit and future interest @ 6% per annum. Accordingly, the decree holder/plaintiff/respondent No.1 had filed

execution petition for total amount of Rs.44,92,319.50/- (Annexure P2) on dated 12.05.2024. It is the case of the petitioner that on 16.09.2024, the Bank had made an offer of One Time Settlement (Annexure P3) to the petitioner for an amount of Rs.1,10,000/-; in pursuance to which the petitioner had made payment of Rs.15,000/-; and therefore, bona fide of the petitioner is established. However, a perusal of the file reveals that as per the OTS (Annexure P3), the petitioner was required to make the said payment of Rs.15,000/- on or before 31.12.2024. There is nothing on record to inform as to which date the petitioner has made the said payment. Moreover, it is categorically recorded in the impugned order that the petitioner has not placed on record any receipt to prove payment of the said Rs.15,000/-. Even before this Court, petitioner is unable to inform the mode and manner of payment of ₹15,000/–. Further, the petitioner has filed the instant application on 07.03.2025 (Annexure P5) for extension of time after failing to deposit the balance amount of Rs.95,000/-. Thus, in the above circumstances, it cannot be said that the bona fide of the petitioner is established.

5. Moreover, it is the case of the petitioner that during the pendency of the Execution Petition, the matter was compromised with the Bank; pursuant to which, the Bank issued a letter dated 16.09.2024 under One Time Settlement Scheme; whereby the dispute was settled subject to payment of Rs.1,10,000/-. However, a perusal of Clause 2 of the said

Scheme shows that the proposed OTS is subject to the approval of the Bank. It is not disputed by learned counsel for the petitioner that the said OTS Scheme was subject to the approval of the Bank. In any event, it is incomprehensible to this Court as to why the respondent Bank would settle the matter for meagre amount of ₹1,10,000/– against proposed recovery of almost ₹45 lakhs. Sure enough, a perusal of the reply dated 28.03.2025 (Annexure P6) filed by the decree holder-Bank to the application filed by the petitioner for extension of time shows that the Bank has clearly pointed out that when Execution Petition was filed for a recovery of Rs.44,92,319.50/- *"so there was no occasion for the DH Bank to agree to OTS for Rs.1,10,000/- only."*.

6. Relevant findings returned by the learned Civil Judge (Junior Division), Kapurthala, are as under:-

> *"6. Present application has been filed by the applicant/JDs through counsel for permission to deposit balance amount of Rs.95,000/- in the Court as per OTS scheme and for disposal of the execution being fully satisfied. Photocopy of the agreement regarding the OTS scheme is placed on file by JD No.1. Perusal of this letter reveals that in column NO.1 of payment terms, it is clearly mentioned that atleast 10% of tentative settlement amount under both FB exposure and NFT exposure is payable upfront along with absolute acceptance of this offer letter on or before 31.12.2024 to confirm willingness of OTS scheme. As per clause No.2 if OTS scheme is approved by the competent authority only then the exact settlement amount and the balance settlement amount payable under the scheme was to be conveyed to the JD which was not later than 25.03.2025.*

7. Meaning thereby, the said OTS scheme letter was not a final and binding document on the bank till the said offer letter could be approved by competent authority. The JD was required to make 10% of the tentative settlement amount on or before 31.12.2024. Though JDs have mentioined in their application that they have already paid Rs. 15000/- of their settlement amount, but no receipt is placed on file. Even if for the sake of arguments it is believed that said amount is paid by the JDs, still the scheme is nowhere stated to have been approved by the competent authority. Even the JDs could not produced any consent given by competent authroity. Hence, it is clear that it was only an offer for the JDs to accept the OTS scheme which was still required to be accepted and given approval by the competent authority and without such approval it was not binding on the DH. Hence, this Court cannot force the DH bank to accept the balance as per OTS Scheme, which is not approved. Therefore, this Court finds no merits in the present application and the same is hereby dismissed."

7. Learned counsel for the petitioner is unable to dispute or controvert the aforesaid facts and findings.

8. In view of the above, present petition stands **dismissed.**

9. Pending application(s) if any also stand(s) disposed of.

27.01.2026 **(Nidhi Gupta)**
Sunena **Judge**

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