IN THE HIGH COURT OF HIMACHAL PRADESH, SHIMLA

CWP No.17359 of 2026
Date of Decision: 01.10.2026

Smt. Jagtar Kaur

.....Petitioner

Versus

The Kangra Central Co-Operative Bank Ltd and Ors.

.....Respondents

Coram
Hon'ble Mr. Justice Sandeep Sharma, Judge.
Whether approved for reporting?

For the Petitioner: Dr. Rajesh Kumar Parmar, Advocate.

For the Respondenst: Mr.Sohan Singh Rathore, Advocate, for respondents No. 1 to 3.
Mr. Rajan Kahol & Mr. Vishal Panwar, Additional Advocates General and Mr. Ravi Chauhan & Mr. Anish Banshtu, Deputy Advocates General, for respondent No.4.

Sandeep Sharma, J. *(Oral)*

By way of the instant petition filed under Article 226 of the Constitution of India, prayer has been made by the petitioner to direct the respondents to consider her case for One Time Settlement in respect of loan account No. 50057233607.

2. Precisely, the grouse of the petitioner as has been highlighted in the petition and further canvassed by learned counsel for the petitioner is that in the year 2013, petitioner availed a Term Loan (Education) Facility of Rs. 10.00 Lakh from the respondent-bank under the loan account as detailed

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above. Since husband of the petitioner fell seriously ill and remained under treatment at PGI, loan account of the petitioner became irregular, as a result thereof, respondent-bank issued a demand notice under Section 13(2) of the SARFAESI Act, thereby demanding a sum of Rs. 33,30,123/- as outstanding on 06.02.2026 beside future interest, costs and other charges.

3. On 23.04.2026, the respondent-bank issued a possession notice under Section 13(4) of the SARFAESI Act read with Rules 8 and 9 of the Security Interest (Enforcement) Rules, 2002 and took symbolic possession of the secured property. Vide order dated 30.06.2026, the District Magistrate, Una, granted permission to the respondent bank for taking physical possession of the secured property vide order No. 798-801/Reader-DM.

4. Though petitioner submitted repeated representations to the respondent-bank, praying therein to settle the loan account under the One Time Settlement Scheme, but since such prayer was not accepted, she was compelled to approach this Court in the instant proceedings.

5. Though, prima facie, this Court is of the view that the present petition is not maintainable, however having taken note of the fact that petitioner is ready and willing to settle the loan amount under the One Time Settlement Scheme, which is stated to be still operational, this Court

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without going into the merits of the case, deems it fit to dispose of the same with a direction to the respondent-bank to consider the case of the petitioner for settlement under OTS/NPA within a period of three weeks, subject to her making payment of Rs. 5.00 Lakh within a period of seven days and till then, no coercive steps shall be taken against the petitioner in terms of the order dated 30.06.2026 passed by the District Magistrate, Una permitting the respondent bank to take possession of the property.

6. It is clarified that in case aforesaid amount is not deposited within the time stipulated by this Court, prayer, if any, for OTS shall not be considered and respondent-bank would be at liberty to take appropriate action in accordance with law. In the aforesaid terms, present petition is disposed of along with pending applications, if any.

October 01, 2026
(manjit)

(Sandeep Sharma),
Judge

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