

Banking - OTS - Commercial wisdom of the bank - The grant of benefit under the OTS is always subject to the eligibility criteria mentioned under the OTS Scheme and the guidelines issued from time to time - If the bank/financial institution is of the opinion that the loanee has the capacity to make the payment and/or that the bank/financial institution is able to recover the entire loan amount even by auctioning the mortgaged property/secured property, either from the loanee and/or guarantor, the bank would be justified in refusing to grant the benefit under the OTS Scheme - Ultimately, such a decision should be left to the commercial wisdom of the bank whose amount is involved and it is always to be presumed that the financial institution/bank shall take a prudent decision whether to grant the benefit or not under the OTS Scheme, having regard to the public interest involved and having regard to the factors which are narrated hereinabove.

[2022 SCeJ 0497 , 2022 PLRonline 0804 , \(2022-2\)206 PLR 408 \(SC\) \(SN\)](#)

[Bijnore Urban Cooperative Bank, Bijnore v. Meenal Aggarwal , 2022 SCeJ 0497 , 2022 PLRonline 0804 , \(2022-2\)206 PLR 408 \(SC\) \(SN\)](#)