



IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 09-07-2026

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THE HON'BLE MR.JUSTICE MOHAMMED SHAFFIQ

WP No. 25943 of 2026

AND

WP NO. 25944 OF 2026, WP NO. 25945 OF 2026

Sri Vellaiamman and Co,
Represented by its Proprietor
Mr.M.Gopalakrishnan,
1/193-6,Kittampalayam (PO),
Karumathampatti (VIA),
Sulur(TK),Coimbatore-641659.

..Petitioner(s)

Vs

1. Union Bank of India,
Represented by
The Assistant General Manager,
Asset Recovery Branch,
No.168,Linghi Chetty Street,
Parrys Corner,Chennai-1.
2. Union Bank of India,
Represented by its Branch Manager,
Somanur Branch, Coimbatore.
3. M/s.Landmark Sizing,
Represented by its Partner
Mr.S.Sethuramaswamy,
No.3/318 D,Thaneerpanthan Pirivu,
Rayapalayam,Karumathampatti,
Coimbatore-641659.

..Respondent(s)

WP No. 25944 of 2026

M/s.Kandha Enterprises,
Represented by its Proprietor Mr.T.Arvind,
No.422/2A,Vadakku Thottam,



Kathirnaickenpalayam, Thoppampatti PO,
Coimbatore-641017.

..Petitioner(s)

Vs

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Represented by
The Assistant General Manager,
Asset Recovery Branch,
No.168,Linghi Chetty Street,
Parrys Corner,Chennai-1.
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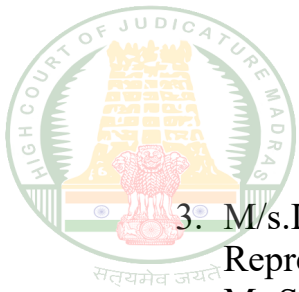
WP No. 25945 of 2026

M/s.Vision Textiles,
Represented by its proprietor M.Gopalakrishnan,
1/2, Kittampalayam (PO),
Karumathampatti (VIA),
Sulur (TK),Coimbatore-641659.

..Petitioner(s)

Vs

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Represented by
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..Respondent(s)

WP No.25943 of 2026

PRAYER : Petition filed under Article 226 of the Constitution of India, to issue a Writ of Mandamus, to direct the 1st and 2nd respondent bank herein to refund a sum of Rs.75,00,000/- paid towards One Time Settlement proposal for the loan borrowed by the petitioner as an investor, remitted to the no-lien account bearing No.547401980050000, within the time frame as may be stipulated by this Hon'ble Court.

WP No. 25944 of 2026

PRAYER : Petition filed under Article 226 of the Constitution of India, to issue a Writ of Mandamus, to direct the 1st and 2nd respondent bank herein to refund a sum of Rs.1,50,00,000/- paid towards One Time Settlement proposal for the loan borrowed by the petitioner as an investor, remitted to the no-lien account bearing No.547401980050000, within the time frame as may be stipulated by this Hon'ble Court.

WP No. 25945 of 2026

PRAYER : Petition filed under Article 226 of the Constitution of India, to issue a Writ of Mandamus, to direct the 1st and 2nd respondent bank herein to refund a sum of Rs.25,00,000/- paid towards One Time Settlement proposal for the loan borrowed by the petitioner as an investor, remitted to the no-lien account bearing No.547401980050000, within the time frame as may be stipulated by this Hon'ble Court.

For Petitioner(s):
(in all cases)

Mr.M.Santhanaraman

For Respondent(s):
(in all cases)

Mr.L.Sriram for
M/s.Chennai Law Firm for R1 & R2



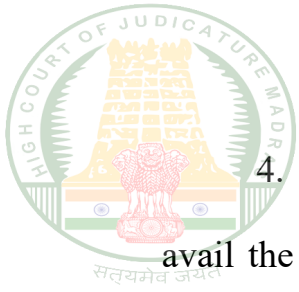
Common Order

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These Writ Petitions have been filed to direct 1st and 2nd respondents to refund the amount paid towards One Time Settlement proposal for the loan borrowed by the petitioners.

2. Third respondent, a Partnership Firm, had availed financial assistance from respondent Bank. Upon default in repayment, loan account was classified as Non-Performing Asset. During discussions for settlement of the dues under an OTS scheme, officials of respondent Bank represented that loan account could be settled through OTS and requested investors to remit funds towards the proposed settlement. Believing the representation made by the Bank Officials, petitioners remitted a sum of Rs.75,00,000/-, Rs.1,50,00,000/- and Rs.25,00,000/- respectively on 30.06.2025 through RTGS transactions to facilitate the proposed OTS. Subsequently, respondent Bank informed that proposed OTS could not be implemented. Despite repeated demands made by petitioners for refund of the amount remitted for facilitating OTS proposal, respondents failed to refund the amount. Hence, petitioners are before this Court.

3. Learned counsel for respondents 1 and 2 would submit that the respondents 1 and 2 would consider the representation of the petitioners dated 18.04.2026 and pass appropriate orders within a time frame fixed by this Court.



4. This Court, when pointed out a question whether the petitioners can avail the remedy in terms of integrated Ombudsman Scheme, learned counsel for respondents 1 and 2 would submit that it may not be permissible inasmuch as petitioners are third parties and they are neither borrowers nor guarantors. Therefore, no remedy in terms of integrated Ombudsman Scheme may be available.

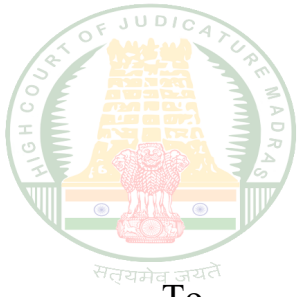
5. In such view of the matter, concerned respondent is directed to consider the representation dated 18.04.2026 submitted by the petitioners and pass appropriate orders within a period of four weeks from the date of uploading of web copy without waiting for receipt of certified copy of the order. The same is agreed to by learned counsel for petitioners and learned counsel for respondents 1 and 2.

6. Accordingly, these Writ Petitions are disposed of. No costs.

09-07-2026

Index: Yes/No
Speaking/Non-speaking order
Neutral Citation: Yes/No

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MOHAMMED SHAFFIQ J.

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To

1. The Assistant General Manager,
Asset Recovery Branch,
No.168,Linghi Chetty Street,
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2. The Branch Manager,
Somanur Branch, Coimbatore.
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