



W.P.(MD)No.7497 of 2026

BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

WEB COPY

DATED: 23.03.2026

CORAM

THE HONOURABLE MR.JUSTICE **HEMANT CHANDANGOUDAR**

W.P.(MD)No.7497 of 2026

P.Selvam

... Petitioner

VS.

1.The General Manager,
Reserve Bank of India,
Ford Glacis, Rajaji Salai,
Chennai - 600 001.

2.The General Manager,
Cholamandalam Finance Company Limited,
Chola Crest, C-54, 55, Door No.4,
Thiru.Vi.Ka. Industrial Estate,
Guindy, Chennai - 600 032.

3.The Authorized Officer,
Cholamandalam Finance Company Limited,
Karaikudi Branch, Sivagangai District.

4.The Branch Manager,
Cholamandalam Finance Company Limited,
Karaikudi Branch,
Sivagangai District.

... Respondents

PRAYER: Writ Petition filed under Article 226 of the Constitution of India for issuance of Writ of Mandamus, directing the 4th respondent to permit the petitioner to settle the Loan amount bearing Loan Agreement



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No. HE01IKU00000037772 under One Time Settlement (OTS) with 3 months time by way of consider petitioner's representation dated 22.12.2025.

For Petitioner :Mr.S.Sivakumar
For R1 :Mr.K.R.Laxman
For R2 and R4 :Mr.V.Sukumar

ORDER

The petitioner has approached this Court seeking issuance of a Writ of Mandamus directing the respondents to permit the petitioner to settle the loan account under the One Time Settlement (OTS) scheme by considering the petitioner's representation dated 22.12.2025.

2. The petitioner had availed a loan by mortgaging his house property. In order to redeem the mortgaged property, the petitioner submitted a representation calling upon respondents 2 to 4 to close the loan account under the One Time Settlement (OTS) scheme. The grievance of the petitioner is that the said representation has not been considered by respondents 2 to 4.

3. Mr. V. Sukumar, learned counsel appearing for respondents 2 to



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4, on instructions, placed reliance on the judgment of the Hon'ble Supreme Court in ***The Bijnor Urban Cooperative Bank Limited, Bijnor and others vs. Meenal Agarwal and others (MANU/SC/125/2021)***. In the said decision, the Hon'ble Apex Court has categorically held that no Writ of Mandamus can be issued under Article 226 of the Constitution of India directing a financial institution or bank to grant the benefit of a One Time Settlement (OTS) scheme. It has been further held that grant of such benefit is subject to the eligibility criteria and guidelines of the scheme, and it is for the Bank to decide whether the borrower is entitled to such benefit.

4. In view of the above, this writ petition is disposed of with a direction to respondents 2 to 4 to consider the petitioner's representation dated 22.12.2025 on its own merits and in accordance with law, and pass appropriate orders within a period of six weeks from the date of receipt of a copy of this order. There shall be no order as to costs.

Index :Yes / No
NCC :Yes / No
cmr

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HEMANT CHANDANGOUDAR, J.

cmr

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