

**WRIT PETITION NO: 8420 of 2026**

Omkaram Venkata Ramana,

...Petitioner

Vs.

The Union Of India and Others

...Respondent(s)

**CORAM : HON'BLE MRS JUSTICE LISA GILL  
HON'BLE MR JUSTICE NINALA JAYASURYA****DATE : 23<sup>rd</sup> April 2026**

Present: Mrs.Aiswarya Nagula, Advocate for petitioner.

Date on which order was reserved : 08.04.2026

Date on which order was pronounced : 23.04.2026

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**LISA GILL, J.**

Prayer in this writ petition reads as under:

"It is therefore prayed that this Hon'ble Court may be pleased to issue an appropriate writ, Order or Direction, more particularly one in the nature of a Writ of Mandamus, declaring a) the action of 4<sup>th</sup> respondent Bank, in arbitrarily exercising its powers, illegally classifying the petitioner's accounts as NPA, wrongfully dispossessing the petitioner of his properties and depriving him of his lawful assets, as illegal, arbitrary and violative of Articles 14 and 21 of the Constitution of India, the 4<sup>th</sup> respondent Bank being an instrumentality of the State under Article 12 of the Constitution of India; b) consequently direct the 4<sup>th</sup> respondent Bank to restore and return all the petitioner's properties, including residential and commercial

assets, with all necessary clearances, thereby restoring the petitioner's lawful ownership and possession; c) award appropriate compensation to the petitioner for the grave financial loss and hardship caused due to the illegal and arbitrary actions of the 4<sup>th</sup> respondent Bank; d) direct initiation of appropriate penal and disciplinary action against the officials of the 2<sup>nd</sup> and 4<sup>th</sup> respondent Bank responsible for the wrongful acts, including wrongful certification, arbitrary classification of the accounts as NPA and illegal dispossession of the petitioner's properties and pass such other order or orders as this Hon'ble Court may deem fit and proper in the circumstances of the case."

2. Brief facts as pleaded before us are that petitioner established both Nithin and Ramanasree Group of Companies. Both the said companies maintained a banking relationship with Bank of India since 1993 and availed various credit facilities, majority of which were serviced as per stipulated timelines. With intention of expansion of business operations, petitioner's companies approached respondent No.4 and applied for term and working capital credit facilities between 2013 and 2014 which were sanctioned in both secured and unsecured forms. In respect to a new manufacturing unit in Faridabad, respondent No.4 facilitated selection of machinery suppliers by sending its own engineers to inspect supplier's factory. On the basis of recommendation of respondent No.4, agreements for supply of machinery was/were entered into with M/s Flour Tech Engineers Private Limited. However, this supplier failed to deliver requested machinery within the stipulated time frame and further delivered used, defective and second-hand machinery thereafter. At the same time, due to the effect of bifurcation between 2015-2016 business of petitioner's companies was affected. Respondent No.4 agreed to re-schedulement of payment and directed the petitioner to clear outstanding arrears amounting to Rs.1.30 Crores. However, despite compliance by petitioner / the companies, respondent No.4 acted unfairly and declared the account (s) Non Performing Asset (NPA).

Proceedings under Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (for short, "the Act") were initiated. Reference was made by learned counsel for petitioner to notice under Section 13(2) of the Act to one M/s.Nithin Proteins Pvt. Ltd. Allegations have been raised regarding incorrect and wrongful declaration of accounts of petitioner's companies as NPA. It is further stated that title deeds deposited by guarantors including petitioner as security for loans in question were incorrectly registered in the name of Bank of Baroda instead of Bank of India. Respondent No.4 had to create another set of documents and re-register them in its own name and that mishandling of title deeds demonstrated gross negligence on the part of respondent No.4 besides creating unnecessary legal and administrative complications for petitioner.

3. W.P.No.22663 of 2016 was filed by M/s.Ramanasree Consumer Product Private Limited (RCPPL). Present petitioner is its Director. It was recorded in order dated 23.08.2016 passed in said writ petition that *prima facie*, respondent Bank is not justified in continuing petitioner's loan account as NPA. Respondent was thus, restrained from initiating measures under the Act, pending further orders, subject to petitioner continuing to service interest as and when it fell due and maintaining the account as standard. In case petitioner failed to comply, respondent was at liberty to initiate appropriate action.

4. Learned counsel for petitioner submits that Contempt petition was filed when respondent disregarded the said order dated 23.08.2016. At this stage, petitioner was assured of One Time Settlement (OTS) on the condition that contempt petition is withdrawn. Contempt petition was accordingly withdrawn, though date thereof is not forthcoming. OTS proposal of Rs.10.00 Crores

subsequently enhanced to Rs.24.00 Crores was set forth. Petitioner deposited Rs.1.00 Crore as upfront amount in a no-lien account with Bank of India, but this proposal was rejected and an another OTS settlement of Rs.19.00 Crores was offered with 10% rebate to petitioner subject to payment of entire amount within three (3) months from the date of sanction.

5. In the meanwhile, petitioner lodged complaint, Cr.No.300 of 2017, dated 17.08.2017 under Sections 405 and 420 IPC at Alipore Police Station, Tirupati in respect to fraudulent supply of machinery. Plant and machinery of petitioner was inspected by an Engineer of respondent No.4 on 22.03.2017, valuation thereof was arrived at Rs.3,31,99,744/- whereas petitioner had paid a sum of Rs.9,07,03,500/- which indicated that an excess of Rs.5,75,03,756/- had been charged by supplier recommended by Bank itself. It is stated that petitioner made all efforts to settle the account besides reviving the unit, but respondent Bank arbitrarily refused to consider settlement proposal of petitioner.

6. It is stated that respondent No.4 proceeded to issue another e-auction sale notice on 08.09.2017 for selling properties of Nithin Group of Companies. The amount of interest was never informed to petitioner in W.P No.22663/2016 due to which the amount had not been deposited, though this was disputed by the Bank. Vide order dated, 08.11.2017 passed in W.P.No.22663 of 2016, it was observed that disputed question of fact cannot be resolved in writ proceedings but, to give one final opportunity to petitioner therein to prove his bona fides, respondent Bank was directed to inform total interest outstanding as on date in writing and within one (1) week thereafter, petitioner was directed to deposit entire outstanding interest amount as determined by Bank and informed to it. Relevant portion of order dated 08.11.2017 reads as under:

“We are of the opinion that this disputed question of fact cannot be resolved in writ proceedings. However, to give one final opportunity to the petitioner to prove its *bona fides*, we direct the respondent bank to inform the petitioner in writing of the total interest outstanding as on date within one week from today. The petitioner shall also approach the respondent bank within this period of one week and ascertain the total outstanding interest due and payable by it as on date. Within one week thereafter, the petitioner shall deposit the entire outstanding interest amount as determined by the bank and informed to it, be it in writing or upon approach by it. Therefore, the total interest outstanding as on date shall be paid by the petitioner before 22.11.2017.”

7. Learned counsel for petitioner submitted that respondent No.4 deliberately withheld necessary information and failed to provide any clarification to petitioner and coercive steps under SARFAESI Act were pursued. Efforts to resolve the matter amicably by way of OTS were deliberately sabotaged. Amount of Rs.1.00 Crore earlier deposited by petitioner in a No-Lien Account specifically for OTS settlement was wrongfully appropriated while incorrectly stating that petitioner had consented for the same.

8. Petitioner / Nithin Group again wrote a letter to respondent Bank on 15.06.2018 reiterating its intention to settle outstanding dues. It was informed by respondent Bank that under a revised scheme, tentative OTS amount was fixed at Rs. 2071.57 Lakhs and that OTS can be processed only upon deposit of 5% of application money of ledger outstanding as on 31.03.2018. Letter dated, 10.12.2018 was issued by respondent No.4-Bank to Ramanasree Logistics, informing it of tentative OTS of Rs.33.51 Lakhs. Letter dated

10.12.2018 was also issued to Nithin Gropp of Companies firstly intimating OTS offer of Rs.0.44 Lakhs and thereafter Rs.0.71 Lakhs.

9. Petitioner agreed for said One Time Settlement. Memorandum dated 19.12.2018 was presented for sanction / approval of the Zonal Level Credit Committee (ZLCC) for Rs.921.06 Lakhs. OTS amount was determined at Rs.365.13 Lakhs. Petitioner deposited amount towards OTS proposal application. OTS for a sum of Rs.523.58 Lakhs was sanctioned for Ramanasree Consumer Products. Certain payments were deposited. Communication was issued on behalf of Nithin Group of Companies to respondent No.4 Bank expressing strong displeasure over classification of group as willful defaulters inspite of consistent efforts being made for settling the matter. Ultimately, petitioner, it is submitted, was constrained to initiate insolvency proceedings under Section 10 of the Insolvency and Bankruptcy Act. Petitions were registered as CP/IB/157/10/AMR/2019, CP/IB/158/10/AMR/2019, CP/IB/159/10/AMR/2019, CP/IB/160/10/AMR/2019, and CP/IB/174/10/AMR/2019. Despite pendency of said proceedings, e-auction sale notice dated 20.09.2019 was issued. NCLT, Amaravati Bench admitted the petitions on 15.11.2019 and initiated Corporate Insolvency Resolution Process (for short, 'CIRP') against companies of petitioner. Interim Resolution Professional was appointed.

10. Original Applications before Debt Recovery Tribunal (DRT) were also filed by respondent, resulting in decrees dated 19.11.2019 in O.A.No.681 of 2019 and 26.11.2019 in O.A.Nos.673, 674, 675 and 676 of 2019. Committee of creditors was constituted in insolvency proceedings. Details thereafter happened have been mentioned in writ petition but are not necessary for adjudication of the matter except to mention that we have perused Minutes of

Sixteenth (16<sup>th</sup>) meeting of Stakeholders Consultation Committee in the matter of M/s. Nithin Grains & Mills Pvt. Ltd. held on 05.03.2024 as well as 19<sup>th</sup> Meeting held on 26.06.2024 as placed before us.

11. It was submitted by learned counsel for petitioner that W.P.No.24952 of 2023 was also filed. This writ petition was filed by petitioner seeking relief in respect to alleged wrongful appropriation of amounts deposited by Nithin group in a No-lien account. FIR dated 23.09.2019 under Sections 409, 474 and 120 B read with Section 34 of IPC was also registered against employees of Bank of India. Vide order dated 16.12.2025 passed in Crl.P.No.8044 of 2023, proceedings against Bank officials were quashed, on the ground that disputes appeared to have been arisen out of contractual application. Petitioner in the meanwhile had again submitted a proposal of Rs.4.59 Crores for OTS. WP No.22663 of 2016 was sought to be withdrawn as petitioner had availed of its remedy before learned DRT. Writ Petition was disposed of accordingly on 10.09.2024.

12. Petitioner, thereafter filed Writ Petition (Civil) No.413 of 2025 before Hon'ble The Supreme Court of India, which was dismissed on 04.07.2025 as under:

“Permission to appear and argue in person is granted.

We are not inclined to entertain this writ petition under Article 32 of the Constitution of India.

However, liberty is granted to the petitioner to explore remedies available in law.

Pending application(s), if any, shall stand disposed of.”

13. Learned counsel for petitioner vehemently argued that respondent No.4 has committed grave illegalities and has violated fundamental rights of petitioner with impunity. Various OTS proposals were wrongly rejected and amount deposited as upfront money was wrongly appropriated. Petitioner has suffered irreparable harm towards his reputation, has suffered grave financial loss as well as faced critical health problems. There has been arbitrary and incorrect classification of accounts of petitioner's companies as NPA, ejection from his residence as well. Therefore, petitioner being left with no other remedy seeks redressal before this Court and in view of order passed by Hon'ble Supreme Court on 04.07.2025. It was thus prayed that this writ petition be allowed as prayed for.

14. We heard learned counsel for petitioner at length and have also perused the file carefully with her assistance.

15. It is to be noted that petitioner seeks the prayers as detailed in the foregoing paras. He seeks declaration of his account (s) / accounts of various groups of companies (which are admittedly not party before us) as NPA, to be declared illegal. He also seeks declaration that he has been illegally dispossessed from his properties and lawful assets. Therefore, restoration thereof should be ordered. He further seeks compensation for grave financial loss, hardship and damage to his reputation besides initiating penal and disciplinary action against respondents No.2 and 4 for their wrongful acts.

16. It is a matter of record and not denied by learned counsel for petitioner that various proceedings under SARFAESI Act were initiated in respect to different groups of companies where petitioner is a director. Perusal of file reveals that Nithin group of companies has another director. Details of

different companies and their directors as such was never placed before us. Be that as it may, in our considered opinion there cannot be any blanket orders passed as is prayed in this writ petition, which itself is not entertainable as such. Petitioner seeks to bypass all pending proceedings under SARFAESI Act as well as IBC and also seeks that this Court should ignore passing of order, dated 16.12.2025 in CrI.P.No.8044 of 2023 whereby criminal proceedings initiated by him against Bank officials have been quashed.

17. In our considered opinion, present writ petition is quite misconceived. Argument raised by learned counsel for petitioner that present petitioner has been relegated by Hon'ble Supreme Court to file present writ petition is clearly incorrect and misconceived inasmuch as liberty has been granted to petitioner *vide* order dated 04.07.2025 in W.P.No.413 of 2025 to explore remedies available in law. Petitioner is misdirected in filing present writ petition. Details of various proceedings before different fora have been detailed in foregoing paras and are not being described again for the sake of brevity. In the given factual matrix all the said proceedings as such cannot be set to naught by way of present writ petition which necessarily involves seriously disputed questions of fact.

18. We also do not find any merit in the plea raised by learned counsel for petitioner that a direction should now be given to respondent Bank to enter into an OTS with petitioner. It is a settled position that such a direction is not to be issued though it is always open to parties to come to a mutually acceptable settlement. Gainful reference in this regard can be made to judgment of

Hon'ble The Supreme Court in **Bijnor Urban Cooperation Bank Limited, Bijnor & others vs. Meenal Agarwal & others**<sup>1</sup>.

19. Keeping in view factual matrix as above, we do not find any ground to cause interference in this matter in exercise of jurisdiction under Article 226 of the Constitution of India. Petitioner is at liberty to pursue pending proceedings before various forums and also to avail of any other remedy (ies) as may be available to him in accordance with law. Petitioner is further at liberty to approach respondent No.4 Bank for One Time Settlement and pursue the same in accordance with law.

20. Writ Petition is accordingly dismissed with liberty to petitioner as aforesaid. No order as to costs. Pending miscellaneous application(s) are disposed of, accordingly.

**(LISA GILL)**  
**JUDGE**

**(NINALA JAYASURYA)**  
**JUDGE**

Date:23.04.2026  
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Uploaded on: .04.2026

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<sup>1</sup> 2023(2) SCC 805

**HON'BLE MRS JUSTICE LISA GILL**

**HON'BLE MR JUSTICE NINALA JAYASURYA**

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