2026:KER:85382

IN THE HIGH COURT OF KERALA AT ERNAKULAM

PRESENT

THE HONOURABLE MR. JUSTICE M.A.ABDUL HAKHIM

TUESDAY, THE 10TH DAY OF NOVEMBER 2026 / 19TH KARTHIKA, 1948

WP(C) NO. 17547 OF 2026

PETITIONER:

MOHAMED SHAFI
AGED 49 YEARS
PARUTHIKKUNNAN,S/O. MOHAMED HAJI, LAVERNA HOUSE, VALAKKULAM P.O., MALAPPURAM KERALA ., PIN - 676508

BY ADV SHRI.HARIKUMAR G. (GOPINATHAN NAIR)

RESPONDENTS:

1 **THE BANKING OMBUDSMAN**
OFFICE OF THE BANKING OMBUDSMAN, 1ST FLOOR, RESERVE BANK OF INDIA BUILDING, BAKERY JUNCTION, THIRUVANANTHAPURAM DISTRICT, PIN - 695033

2 **STANDARD CHARTERED BANK**
REPRESENTED BY ITS MANAGER, GROUND FLOOR, G K ARCADE, PALARIVATTAM BY-PASS JUNCTION KOCHI, PIN - 682028

3 **STANDARD CHARTERED BANK**
REPRESENTED BY ITS MANAGING DIRECTOR & CHIEF EXECUTIVE OFFICER 270, DN ROAD FORT, MUMBAI ., PIN - 400001

BY ADV SRI.THOMAS P.KURUVILLA

THIS WRIT PETITION (CIVIL) HAVING BEEN FINALLY HEARD ON 10.11.2026, THE COURT ON THE SAME DAY DELIVERED THE FOLLOWING:

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JUDGMENT
Dated this the 10th November, 2026

1. The Petitioner has filed this Writ Petition challenging Ext.P11 Order dated 26.03.2026 passed by the Respondent No.1/Banking Ombudsman under the Reserve Bank – Integrated Ombudsman Scheme, 2021 (hereinafter referred to as 'the Scheme'). As per Ext.P11 Order, the Complaint submitted by the Petitioner against the Respondent Nos.2 & 3/Bank was closed invoking Clause 14(9)(a) of the Scheme, treating the matter as resolved. The Respondent No.2 is the Kochi Branch and the Respondent No.3 is the Head Office of the Standard Chartered Bank.

2. The Petitioner is an individual customer of the Respondent/Bank. According to the Petitioner, he was induced by the officials of the Respondent No.2 to subscribe to multiple Life Insurance Policies on the assurance that the recurring

premium obligations would be serviced through returns generated from mutual fund investments maintained with the Bank and that any shortfall would be borne by the Bank itself. The Respondent No.2 issued Ext.P1 Communication dated 01.11.2024 to the Petitioner in confirmation of the agreed terms of the policies and investment management. Relying on the said assurance of the Respondent/Bank, the Petitioner subscribed to eight insurance policies between March, 2023 and October, 2024. The arrangement was initially acted upon by the Respondent/Bank. But, in 2025, the Respondent/Bank compelled the Petitioner to pay the renewal premium from his own funds, which were subsequently reimbursed only partially, leaving an amount of Rs.5 Lakhs unpaid. Later, acknowledging its liability, the Bank credited an amount of Rs.17 Lakhs in the account of the Petitioner in October, 2025 towards subsequent premium payments. The Respondent/Bank again failed to

honour its commitments in March, 2026, compelling the Petitioner to liquidate investments and incur financial loss, tax implications and disruption of his financial planning. Hence, the Petitioner approached the Respondent No.1 by filing Ext.P8 Complaint under the Scheme seeking redressal, including enforcement of commitments and compensation. It is the case of the Petitioner that during the pendency of the Complaint, the Respondent No.1 issued an advisory directing limited reimbursement of Rs.5 Lakhs and compensation of Rs.1 Lakh, which was unilaterally credited by the Respondent/Bank to the Petitioner's account without his consent or knowledge. Thereafter, the Respondent No.1 proceeded to close the Complaint under Clause 14(9)(a) of the Scheme, treating the matter as ‘resolved’. Hence, the Petitioner filed the above Writ Petition challenging Ext.P11 Order and seeking a direction to the Respondent No.1 to restore and adjudicate Ext.P8

Complaint on merits, in strict compliance with Clause 15 of the Scheme, after affording a fair and reasonable opportunity of hearing to the Petitioner and to pass a reasoned and speaking Order and to declare that the unilateral credit of the amounts by the Respondent/Bank without the acceptance or consent of the Petitioner cannot be treated as a ‘resolution’ or ‘settlement’ of the Complaint within the meaning of Clause 14(9)(a) of the Scheme.

3. The Respondent Nos.2 & 3 filed a Counter Affidavit opposing the prayers in the Writ Petition. The Petitioner filed a Reply Affidavit answering the contentions raised in the Counter Affidavit.

4. In the Counter Affidavit, the Respondent Nos.2 & 3 contended, *inter alia*, that Ext.P1 Confirmation Letter was drafted at the Petitioner's instance and issued by a former employee of the Respondent/Bank in collusion with the Petitioner without any

authority and approval by the Respondent/Bank. The Petitioner has suppressed material information from this Court, including his email dated 05.11.2024, whereby he instructed Mr. Gireesh M.G., the former Branch Manager of Respondent No.2, to print the draft prepared by the Petitioner on Respondent/Bank's letterhead and executed it. The eight ICICI Prudential Life Insurance Policies were independently subscribed by the Petitioner long before Ext.P1 Confirmation Letter. The Petitioner had been paying premiums for the policies in the ordinary course prior to Ext.P1. Rs.10 Lakhs allegedly reimbursed by the Respondent/Bank was in fact transferred by one Ms. Geetha, a customer of Respondent/Bank, and not by the Respondent/Bank. Rs.17 Lakhs credited by the Respondent/Bank on 17.10.2025 was a service gesture made without any admission of liability, pending investigation. The Respondent/Bank has already paid Rs.6 Lakhs to the Petitioner

in compliance with the Banking Ombudsman's Advisory prior to the impugned Order and hence the Petitioner cannot now challenge the said Order after receiving the benefit out of the same. The Writ Petition is not maintainable, as the Petitioner is having alternative efficacious remedies before the Civil Court and Consumer Forums, as the Complaint raises serious disputed questions of facts which require evidence and cross-examination which could not be adjudicated in a Writ Petition, as the Respondent/Bank is a Private Bank, as the enforcement of private contractual obligations through Writ Petition is untenable, as the Petitioner has approached this Court with unclean hands having suppressed material facts regarding the genesis of the Confirmation Letter and as the Petitioner has not deliberately impleaded ICICI Prudential Life, despite it being a proper and necessary party.

5. I heard the learned Counsel for the Petitioner, Adv. Irene Babu, and the learned Counsel for the Respondent Nos.2 & 3, Sri.Thomas P. Kuruvila.

6. The Counsel for the Petitioner invited my attention to Clause 14(9)(a) of the Scheme which provides that a Complaint would be deemed to be resolved when it has been settled by the Regulated Entity with the Complainant upon the intervention of the Ombudsman. The learned Counsel pointed out that 'settlement' is defined under Clause 3(1)(k) of the Scheme as an agreement reached by the parties to the Complaint by facilitation or conciliation or mediation, as per the provisions of the Scheme. The learned Counsel contended that in the absence of a mutual settlement, the Ombudsman does not have any power or authority to treat the Complaint as resolved under Clause 14(9)(a). Clause 15 (1)(b) of the Scheme mandates that in the event of the matter not getting resolved under Clause

14(9) based on records placed, the Ombudsman shall pass an Award after affording a reasonable opportunity of being heard to both the parties. The impugned Order is not appealable under Clause 17 of the Scheme. The Petitioner's grievance remains subsisting and on account of Ext.P11, the Petitioner is left remediless. The Ombudsman ought to have ordered reimbursement of the premium already paid by the Petitioner; ordered the Respondent/Bank to service future premium; and ordered compensation for the financial loss and mental agony suffered by the Petitioner. The learned Counsel concluded her arguments praying to set aside Ext.P11 Order and to direct the Ombudsman to dispose of Ext.P8 Complaint in accordance with the procedure laid down in Clause 15 of the Scheme.

7. On the other hand, the learned Counsel for the Respondent Nos.2 & 3 contended that the Banking Ombudsman considered the matter in detail, arrived at a conclusion and directed

payment of Rs.6 Lakhs to the Complainant, which consists of Rs.5 Lakhs towards the disputed premium and Rs.1 Lakh towards mental agony. The said payment was made on 25.03.2026 pursuant to the Advisory issued by the Ombudsman on 23.03.2026. The Respondent/Bank paid the amount as per the Advisory to settle the issue forever. Even before the Complaint, the Respondent/Bank had paid an amount of Rs.17 Lakhs to the Petitioner as a service gesture even though the Respondent/Bank was not liable to pay the said amount, treating the Petitioner as a valued customer. The learned Counsel invited my attention to Ext.R2(f) to substantiate that the credit of two 5 Lakhs on 29.04.2025 and 27.05.2025 was not made by the Respondent/Bank, but it was made by one Ms. T. Geetha. The contention of the Petitioner is that the Petitioner subscribed to eight policies on the basis of Ext.P1 assurance given by the Bank. Ext.P1 is dated 01.11.2024. But it is clear

from paragraph No.6 of the Writ Petition itself that all the eight policies were subscribed before the date of Ext.P1. Ext.P1 is the result of a collusion between the Petitioner and the then Manager of the Respondent No.2. The eight policies were subscribed by the Petitioner himself from ICICI Prudential Life Insurance and the Bank acted only as an agent. The Respondent/Bank has not taken any responsibility whatsoever to service the premium. Ext.R2(e) Email would reveal that the then Branch Manager of the Respondent No.2 issued Ext.P1 as dictated by the Petitioner. If the Petitioner is aggrieved by Ext.P11 Order, the Petitioner can agitate the same before the Civil Court or Consumer Forum where the parties can raise their contentions and adduce evidence in support of the same. The present dispute could not be adjudicated in a Writ Petition filed under Article 226 of the Constitution of India. At any rate, the Petitioner cannot challenge Ext.P11 Order after receiving the

amount of Rs.6 Lakhs ordered by the Banking Ombudsman. When the Petitioner has received the said amount of Rs.6 Lakhs ordered by the Banking Ombudsman, the Banking Ombudsman is perfectly justified in closing the Complaint as resolved under Clause 14(9)(a) of the Scheme. There is nothing to be reconsidered by the Banking Ombudsman as the Banking Ombudsman has elaborately considered the contentions of the parties and rendered Ext.P11 Order. The learned Counsel concluded his arguments praying to dismiss the Writ Petition.

8. I have considered the rival contentions with reference to the provisions under the Scheme.

9. Even though both parties raised contentions touching the merits of the claim of the Petitioner, this Court is not justified to consider the same in a Writ Petition filed under Article 226 of the Constitution of India, since the contentions are based on disputed questions of fact.

10. Even though the learned Counsel for the Respondent Nos.2 & 3 contended that the Writ Petition is not maintainable, I find that the Writ Petition challenging the Order of the Banking Ombudsman is maintainable, when the same is not appealable, to see whether the Banking Ombudsman has acted in full compliance with the provisions under the Scheme.

11. It is true that an amount of Rs.6 Lakhs is credited in the account of the Petitioner pursuant to the Advisory issued by the Banking Ombudsman prior to the passing of the impugned Order. But the said credit of the amount was not on the basis of any consensus between the parties. The Writ Petition could not be treated as not maintainable on the mere reason of the credit of the amount in the account of the Petitioner made by the Respondent/Bank without the consent of the Petitioner on the basis of the impugned Order or any Order prior to the impugned Order.

12. The contention of the learned Counsel for the Petitioner is that the Petitioner has become remediless to agitate his grievance on passing Ext.P11 Order, though his grievances are still subsisting. The Scheme is a statutory Scheme framed by the Reserve Bank of India under Section 35A of the Banking Regulation Act, 1949, Section 45L of the Reserve Bank of India Act, 1934, and Section 18 of the Payment and Settlement Systems Act, 2007, and hence the Ombudsman appointed under the Scheme is a statutory Authority. Clause 14 deals with Resolution of Complaints. Clause 15 deals with the Award by the Ombudsman. Clause 16 deals with the Rejection of a Complaint. Clause 15 comes into play when the Complaint is not resolved under Clause 14 or rejected under Clause 16.

13. Sub-Clause (7) of Clause 15 provides that the Award passed under Sub-Clause (1) shall lapse and be of no effect unless the Complainant furnishes a letter of acceptance of the Award in full

and final settlement of the claim to the Regulated Entity concerned, within a period of 30 days from the date of receipt of the copy of the Award. Sub-Clause (8) of Clause 15 provides that the Regulated Entity shall comply with the Award and intimate compliance to the Ombudsman within 30 days from the date of receipt of the letter of acceptance from the Complainant, in the absence of any Appeal by the Regulated Entity. Sub-Clauses (7) & (8) of Clause 15 would reveal that even after passing of the Award, it is at the option of the Complainant to accept or refuse the Award. The Award shall lapse and be of no effect, if the Complainant does not furnish a letter of acceptance within 30 days from the date of receipt of the copy of the Award. The purpose of the Scheme is to provide an expeditious and cost-effective remedy for resolving the grievances of the customers of the Banks. If the claim in the Complaint is rejected under Clause 16 or if the Award passed by the Ombudsman

under Clause 15 is not acceptable to the Complainant, it is open to him to agitate his claim through the normal remedies available to him. But in the case of resolution of the Complaint by settlement under Clause 14 or acceptance of the Award under Clause 15, the Complainant cannot re-agitate his claim before any other Forum.

14. Clause 14(9)(a) of the Scheme provides that the Complaint would be deemed to be resolved when it has been settled by the Regulated Entity with the Complainant upon the intervention of the Ombudsman. The term ‘settlement’ is defined under Clause 3(1)(k) to mean an agreement reached by the parties to the complaint by facilitation or conciliation or mediation, as per the provisions of the Scheme. In the present case, there is no agreement reached by the parties to the Complaint either by themselves as provided under Sub-Clause 8 of Clause 14 or upon the intervention of the Ombudsman as provided under

Clause 14(9)(a). When there is no agreement reached by the parties upon the intervention of the Ombudsman, the Ombudsman cannot close the Complaint as resolved under Clause 14(9)(a) of the Scheme. As per Clause 15 of the Scheme, if the Complaint is not rejected under Clause 16 or not disposed of under Clauses 14(4) or 14(9), the Ombudsman is bound to pass an Award based on the records placed and after affording a reasonable opportunity of being heard to both the parties. In the present case, no Award is passed under Clause 15 of the Scheme.

15. The Banking Ombudsman issued an Advisory to pay a total amount of Rs.6 Lakhs to the Petitioner on 23.03.2026. The Bank complied with the Advisory within two days on 25.03.2026 and the Ombudsman passed Ext.P11 Order treating the Complaint as resolved on the next day on 26.03.2026. There was no opportunity for the Petitioner to express its acceptance or non-

acceptance of the Advisory. Only if the Advisory is furnished to the Complainant and the Complainant accepts the Advisory, it could be treated as settled upon the intervention of the Ombudsman as provided under Clause 14(9)(a) of the Scheme. The payment of the amount by the Bank as per the Advisory issued by the Ombudsman before its acceptance by the Complainant could not be termed as settlement and it will create unnecessary complications when the Complainant does not subsequently accept the Advisory. Banks need to pay the amount directed in the Advisory only if the Advisory is accepted by the Complainant. As rightly contended by the Counsel for the Petitioner, the Petitioner has become remediless to agitate his grievance on passing Ext.P11 Order, treating the Complaint as resolved under Clause 14(9)(a). The Ombudsman acted illegally in treating the Complaint as resolved under Clause 14(9)(a) of the Scheme. Since the Advisory issued by the

Ombudsman is not acceptable to the Petitioner, the Ombudsman is bound to dispose of the Complaint by passing an Award in accordance with Clause 15 of the Scheme.

16. Hence, I allow this Writ Petition by issuing Writ of Certiorari setting aside Ext.P11 Order of the Respondent No.1/Banking Ombudsman and directing the Respondent No.1/Banking Ombudsman to dispose of Ext.P8 Complaint by passing an Award in accordance with Clause 15 of the Scheme within a period of three months from the date of receipt of a copy of this Judgment. The payment of Rs.6 Lakhs made by the Respondent Bank as per the Advisory dated 23.03.2026 will be subject to the final Award passed by the Ombudsman.

Sd/-
M.A.ABDUL HAKHIM
JUDGE

Jma/shg

Judgment reserved	Nil
Dictation in open Court	10.11.2026
Judgment signed/Pronounced	10.11.2026
Final Judgment uploaded	10.11.2026

APPENDIX OF WP(C) NO. 17547 OF 2026

PETITIONER EXHIBITS

Exhibit P1	**A TRUE COPY OF THE CONFIRMATION OF AGREED TERMS FOR ICICI PRUDENTIAL POLICIES AND INVESTMENT DATED 01.11.2024 ISSUED BY THE 2ND RESPONDENT**
Exhibit P2	**A TRUE COPY OF THE EMAIL COMMUNICATIONS DATED 29.04.2025 ALONGWITH TRAIL MAILS**
Exhibit P3	**A TRUE COPY OF THE EMAIL COMMUNICATION DATED 28.05.2025 ALONGWITH TRAIL MAILS**
Exhibit P4	**A TRUE COPY OF THE COMPLAINT DATED 19.09.2025 SENT VIA EMAIL ALONGWITH TRAIL MAILS**
Exhibit P5	**A TRUE COPY OF THE EMAIL COMMUNICATION DATED 17.10.2025 ALONGWITH TRAIL MAILS**
Exhibit P6	**A TRUE COPY OF THE COMPLAINT DATED 30.01.2026 SUBMITTED BY THE PETITIONER BEFORE THE 3RD RESPONDENT**
Exhibit P7	**A TRUE COPY OF THE REPLY NO.HM/AA/2025-26/0513 DATED 16.02.2026 ISSUED TO THE PETITIONER**
Exhibit P8	**A TRUE COPY OF THE COMPLAINT DATED 26.02.2026 FILED BY THE PETITIONER BEFORE THE 1ST RESPONDENT WITHOUT ANNEXURES**
Exhibit P9	**A TRUE COPY OF THE ACKNOWLEDGMENT DATED 26.02.2026 BEARING NO. RBI/CMS/N202526015010697/ 2025-26**
Exhibit P10	**A TRUE COPY OF THE EMAIL COMMUNICATION DATED 19.03.2026 ALONGWITH TRAIL MAILS**
Exhibit P11	**A TRUE COPY OF THE ORDER DATED 26.03.2026 BEARING NO. RBI/CMS/N202526015010697/ 2025-26**

RESPONDENT EXHIBITS

EXHIBIT R 2(a)	**True copy of the power of attorney dated October 24, 2024**
EXHIBIT R2(b)	**True copy of policy no.F 1290846 dated 08-03-2023 in favou rof the Petitioner**
EXHIBIT R2(c)	**True copy of policy no.F 3989759 dated 31-03-2024 in favou rof the Petitioner**
EXHIBIT R2(d)	**True copy of the Petitioner's email dated November 05, 2024**
EXHIBIT R2(e)	**True copies of the available email correspondence between the Petitioner and Mr. Gireesh**
EXHIBIT R2(f)	**True copies of the statement of accounts**

	evidencing transfer by Ms. Geetha on April 29, 2025 and May 27, 2025
EXHIBIT R2(g)	**True copy of the system extract for the advisory issued by the Respondent No. 1**
EXHIBIT R2(h)	**True copy of the bank statement evidencing payment of INR 6,00,000/- to the Petitioner's account**