



W.P.(MD).No.7418 of 2026

BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

DATED: 17-03-2026

CORAM

THE HONOURABLE MR.JUSTICE D.BHARATHA CHAKRAVARTHY

W.P.(MD).No.7418 of 2026

and

W.M.P(MD).No.6092 of 2026

V.Ganapathy

... Petitioner

Vs.

1. Tamil Nadu Mercantile Bank Limited,
Represented by its Branch Manager,
Bodinayakkanur Branch,
D. No.22,
Ponnambalam Street,
Bodinayakkanur - 625 513,
Theni District.

2. The Authorised Officer,
Tamil Nadu Mercantile Bank Limited,
Regd. Office 57,
Victoria Extension Road,
Tuticorin - 628 002.

3. The Authorised Officer,
Tamil Nadu Mercantile Bank Limited,
Regional Office,
Madurai.

... Respondents

PRAYER: Writ Petition filed under Article 226 of the Constitution of India, praying this Court to issue a Writ of Certiorari, calling for the records relating to the impugned Jewel Auction Sale Notice dated 06.03.2025, issued by the 1st respondent, Tamil Nadu Mercantile Bank,



W.P.(MD).No.7418 of 2026

Bodinayakkannur Branch, quash the same as illegal and void and pass such further or other orders as this Honble Court may deem fit and proper in the circumstances of the case and thus render justice.

For Petitioner : Mr.Isaac Mohanlal
Senior Advocate

For Respondents : Mr.N.Dilip Kumar
Standing Counsel

ORDER

The writ petition is filed for a certiorari calling for the records relating to the impugned Jewel Auction Sale Notice dated 06.03.2025 issued by the 1st respondent, namely Tamil Nadu Mercantile Bank, Bodinayakkannur Branch and quash the same as illegal and void.

2. When the matter came up for hearing today, learned Senior Counsel appearing on behalf of the petitioner would submit that where there are two different loans in respect of a secured asset being dealt with under the SARFAESI Act, 2002, one being a distinct jewel loan, in the absence of any document enabling the petitioner to retain the jewels, both loans cannot be clubbed together. The jewels cannot be sold in respect of another loan that is pending before a different forum.



W.P.(MD).No.7418 of 2026

WEB COPY

3. Insofar as the jewel loan is concerned, the petitioner is now ready with the entire loan amount as mentioned in the impugned order. In fact, even though the demand is Rs.2,75,559.67, the petitioner has come forward with a demand draft for a sum of Rs.2,85,000/-. Considering that one month has elapsed and the entire amount, including interest, is now being paid, the same has to be accepted and the jewels have to be returned.

4. Per contra, learned Standing Counsel appearing on behalf of the respondents would submit that it is the bank's case that they have a banker's general lien as well as a specific contractual lien in respect of the jewels. Therefore, they intend to retain the jewels, though they will not proceed with the auction upon receipt of the demand draft.

5. In response, learned Senior counsel for the petitioner would submit that the petitioner is aggrieved and contended that the bank is not entitled to retain the jewels once the entire amount due has been paid.



W.P.(MD).No.7418 of 2026

WEB COPY

6. In this regard, upon query and suggestion by this Court about the maintainability of the writ petition the learned Senior Counsel for the petitioner would submit that:-

- i. The petitioner will approach the statutory forum, viz., the Banking Ombudsman, by filing a complaint seeking the return of the jewels;
- ii. Upon such a complaint being filed, the Banking Ombudsman shall consider the matter on its merits and pass appropriate orders within a period of four weeks.

7. In view thereof, this writ petition is disposed of on the following terms:-

- i. In open Court, Demand Draft No. 152858 dated 13.03.2026, drawn in favour of the respondent bank, is handed over to the learned counsel appearing on behalf of the respondent bank;
- ii. The respondent bank acknowledges receipt of the same, and its undertaking that no further auction of the jewels shall be conducted is recorded;
- iii. With regard to the return of the jewels, the petitioner is granted six



W.P.(MD).No.7418 of 2026

weeks time from the date of receipt of a web copy of the order, to

file a complaint before the jurisdictional Banking Ombudsman;

iv. Upon such complaint being filed, due notice shall be issued to both the petitioner and the respondent bank and the matter shall be decided in accordance with law;

v. Until a decision is rendered, the respondent bank shall not proceed with any further auction of the jewels. Thereafter, the parties shall be governed by the decision of the Ombudsman.

vi. No costs. Consequently, connected miscellaneous petition is closed.

17.03.2026

Index: Yes
Speaking Order: Yes
Neutral Citation: No
rgm



WEB COPY



W.P.(MD).No.7418 of 2026

D.BHARATHA CHAKRAVARTHY, J.

rgm

To

1. Tamil Nadu Mercantile Bank Limited,
Represented by its Branch Manager,
Bodinayakkanur Branch,
D. No.22,
Ponnambalam Street,
Bodinayakkanur - 625 513,
Theni District.
2. The Authorised Officer,
Tamil Nadu Mercantile Bank Limited,
Regd. Office 57,
Victoria Extension Road,
Tuticorin - 628 002.
3. The Authorised Officer,
Tamil Nadu Mercantile Bank Limited,
Regional Office,
Madurai.

W.P.(MD).No.7418 of 2026
and
W.M.P(MD).No.6092 of 2026

17.03.2026