

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 29.09.2016

CORAM

THE HONOURABLE MR.JUSTICE B.RAJENDRAN

W.P.No.34464 of 2016

and

W.M.P.Nos.29690 and 29691 of 2016

K.Palaniappan

.. Petitioner

-VS-

1.The Authorised Officer,
Axis Bank Limited,
Erode Branch,
No.74, Gandhiji Road,
BSNL Building,
Erode-1.

2.The Reserve Bank of India,
Rajaji Salai, Chennai-1.

.. Respondents

Petition filed under Article 226 of the Constitution of India, for issuance of a writ of Certiorari calling for the entire records relating to the impugned public auction notice issued by the first respondent dated 25.09.2016 published in Dinamalar Newspaper dated 25.09.2016 and quash the same.

For Petitioner :: Mr.C.Prakasam

For Respondents:: Mr.M.R.Uma Vijayan for
R1 and R2

ORDER

This writ petition has been filed to quash the impugned public auction notice issued by the first respondent dated 25.09.2016 published in Dinamalar Newspaper dated 25.09.2016.

2.When this matter was taken up, the learned counsel for the petitioner, on instructions from the client, submitted that the petitioner's goods of about 2300 bags of turmeric is available with the first respondent Bank for sale. He further submitted that the petitioner is not agreeable for the alleged sale to be made by the bank, and the petitioner is willing and prepared to bring a prospective buyer who can purchase the goods at a reasonable rate.

3. In view of the above submission made by the learned counsel for the petitioner and considering the facts and circumstances of the case, the petitioner is permitted to bring a prospective buyer who can purchase the goods at a reasonable rate, of course with a condition that the purchaser will directly pay the entire sale proceeds only to the bank. If the sale proceeds exceed the total amount due, then, the petitioner is entitled to get back the balance amount from the bank. If the selling price is less than the amount payable to the bank, the petitioner shall undertake to pay the balance amount to the bank, in accordance with law. It is made clear that this will be done within five days from today. In the event the petitioner fails to bring the prospective buyer or sell the property within five days from today, then, the first respondent bank is at liberty to proceed with sale of the goods by open auction.

4. According to the learned counsel for the petitioner, another 950 bags of turmeric are with the bank, but the bank has categorically stated that the said 950 bags relate to another loan and that has nothing to do with the present 2300 bags of turmeric, which is the subject matter involved in the present writ petition. The learned counsel for the petitioner also stated that the amount payable towards warehouse charges by the petitioner for keeping all the 900 bags will be settled by the petitioner to the warehouse owner directly. The above submission made by the learned counsel for the petitioner is recorded.

5. With the above observation, the writ petition is closed. No costs. Consequently, the connected miscellaneous petitions are also closed.

Sd/-
Assistant Registrar (CS VI)

//True Copy//

Sub Assistant Registrar

KM

+ 1 cc to Mr.C. Prakasam, Advocate SR.56050
+ 1 cc to Mr.M.R. Uma Vijayan, Advocate SR.55952 (30.09.2016)

W.P.No.34464 of 2016
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SV (CO)
EU 29.09.16