



BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

DATED: 25.11.2016

CORAM :

THE HONOURABLE MR.JUSTICE V.BHARATHIDASAN

Writ Petition (MD) Nos.4197, 4198, 4204, 3863 to 3872, 4396, 4508,
6865, 6953, 13176, 13177, 3531, 4235 and 4236 of 2013

and

M.P (MD) Nos.1,1,1 & 2,2,2, 1,1,1,1,1,1,1,1,1,2,2,2,2,2,2,2,2,2,2,
1&2, 1, 1,1, 1,1, 2,2, 3, 3, 1, 1 and of 2013,

and

W.M.P (MD) Nos.12637, 12692 and 12638 of 2016

In W.P(MD)No.4197 of 2013

R.S.Suresh

... Petitioner

Vs.

1.The Reserve Bank of India,
Rep by its Chief General Manager,
Central Office, Mumbai.

2.The General Manager,
Reserve Bank of India,
Department of Non Banking Supervision,
Regional Office, Thiruvananthapuram,
Kerala State.

3.The Muthoot Fin., Corp., Ltd.,
Rep by its General Manager,
South Veli Street,
Opp. Kamatchi Hospital,
Madurai.

... Respondents

Petition filed under Article 226 of the Constitution of India praying for issuance of a Writ of Mandamus, directing the respondents 1 and 2 to consider the petitioner's representation dated 14.03.2013 regarding the functioning of financial business by the 3rd respondent with its contrary to the Acts and the norms fixed by the 1st and 2nd respondent.

For Petitioner	: Mr.S.Anwar Sameem
For Respondents 1&2	: Mr.K.R.Laxman
For 3 rd Respondent	: Mr.S.Ramesh

In W.P(MD)No.4198 of 2013

R.S. SURESH

... PETITIONER in WP(MD) No.4198 of 2013



- 1 THE RESERVE BANK OF INDIA
REP. BY ITS CHIEF GENERAL MANAGER CENTRAL OFFICE, MUMBAI
- 2 THE GENERAL MANAGER
RESERVE BANK OF INDIA DEPARTMENT OF NON BANKING
SUPERVISION REGIONAL OFFICE
THIRUVANANTHAPURAM, KERALA STATE
- 3 THE MUTHOOT FIN CORP LTD.
REP. BY ITS GENERAL MANAGER AATHIKULAM
BRANCH 241/3 NEW NATHAM ROAD MADURAI.

Prayer in WP(MD) No.4198 of 2013:

To issue a Writ of Mandamus, directing the respondents to 1 & 2 consider the petitioner's representation dated 14.03.2013 regarding the functioning of financial business by the 3rd respondent with its contrary to the Acts and the norms fixed by the 1st and 2nd respondent.

For Petitioner	: Mr.S.Anwar Sameem
For Respondents 1&2	: Mr.K.R.Laxman
For 3 rd Respondent	: Mr.S.Ramesh

In W.P(MD)No.4204 of 2013

R.S. ASAWIN RANI ... PETITIONER in WP(MD) No.4204 of 2013

vs

- 1 THE RESERVE BANK OF INDIA
REP. BY ITS CHIEF GENERAL MANAGER CENTRAL
OFFICE MUMBAI
- 2 THE GENERAL MANAGER
RESERVE BANK OF INDIA DEPT. OF NON BANKING
SUPERVISION REGIONAL OFFICE
THIRUVANANTHAPURAM KERALA STATE
- 3 THE MUTHOOT FIN CORP LTD.
REP. BY ITS GENERAL MANAGER SOUTH VELI
STREET OPP. KAMATCHI HOSPITAL MADURAI

Prayer in WP(MD) No.4204 of 2013:

To issue a Writ of Mandamus, directing the respondents 1 & 2 to consider the petitioner's representation dated 14.03.2013 regarding the functioning of financial business by the 3rd respondent which is contrary to the Acts and the norms fixed by the 1st and 2nd respondent



For Petitioner : Mr.S.Anwar Sameem
For Respondents 1&2 : Mr.K.R.Laxman
For 3rd Respondent : Mr.S.Ramesh

In W.P(MD) Nos.3863 to 3872 of 2013

S.HAKKIMULLAH ... PETITIONER in WP(MD) No.3863 of 2013 to
WP(MD).No.3872 of 2013

vs

- 1 THE RESERVE BANK OF INDIA
REP. BY ITS CHEIF GENERAL MANAGER CENTRAL
OFFICE MUMBAI
- 2 THE GENERAL MANAGER
RESERVE BANK OF INDIA DEPT. OF NON BANKING
SUPERVISION REGIONAL OFFICE
THIRUVANANTHAPURAM KERALA STATE
- 3 THE MUTHOOT FIN CORP LTD.
REP. BY ITS BRANCH MANAGER T.S. 4182 H.A.K.
TOWERS SOUTH 3RD STREET OPP. TO
VAZHAIMARATHU JAVULI KADAI PUDUKKOTTAI 622 001
... RESPONDENTS in WP(MD) No.3863 of 2013
- 1 THE RESERVE BANK OF INDIA
REP. BY ITS CHEIF GENERAL MANAGER CENTRAL
OFFICE MUMBAI
- 2 THE GENERAL MANAGER
RESERVE BANK OF INDIA DEPT. OF NON BANKING
SUPERVISION REGIONAL OFFICE
THIRUVANANTHAPURAM KERALA STATE
- 3 THE MUTHOOT FIN CORP LTD.
REP. BY ITS BRANCH MANAGER T.S. 4182 H.A.K.
TOWERS SOUTH 3RD STREET OPP. TO
VAZHAIMARATHU JAVULI KADAI PUDUKKOTTAI 622 001
... RESPONDENTS in WP(MD) No.3864 of 2013
- 1 THE RESERVE BANK OF INDIA
REP. BY ITS CHEIF GENERAL MANAGER CENTRAL
OFFICE MUMBAI
- 2 THE GENERAL MANAGER
RESERVE BANK OF INDIA DEPT. OF NON BANKING
SUPERVISION REGIONAL OFFICE
THIRUVANANTHAPURAM KERALA STATE



3 THE MUTHOOT FIN CORP LTD.
REP. BY ITS BRANCH MANAGER T.S. 4182 H.A.K.
TOWERS SOUTH 3RD STREET OPP. TO
VAZHAIMARATHU JAVULI KADAI PUDUKKOTTAI 622 001
... RESPONDENTS in WP(MD) No.3865 of 2013

WEB COPY

1 THE RESERVE BANK OF INDIA
REP. BY ITS CHEIF GENERAL MANAGER CENTRAL
OFFICE MUMBAI

2 THE GENERAL MANAGER
RESERVE BANK OF INDIA DEPT. OF NON BANKING
SUPERVISION REGIONAL OFFICE
THIRUVANANTHAPURAM KERALA STATE

3 THE MUTHOOT FIN CORP LTD.
REP. BY ITS BRANCH MANAGER T.S. 4182 H.A.K.
TOWERS SOUTH 3RD STREET OPP. TO
VAZHAIMARATHU JAVULI KADAI PUDUKKOTTAI 622 001
... RESPONDENTS in WP(MD) No.3866 of 2013

1 THE RESERVE BANK OF INDIA
REP. BY ITS CHEIF GENERAL MANAGER CENTRAL
OFFICE MUMBAI

2 THE GENERAL MANAGER
RESERVE BANK OF INDIA DEPT. OF NON BANKING
SUPERVISION REGIONAL OFFICE
THIRUVANANTHAPURAM KERALA STATE

3 THE MUTHOOT FIN CORP LTD.
REP. BY ITS BRANCH MANAGER T.S. 4182 H.A.K.
TOWERS SOUTH 3RD STREET OPP. TO
VAZHAIMARATHU JAVULI KADAI PUDUKKOTTAI 622 001
... RESPONDENTS in WP(MD) No.3867 of 2013

1 THE RESERVE BANK OF INDIA
REP. BY ITS CHEIF GENERAL MANAGER CENTRAL
OFFICE MUMBAI

2 THE GENERAL MANAGER
RESERVE BANK OF INDIA DEPT. OF NON BANKING
SUPERVISION REGIONAL OFFICE
THIRUVANANTHAPURAM KERALA STATE

3 THE MUTHOOT FIN CORP LTD.
REP. BY ITS BRANCH MANAGER T.S. 4182 H.A.K.
TOWERS SOUTH 3RD STREET OPP. TO
VAZHAIMARATHU JAVULI KADAI PUDUKKOTTAI 622 001
... RESPONDENTS in WP(MD) No.3868 of 2013



1 THE RESERVE BANK OF INDIA
REP. BY ITS CHEIF GENERAL MANAGER CENTRAL
OFFICE MUMBAI

2 THE GENERAL MANAGER
RESERVE BANK OF INDIA DEPT. OF NON BANKING
SUPERVISION REGIONAL OFFICE
THIRUVANANTHAPURAM KERALA STATE

3 THE MUTHOOT FIN CORP LTD.
REP. BY ITS BRANCH MANAGER T.S. 4182 H.A.K.
TOWERS SOUTH 3RD STREET OPP. TO
VAZHAIMARATHU JAVULI KADAI PUDUKKOTTAI 622 001
... RESPONDENTS in WP(MD) No.3869 of 2013

1 THE RESERVE BANK OF INDIA
REP. BY ITS CHEIF GENERAL MANAGER CENTRAL
OFFICE MUMBAI

2 THE GENERAL MANAGER
RESERVE BANK OF INDIA DEPT. OF NON BANKING
SUPERVISION REGIONAL OFFICE
THIRUVANANTHAPURAM KERALA STATE

3 THE MUTHOOT FIN CORP LTD.
REP. BY ITS BRANCH MANAGER T.S. 4182 H.A.K.
TOWERS SOUTH 3RD STREET OPP. TO
VAZHAIMARATHU JAVULI KADAI PUDUKKOTTAI 622 001
... RESPONDENTS in WP(MD) No.3870 of 2013

1 THE RESERVE BANK OF INDIA
REP. BY ITS CHEIF GENERAL MANAGER CENTRAL
OFFICE MUMBAI

2 THE GENERAL MANAGER
RESERVE BANK OF INDIA DEPT. OF NON BANKING
SUPERVISION REGIONAL OFFICE
THIRUVANANTHAPURAM KERALA STATE

3 THE MUTHOOT FIN CORP LTD.
REP. BY ITS BRANCH MANAGER T.S. 4182 H.A.K.
TOWERS SOUTH 3RD STREET OPP. TO
VAZHAIMARATHU JAVULI KADAI PUDUKKOTTAI 622 001
... RESPONDENTS in WP(MD) No.3871 of 2013

1 THE RESERVE BANK OF INDIA
REP. BY ITS CHEIF GENERAL MANAGER CENTRAL
OFFICE MUMBAI



2 THE GENERAL MANAGER
RESERVE BANK OF INDIA DEPT. OF NON BANKING
SUPERVISION REGIONAL OFFICE
THIRUVANANTHAPURAM, KERALA STATE

3 THE MUTHOOT FIN CORP LTD.
REP. BY ITS BRANCH MANAGER T.S. 4182 H.A.K.
TOWERS SOUTH 3RD STREET, OPP. TO
VAZHAIMARATHU JAVULI KADAI, PUDUKKOTTAI 622 001
... RESPONDENTS in WP(MD) No.3872 of 2013

Prayer in WP(MD) No.3863 of 2013 to 3872 of 2013:

To Writ of Mandamus or any other Writ or order or direction in the nature of Writ directing the respondents 1 and 2 to take action against the 3rd respondent based on my representation dated 11/03/2013 regarding the functioning of financial business by the 3rd respondent which is contrary to the Acts and the norms fixed by the 1st and 2nd respondent.[prayer amended as per order dt 15.3.2013 in mp(md)3/2013]

For Petitioner	:	M/s.J.Anandhavalli
For Respondents 1&2	:	Mr.K.R.Laxman
For 3 rd Respondent	:	Mr.V.Raghavachari

In W.P(MD)No.4396 of 2013

P. PAULPANDIAN ... PETITIONER in WP(MD) No.4396 of 2013

vs

1 THE RESERVE BANK OF INDIA
REP. BY ITS CHIEF GENERAL MANAGER, CENTRAL OFFICE, MUMBAI.

2 THE GENERAL MANAGER
RESERVE BANK OF INDIA DEPARTMENT OF NON
BANKING SUPERVISION REGIONAL OFFICE
THIRUVANANTHAPURAM KERALA STATE.

3 THE MUTHOOT FIN CORP LTD
REP. BY ITS GENERAL MANAGER 3/1
KARISALKULAM BUS STAND SUNDARAM COMPLEX
DINDIGUL MAIN ROAD VILANGUDI MADURAI - 625 018.
... RESPONDENTS in WP(MD) No.4396 of 2013

Prayer in WP(MD) No.4396 of 2013:

To issue a Writ of Mandamus, directing the 1 & 2 respondents to consider the petitioners representation dated 14.03.2013 regarding the functioning of financial business by the 3rd respondent which is contrary to the Acts and the norms fixed by the 1st and 2nd respondent.



For Petitioner
For Respondents 1&2
For 3rd Respondent

: Mr.S.Anwar Sameem
: Mr.K.R.Laxman
: Mr.S.Ramesh

WEB COPY

In W.P(MD)No.4508 of 2013

E.PACKIARAJ ... PETITIONER in WP(MD) No.4508 of 2013

vs

1 THE REGIONAL DIRECTOR
RESERVE BANK OF INDIA REGIONAL OFFICE
FORT GLACE RAJAJI SALAI, CHENNAI- 1.

2 THE SUPERINTENDENT OF POLICE
MADURAI DISTRICT, MADURAI.

3 THE INSPECTOR OF POLICE
VADIPATTI POLICE STATION VAIDPATTI
MADURAI DISTRICT.

4 MUTHOOT FINANCE CORP LTD.
REP BY ITS MANAGER, D.NO.181 1ST FLOOR
S.M.COMPLEX LALA BAZAR VADIPATTI MADURAI DISTRICT.

... RESPONDENTS in WP(MD) No.4508 of 2013

Prayer in WP(MD) No.4508 of 2013:

To issue a Writ of Mandamus, directing the respondents 1 to 3 to take action against the fourth respondent under relevant provisions of law and help the petitioner to redeem his gold jewels from the fourth respondent.

For Petitioner
For Respondents 4
For R1 to R3

: Mr.R.Murugappan
: Mr.S.Kamesh
: Dismissed vide Court order
dt.25/10/2013

In W.P(MD)No.6865 of 2013

S.KARTHICK ... PETITIONER in WP(MD) No.6865 of 2013

vs

1 THE CHIEF GENERAL MANAGER
RESERVE BANK OF INDIA, CENTRAL OFFICE



2 THE GENERAL MANAGER
RESERVE BANK OF INDIA DEPT. OF NON-BANKING
FINANCE COMPANIES REGIONAL OFFICE
TRIVANDRAUM, KERALA

3 THE DISTRICT COLLECTOR
MADURAI DISTRICT MADURAI.

4 THE TAHSILDAR
MELUR, MADURAI DISTRICT.

5 M/S. MUTHOOT FINCORP. LIMITED
HAVING ITS BRANCH OFFICE AT NO. 747 MAIN ROAD, MELUR,
MADURAI DISTRICT.

... RESPONDENTS in WP(MD) No.6865 of 2013

Prayer in WP(MD) No.6865 of 2013:

To issue a Writ of mandamus directing the respondents 1 to 4 herein to consider the representation dated 9.4.2013 of the petitioner regarding the functioning of financial activities being conducted by the 5th respondent herein which is contrary to law.

For Petitioner	: Mr.AL.Gandhimathi
For Respondents 1&2	: Mr.K.R.Laxman
For Respondent R3 & R4	: Mr.J.Gunaseelan Muthiah Government Advocate
For R5	: Mr.S.Pethu Rajesh

In W.P(MD)No.6953 of 2013

S. SENTHIL MURUGAN ... PETITIONER in WP(MD) No.6953 of 2013

vs

1 THE CHIEF GENERAL MANAGER
RESERVE BANK OF INDIA CENTRAL OFFICE
MUMBAI MAHARASTRA.

2 THE GENERAL MANAGER
RESERVE BANK OF INDIA DEPT. OF NON-BANKING
FINANCE COMPANIES REGIONAL OFFICE
TRIVANDRUM KERALA.

3 THE DISTRICT COLLECTOR
MADURAI DISTRICT.

4 THE TAHSILDAR
MELUR, MADURAI DISTRICT.



5 M/S MUTHOOT FINCORP. LIMITED
HAVING ITS BRANCH OFFICE AT NO. 747, MAIN ROAD,
MELUR, MADURAI DISTRICT.

WEB COPY

... RESPONDENTS in WP(MD) No.6953 of 2013

Prayer in WP(MD) No.6953 of 2013:

To issue a Writ of Mandamus, directing the respondents 1 to 4 herein to consider the representation dated 9.4.2013 of the petitioner regarding the functioning of Financial activities being conducted by the 5th Respondent herein which is contrary to Law and pass such further or other orders.

For Petitioner	: Mr.AL.Gandhimathi
For Respondents 1&2	: Mr.K.R.Laxman
For Respondent R3 & R4	: Mr.N.S.Karthikeyan Government Advocate
For R5	: Mr.S.Pethu Rajesh

In W.P(MD)No.13176 of 2013

V.C. SARASWATHY PREETHA RANI

... PETITIONER in WP(MD) No.13176 of 2013

vs

- 1 THE RESERVE BANK OF INDIA
REP. BY ITS CHIEF GENERAL MANAGER, CENTRAL OFFICE,
MUMBAI
- 2 THE GENERAL MANAGER
RESERVE BANK OF INDIA DEPT. OF NON BANKING
SUPERVISION REGIONAL OFFICE,
THIRUVANANTHAPURAM, KERALA STATE
- 3 THE MUTHOOT FIN CORP LTD.
REP BY ITS GENERAL MANAGER REG OFFICE AT
MUTHOOT CENTRE, PUNNEN ROAD TRIVANDRUM 34
- 4 THE MUTHOOT FIN CORP LTD.
REP. BY ITS GENERAL MANAGER, AATHIKULAM BRANCH, MADURAI
... RESPONDENTS in WP(MD) No.13176 of 2013

Prayer in WP(MD) No.13176 of 2013:

To issue a Writ of Certiorari, to call for the records relating to the impugned auction notice issued by the 3rd respondent herein in so far as the petitioner's jewel loan account numbers are F-35614, F-35646, F-35674 and F-35648 with the 4th respondent are concerned and quash the same.



For Petitioner : Mr.S.Anwar Sameem
For Respondents 1&2 : Mr.K.R.Laxman
For Respondent R3 & R4 : Mr.S.Pethu Rajesh

In W.P(MD)No.13177 of 2013

V.S.CHANDRA SEKAR ... PETITIONER in WP(MD) No.13177 of 2013

vs

- 1 THE RESERVE BANK OF INDIA
REP. BY ITS CHIEF GENERAL MANAGER, CENTRAL OFFICE
MUMBAI
- 2 THE GENERAL MANAGER
RESERVE BANK OF INDIA DEPT. OF NON BANKING
SUPERVISION REGIONAL OFFICE
THIRUVANANTHAPURAM KERALA STATE
- 3 THE MUTHOOT FIN CORP LTD.
REP BY ITS GENERAL MANAGER REG OFFICE AT
MUTHOOT CENTRE PUNNEN ROAD TRIVANDRUM 34
- 4 THE MUTHOOT FIN CORP LTD.
REP. BY ITS GENERAL MANAGER AATHIKULAM BRANCH,
MADURAI ... RESPONDENTS in WP(MD) No.13177 of 2013

Prayer in WP(MD) No.13177 of 2013:

To issue a Writ of Certiorari, to call for the records relating to the impugned auction notice issued by the 3rd respondent herein in so far as the petitioner's jewel loan account numbers are F-41020, F-43310, and F-44642 with the 4th respondent are concerned vide paper publication dated 22.07.2013 published in Dinamani Daily Newspaper and quash the same.

For Petitioner : Mr.S.Anwar Sameem
For Respondents 1&2 : Mr.K.R.Laxman
For Respondent R3 & R4 : Mr.S.Pethu Rajesh

In W.P(MD)No.3531 of 2013

S.JEYA GANESAN ... PETITIONER in WP(MD) No.3531 of 2013

vs

- 1 THE RESERVE BANK OF INDIA
REP BY ITS CHIEF GENERAL MANAGER, CENTRAL OFFICE,
MUMBAI



2 THE GENERAL MANAGER
RESERVE BANK OF INDIA DEPARTMENT OF NON
BANKING SUPERVISION REGIONAL OFFICE
THIRUVANANTHAPURAM KERALA STATE.

3 THE MUTHOOT FINANCE LTD.
REP. BY ITS BRANCH MANAGER EAST STREET
SALAIGRAMAM ILAYANGUDI TALUK - 710
SIVAGANGAI DISTRICT.

... RESPONDENTS in WP(MD) No.3531 of 2013

Prayer in WP(MD) No.3531 of 2013:

To issue a Writ of Mandamus or any other appropriate writ or order or Direction particularly in the nature of writ, directing the 2nd respondent to act on the petitioners representation dated 01.03.2013 seeking to stop the illegal act of the 3rd respondent in auctioning the petitioners gold jewels without following the guidelines of the 1st respondent.

For Petitioner	: Mr.P.T.Ramesh Raja
For Respondents 1&2	: Mr.K.R.Laxman
For Respondent R3	: Mr.S.Ramesh

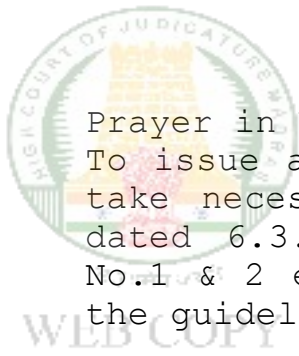
In W.P(MD)No.4235 of 2013

K.S. MURUGAN ... PETITIONER in WP(MD) No.4235 of 2013

vs

- 1 M/S MUTHOOT FINCORP LTD
MUTHOOT CENTRE PUNNEN ROAD
THIRUVANANTHAPURAM KERALA THROUGH IS
MANAGING DIRECTOR.
- 2 THE BRANCH MANAGER
M/S MUTHOOT FINCORP LTD. PANAGUDI
TIRUNELVELI DISTRICT.
- 3 THE INSPECTOR OF POLICE
PANAGUDI TIRUNELVELI DISTRICT.
- 4 THE SUPERINTENDENT OF POLICE
TIRUNELVELI DISTRICT TIRUNELVELI - 2.
- 5 RESERVE BANK OF INDIA
DEPARTMENT OF NON-BANKING SUPERVISION
CENTRAL OFFICE CENTRE I WORLD TRADE CENTRE
THIRUVANANTHAPURAM THROUGH ITS CHIEF GENERAL MANAGER.

... RESPONDENTS in WP(MD) No.4235 of 2013



Prayer in WP(MD) No.4235 of 2013:

To issue a Writ of Mandamus, directing the respondents 3 to 5 to take necessary action upon the representation of the petitioner dated 6.3.2013 to redress his grievance against the respondent No.1 & 2 enabling him to settle the jewel loan account following the guidelines of the Reserve Bank of India.

For Petitioner	: Mr.V.Kannan
For Respondents 1&2	: Mr.S.Ramesh
For Respondent R3 & R4	: Mr.J.Gunaseelan Muthiah
	Government Advocate
For R5	: Mr.K.R.Laxman

In W.P(MD)No.4236 of 2013

JEYACHITRA ... PETITIONER in WP(MD) No.4236 of 2013

vs

- 1 M/S. MUTHOOT FINCORP LTD.
MUTHOOT CENTRE PUNNEN ROAD
THIRUVANATHAPURAM KERALA THROUGH ITS
MANAGING DIRECTOR.
- 2 THE BRANCH MANAGER
M/S. MUTHOOT FINCORP LTD. PANAGUDI
TIRUNELVELI DISTRICT.
- 3 THE INSPECTOR OF POLICE
PANAGUDI TIRUNELVELI DISTRICT.
- 4 THE SUPERINTENDENT OF POLICE
TIRUNELVELI DISTRICT.
- 5 RESERVE BANK OF INDIA
DEPARTMENT OF NON-BANKING SUPERVISION
CENTRAL OFFICE CENTRE 1 WORLD TRADE CENTRE
CUFFEE PARADE COLABA MUMBAI THRO. ITS
GENERAL MANAGER.

... RESPONDENTS in WP(MD) No.4236 of 2013

Prayer in WP(MD) No.4236 of 2013:

To issue a Writ of Mandamus, directing the respondents 3 to 5 to take necessary action upon the representation of the petitioner dated 06.03.2013 to redress her grievance against the respondent No.1 & 2 enabling her to settle the jewel loan account following the guidelines of the Reserve Bank of India.



For Petitioner : Mr.V.Kannan
For Respondents 1&2 : Mr.S.Ramesh
For Respondent R3 & R4 : Mr.J.Gunaseelan Muthiah
Government Advocate
For R5 : Mr.K.R.Laxman

WEB COPY

COMMON ORDER

Since the issue involved in these writ petitions is common, they are taken up together and disposed of by this common order.

2. According to the petitioners, they have pledged their jewels before the Muthoot Fin Corporation Ltd, a Non Banking Financial Company ['NBFC' for short] and when they want to redeem their jewels, the concerned bank has demanded exorbitant penal interest apart from the admitted interest and other charges. Hence, the petitioners have filed these writ petitions.

3. Learned counsel appearing for the respondent bank would submit that admittedly, the petitioners agreed to pay 24% of interest and also in default of payment, they are liable to pay penal interest. He would further contend that after agreeing to pay interest and penal interest, now it is not open to the petitioners to allege that the interest is exorbitant.

4. Learned counsel appearing for the Reserve Bank of India would submit that the Non Banking Financial Companies are covered under Entry 43 of List I and Money Lenders Act regulates the NBFCs and it is outside the legislative competence of the State Government. He would further contend that the Reserve Bank of India has issued necessary guidelines for resolving the issues of interest and other related issues by way of Fair Practices Code. He would further contend that the Reserve Bank of India has already initiated action against the said Bank on the complaints made by the petitioners and the complaints are closed after enquiry.

5. Today, when the matter came up for hearing, learned counsel appearing for the petitioners would submit that the petitioners are ready and willing to pay agreed interest at the rate of 24%, provided, the concerned bank should waive penal interest on the same.

6. Learned counsel appearing for the respondent Bank, on instructions would fairly submit that in the event of the petitioners paying agreed interest at the rate of 24% within a prescribed time, they are ready to waive the penal interest.



7. In the above circumstances, the petitioners are directed to pay the loan amount along with admitted interest at the rate of 24% on or before 31.03.2017. On such payment made by the petitioners, the respondent Muthoot Finance is directed to permitted the petitioners to redeem their jewels. If the petitioners failed to pay the said amount within the above said period, the respondent bank is at liberty to bring the jewels for auction in terms of the agreement.

8. With the above direction, the writ petitions are disposed of. No costs. Consequently, connected miscellaneous petitions are closed.

Sd/-

Assistant Registrar

/True copy/

Sub Assistant Registrar

To

1. THE DISTRICT COLLECTOR
MADURAI DISTRICT, MADURAI
2. THE SUPERINTENDENT OF POLICE
TIRUNELVELI DISTRICT, TIRUNELVELI
3. THE TAHSILDAR
MELUR, MADURAI DISTRICT
4. THE INSPECTOR OF POLICE
VADIPATTI POLICE STATION, VADIPATTI, MADURAI DISTRICT
5. THE INSPECTOR OF POLICE
PANAGUDI, TIRUNELVELI DISTRICT

+1cc to Special Government Pleader SR.No.73237,73212,73237

+10cc to Mr.V.Raghavachari, Advocate Sr.No.73070

+18cc to Mr.K.R.Laxman, Advocate SR.No.73955,73954,

73956,73957,73958,73959,73960,73961

73962,73963,73964,73965,73966,73967,73968,73969,73971,73972

+3cc to Mr.T.Antony Arul Raj, Advocate SR.No.73424,73426,

73425

+2cc to Mr.AL.Ganthimathi, Advocate SR.No.73020,73019

+3cc to Mr.P.Pethu Rajesh, Advocate SR.No.72956,72954,72955

sm:03/01/2017:14P/43C

Writ Petition (MD) Nos.4197, 4198, 4204

, 3863 to 3872, 4396, 4508, 6865,

6953, 13176, 13177, 3531, 4235 and 4236 of 2013