



BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

DATED 13.03.2019

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THE HONOURABLE MR.JUSTICE G.R.SWAMINATHAN

W.P (MD) No.8398 of 2018

and

W.M.P. (MD) Nos.7949; 7950; 11247 & 11248 of 2018

1.E.Munesswaran

2.K.P.S.Sivakumar

3.K.P.S.Muneeswaran

4.M.W.Muthumari

5.E.Muneeswaran

6.K.P.S.Manoharan

7.P.Sharmila

..Petitioners

Vs.

The Chief Manager,
Union Bank of India,
Madurai Main Branch,
Town Hall Road, Madurai.

..Respondent

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 respondent's jewel auction notice published in Dinamani, Daily Newspaper, Madurai Edition dated 09.04.2018 stating that the jewels relating to the petitioners will be auctioned on 16.04.2018 at about 11.00 a.m. at respondent bank and quash the same.

For Petitioners

:Mr.PT.S.Narendravasan

For Respondent

:Mr.VS.Karthi

ORDER

The petitioners herein had availed a jewel loan from the respondent bank. Since the petitioners committed default, the respondent bank announced that the pledged items would be brought



to auction. The auction was to be held on 16.04.2018. The said auction notice has been questioned in this writ petition. This Court granted an interim order even without putting the petitioners on terms.

2.The learned counsel appearing for the respondent bank submitted that as a result of grant of such an interim order, the bank has been put to great hardship. With passage of time, the liability of the petitioners in respect of the loan amount has mounted. On the other hand, the value of the pledged item has not correspondingly appreciated.

3.I find considerable merit in the said stand taken by the learned standing counsel appearing for the bank. In the notification, the bank has stipulated a condition that any excess profit that may be realised after the sale of the pledged items will be adjusted in the petitioners' other loan account. It is this condition imposed in the auction notification that led this Court to grant an interim order. I am of the view that Section 171 of the Contract Act clearly provides for the same. I find no ground to keep the writ petition pending or in continuing the interim order earlier granted. When the petitioners have availed loan from the respondent bank, they are bound to clear the same. If the petitioners have committed default, the respondent bank is certainly entitled to bring the pledged items to sale.

4.In the result, this writ petition is dismissed. No costs. Consequently, connected Miscellaneous Petitions are also dismissed.

Sd/-

Assistant Registrar (CS-II)

// True Copy //

Sub Assistant Registrar(CS)

To

+1 CC to M/s.VS.KARTHI, Advocate (SR-53824[F] dated 13/03/2019)

RJ2

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