



BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

DATED: 28.11.2019

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THE HON'BLE MRS.JUSTICE J.NISHA BANU

Cont.P. (MD) No.1076 of 2019

in

W.P. (MD) .No.12159 of 2019

WEB COPY

S.Natarajan

... Petitioner/Petitioner

-Vs-

P.Damodaran,
Branch Manager,
Bank of India,
Anna Nagar Branch,
Madurai.

... Contemnor/ Respondent

Prayer: Contempt Petition filed under Section 11 of the Contempt of Courts Act, praying to initiate contempt proceedings against the respondent herein for his deliberate and willful disobedience of the order of this Court, dated 15.05.2019, made in W.P.(MD).No.12159 of 2019.

Prayer in WP(MD)No.12159 of 2019

Writ Petition filed under Article 226 of the Constitution of India, praying this Court to issue a Writ of Certiorarified Mandamus, to call for the records relating to the impugned auction notice issued by the respondent in his proceedings in No. Nil dated 09.05.2019 and quash the same as illegal in respect of serial No.1, 2 and 3, AnnaNagar Branch and consequently direct the respondent to accept entire dues from the petitioner and return the jewels, which was pledged by the petitioner.

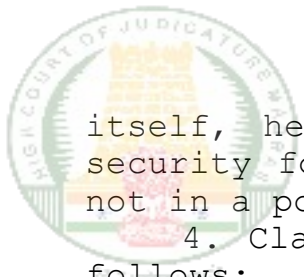
For petitioner	:	Mr.J.Jeyakumaran
For respondent	:	Mr.Pala Ramasamy

O R D E R

The petitioner has come up with this contempt petition alleging that the respondent has not complied with the order of this Court, dated 15.05.2019, passed in W.P.(MD).No.12159 of 2019.

2. It is seen that by pledging jewels on various dates, the petitioner obtained loan from the respondent Bank. As the interest due was not paid, the respondent issued auction notice dated 09.05.2019. The petitioner has filed the Writ Petition against the auction notice dated 09.05.2019. As the petitioner produced a demand draft for Rs.1,20,000/- and he expressed his willingness to pay balance amount, this Court, by order dated 15.05.2019 set aside the auction notice in respect item Nos.1, 2 and 3 and directed the petitioner to pay the balance amount within a period of four weeks. Now, the petitioner has filed this contempt petition stating that even after receipt of balance amount, the respondent did not return the jewels.

3.Today, the respondent/contemnor is present before this Court along with his counsel. The learned counsel appearing for the respondent/contemnor submitted that the petitioner has obtained various loans in the very same bank and in the jewel loan agreement



itself, he agreed to hold the jewels by the respondent Bank as security for the other loans and therefore, the respondent Bank is not in a position to return the jewels.

4. Clauses 14 to 16 of all the jewel loans agreements read as follows:

"14.... The Borrower(s) hereby agrees that the Bank may hold the pledged goods and the proceeds thereof and appropriate/set off the same not only as a security for the said loan but also as collateral security for any other moneys now due or which may at any time be due from the borrower(s) to the Bank, whether as a Borrower(s) or Guarantor singly or jointly with another or others and that this right shall in addition to any general lien or similar right to which the Bank may be entitled by law. The Bank may at any time and without notice to the Borrower(s) combine or consolidate all or any of the Borrower(s)'s accounts with and liabilities to the Bank and set off or transfer any sum standing to the credit of any one or more of such accounts and/or the sale proceeds of the pledged goods in or towards satisfaction of any of the liabilities of the Borrower(s) to the Bank on any other account or in any other respect which such liabilities be actual or contingent primary or collateral and several or joint.

15. The Borrower(s) confirms that he/they has/have not borrowed any moneys from any other Bank of Cooperative Society or from any other source whatsoever and whomsoever and further that so long as the Borrower(s) continues to be indebted or liable to the Bank in the said Loan Account or in any other Account or manner the Borrower(s) shall not without the previous written consent of the Bank borrow any moneys from any other Bank or Cooperative society or financier or from any such other source."

5. As the petitioner obtained jewel loans agreeing the above clauses, now, he cannot forgo the same. In view of the above, the question of contempt does not arise. Hence, this Court is inclined to close this contempt and accordingly, this Contempt Petition is closed. No costs.

Sd/-

Assistant Registrar(CO)

/True Copy/

Sub Assistant Registrar

+1cc to M/s.J.Jeyakumaran, Advocate, Sr.No.102623

+1cc to M/S.Pala Ramasamy, Advocate, Sr.No.102596

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