



W.P.(MD).No.12860 of 2012

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BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

DATED: 27.06.2022

CORAM

THE HON'BLE MR.JUSTICE R.VIJAYAKUMAR

W.P.(MD).No.12860 of 2012

and

M.P(MD)No.1 of 2012

M.Narayanan

... Petitioner

Vs.

1.The District Collector,
Dindigul District,
Dindigul.

2.The District Revenue Officer,
Dindigul.

3.The Revenue Divisional Officer,
Dindigul,
Dindigul District.

4.The Revenue Divisional Officer,
Palani,
Dindigul District.

5.The Revenue Divisional Officer,
Kodaikanal,
Dindigul District.

... Respondents



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PRAYER : Writ Petition filed under Article 226 of the Constitution of India, praying this Court to issue a Writ of Certiorari, to call for the records pertaining to the impugned order passed by the second respondent in Na.Ka.No.27499/2012/C.4 dated 26.09.2012, quash the same.

For Petitioner : Mr.M.Saravanan
for Mr.R.Bala Subramanian
For Respondents : Mr.S.Shanmugavel
Additional Government Pleader

ORDER

The present writ petition has been filed challenging an order passed by the second respondent herein, under which the writ petitioner was prohibited from conducting any auction calling himself to be a Government authorized auctioneer.

2. The petitioner is admittedly having a licence under the Tamil Nadu Pawn Brokers Act, 1943 to act as an approved auctioneer for sale of time barred and unredeemed pledges. The said license has been granted in favour of the writ petitioner vide order, dated 08.09.1998 by



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the second respondent. However, the writ petitioner is also functioning as an auctioneer on behalf of various non banking financial corporations, which are approved by Reserve Bank of India. The said non banking corporations are entitled to auction the unredeemed pledges. The petitioner is acting as an authorized agent of those non banking financial corporations and help them in auctioning the unredeemed jewels. The present impugned order has been passed by the second respondent herein, under which he has been prohibited to act as an auctioneer of these non banking financial corporations, proclaiming himself to be a Government authorized auctioneer. This order is under challenge in the present writ petition.

3. The learned counsel for the petitioner has contended that he is just facilitating the auctioning process of the non banking financial corporations, which are approved by the Reserved Bank of India. Only when he is exercising his powers under the Tamil Nadu Pawn Brokers Act 1943, the question of approaching the second respondent herein for a prior permission would arise. In all other cases, where he is acting as an



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authorized agent of non banking private financial corporations, he is only facilitating them and the second respondent has no jurisdiction, whatsoever to prohibit him from acting as an auctioneer. Hence, he prayed for setting aside the order passed by the second respondent.

4. Per contra, the learned counsel for the official respondents had contended that the writ petitioner is in the habit of making publication in Tamil newspapers that he is a Government authorized auctioneer while auctioning the jewels pledged in non banking financial corporations. Hence, the second respondent was right in interfering in the rights of the petitioner so as to protect the general public from being duped by the writ petitioner. Hence, he prayed for sustaining the impugned order.

5. I have carefully considered the submissions made on either side.

6. No doubt, the petitioner is having a license under the Tamil Nadu Pawn Brokers Act, 1943. The petitioner can proclaim himself to be a Government authorized auctioneer only when he is exercising his



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powers under the said Act, but that too, he can exercise the said powers only after obtaining prior permission from the second respondent herein.

Whenever he is acting as an authorized agent for a non banking private financial corporations, he cannot proclaim or advertise himself to be a Government authorized auctioneer relying upon the license granted to him by the second respondent herein under the Tamil nadu Pawn Brokers Act, 1943.

7. The impugned order passed by the second respondent herein totally prohibits the writ petitioner from acting as an agent, even for an non banking financial corporations . However, the second respondent will not have any jurisdiction to pass such a blanket order as against the profession of the writ petitioner.

8. In view of the above said facts, the following orders are passed:

- (i) The impugned order passed by the second respondent herein is set aside.
- (ii) The petitioner cannot proclaim or advertise



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himself to be a Government authorized auctioneer, when he is conducting auction on behalf of private non banking financial corporations.

(iii) In case the petitioner proclaims or advertises himself as a Government authorized auctioneer while conducting auction for private companies, the second respondent is always at liberty to initiate action in future.

9. With the above said observations, this Writ Petition is allowed.

No costs. Consequently, connected Miscellaneous Petition is closed.

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Index : Yes / No
Internet : Yes / No

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R.VIJAYAKUMAR ,J.

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Order made in
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