BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

DATED : 12.08.2022

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THE HONOURABLE MR.JUSTICE G.R.SWAMINATHAN

W.P.(MD)No.13861 of 2022

A.Chandran ... Petitioner

Vs

1.The Zonal Manager,
Indian Bank,
East Avani Moola Street,
Madurai,
Madurai District.

2.The Branch Manager,
Indian Bank,
Gnanaolivupuram Branch,
Madurai,
Madurai District. ... Respondents

Prayer: Writ Petition filed under Article 226 of the Constitution of India praying to issue a Writ of Certiorarified Mandamus, to call for the impugned communication under Ref. No.S140:107: 2021-2022 dated 11.01.2022 issued by the second respondent and quash the same as illegal and arbitrary and consequently, direct the respondents 1 and 2 to release the jewelries belonging to the petitioner by accepting the payment of Rs.1,00,000/- which is being the principal towards the Jewel Loan Account bearing JL No.470443071 and also release the jewels which were pledged Vide JL No.470433117 for Rs.44 000/- as the same was fully settled in the year 2009 forthwith.

For Petitioner : Mr.J.Sankara Pandian

For Respondents : Mr.M.Senthil Kumar
Standing Counsel

ORDER

Heard the learned counsel appearing for the writ petitioner and the learned Standing Counsel appearing for the respondent Bank.

2. The writ petitioner and his wife pledged their jewels with the respondent Bank under two loan accounts. Under one loan account they availed a sum of Rs,1,00,000/- (Rupees One Lakh only) and under the other loan account they availed a sum of Rs.44,000/- (Rupees Forty Four Thousand only). The petitioner got implicated in a corruption case.

3.It was a case of possession of asserts disproportionate to their known sources of income. They were originally convicted. Their conviction and sentence were set aside and they were acquitted vide the judgment dated 21.12.2018 in Crl.A(MD)No.23 of 2016. Even though the petitioner was ready to redeem the pledged jewels even at the relevant time, on account of the pendency of the criminal case, the Bank declined to permit redemption. In fact, they did so based on the instruction of the Vigilance and Anti Corruption Department. Now that the case has ended in acquittal, the writ petitioner is very much entitled to redemption.

4.The question that arises for consideration is what is the amount payable by the writ petitioner. There is no dispute that waiver scheme was announced in respect of the second loan account for a sum of Rs.44,000/- (Rupees Forty Four Thousand only). There is some controversy regarding the exact amount payable by the writ petitioner. I am not inclined to go into the said factual aspects. From the account statement filed by the Bank, the outstanding amount payable by the writ petitioner was as follows:

> *"In respect of the first account as on 31.08.2008, Rs.1,31,672/- (Rupees One Lakh Thirty One Thousand Six Hundred and Seventy Two only) in respect of the second account as on 25.02.2010, Rs.11,577/- (Rupees Eleven Thousand Five Hundred and Seventy Seven only)."*

5.The fact remains that the writ petitioner was always ready and willing to redeem the pledged items. At the same time, I must take note of the fact that nothing prevented the writ petitioner from filing a redemtion suit. If he deposited the amount then and there, interest would not have accumulated thereafter. The petitioner did not do so. The writ petition itself came to be filed only in 2022. Therefore, the petitioner has to necessarily bear the interest burden.

6.The learned Standing Counsel appearing for the respondents would strongly contend that the loan accounts on hand not being agricultural loans, annual compound interest will have to be added. In view of the stand originally taken by the respondent Bank that they would only permit payment of the loan amount but they would not release the pledged items, considerations of equity will have to be kept in view.

7.In view of the same, interest percentage can be 7.5% per annum. The writ petitioner is directed to pay the amount of Rs.1,31,672/- (Rupees One Lakh Thirty One Thousand Six Hundred and Seventy Two only) with 7.5% per annum (Simple Interest) to be computed from 31.08.2008 and Rs.11,577/- (Rupees Eleven Thousand Five Hundred and Seventy Seven only) with 7.5% per annum from 25.02.2010. On such payment, the pledged items will be returned to the writ petitioner.

8.This writ petition is allowed on these terms. No costs.

12.08.2022

Index : Yes / No
Internet : Yes/ No
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G.R.SWAMINATHAN, J.

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