



WEB COPY

WP No. 26058 of 2021



IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 16-10-2025

CORAM

THE HONOURABLE MR JUSTICE M.DHANDAPANI

WP No. 26058 of 2021

C.Soundararaj

Petitioner(s)

Vs

1. The Reserve Bank of India
Rep by its General Manager,
No. 16, Rajaji Salai, Chennai.

2.M/s. Kotak Mahindra Prime Ltd
No. 1056-cC, 1st Floor, U. R. House,
Avinashi Road, Coimbatore - 18.

3.The Sole Arbitrator
S. S. Mariappan, E1/63,
Sidco Nagar, 5th Main Road,
Villivakkam, Chennai - 49.

4.Sri Hari Saravanan
Ram Nagar, D. No. 26,
Coimbatore - 9.

Respondent(s)

PRAYER: This writ petition has been filed under Article 226 of Constitution of India, to issue a certiorarified Mandamus to call for the records relating to the impugned sale notice issued by the 2nd respondent dated 30.8.2021 and quash the same as illegal and consequently direct them to regulate the rate of Interest and penal interest as exorbitantly charged in violation of the RBI guidelines and consequently forbear them from taking all further action in respect of the hypothecation loan agreement of the vehicle Maruthi Ciaz Alpha bearing its Registration No. TN 37DD 2846.



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For Petitioner(s): Mr.S.Arivalagan
For Respondent(s): RR1 & 2 - no appearance
RRR3 & 4 – Not ready notice

ORDER

This Writ petition has been filed seeking to quash the impugned sale notice issued by the 2nd respondent dated 30.8.2021 and quash the same as illegal and consequently direct them to regulate the rate of Interest and penal interest as exorbitantly charged in violation of the RBI guidelines and consequently forbear them from taking all further action in respect of the hypothecation loan agreement of the vehicle Maruthi Ciaz Alpha bearing its Registration No. TN 37DD 2846.

2. On 09.01.2019, the petitioner has availed loan from the second respondent for a sum of Rs.9,40,000/- and directing the petitioner to pay margin money of Rs.2,50,000/- for that the petitioner had exchanged his old car of Maruti Esteem and purchased a new car on 12.01.2019. On 07.07.2021 the second respondent bank staff and their henchmen by using goondas forcibly taken away the vehicle and on 30.07.2021 the petitioner had received an Arbitration Notice from the third respondent. In that letter, he had intimated that he was appointed as as sole Arbitrator by the second respondent and he intimate the petitioner to appear before him on 08.09.2021 at about 11.30 PM at Chennai without fail. The second respondent Bank had sold out the vehicle to the 4th



respondent for a sum of Rs.7,15,000/- . On 30.08.2021. the petitioner send a notice stating that the petitioner vehicle was sold out for a sum of Rs.7,15,000/- and the petitioner have to pay Rs.2,28,048/- more towards car loan. Challenging the said order, the present writ petition has been filed.

3. The learned counsel for the petitioner submitted that the second respondent bank failed to intimate prior notice to the petitioner about the public auction sale and also failed to give opportunity to participate in the auction sale. Further, the present impugned order passed by the second respondent has been passed without any details with regard to the Arbitration Award and payment of the money paid by the petitioner and the balance amount to be paid, which is not sustainable.

4. Considering the fact that since it is a dispute with regard to the subject matter in question between the parties, which is purely civil in nature. In view of the above disputed question of fact, this Court cannot be decided the issue. If the petitioner is aggrieved, he has to file appropriate a suit/petition either before the competent civil court or before the appellate authority.

5. Hence, this Court, without going into the merits of the case, permit the petitioner to file a suit against the respondents before the competent forum for establishment of his right over the subject property. If the petitioner file a suit,



the concerned Judge, shall decide the issue independently on merits and in accordance with law. The period pending before this Court is excluded for the purpose of limitation.

6. With the above directions, the writ petition is dismissed. No costs.

Consequently, connected miscellaneous petitions are also closed.

16-10-2025

rli

Index:Yes/No

Speaking/Non-speaking order

Internet:Yes

Neutral Citation:Yes/No

To

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