

Present : Ennis J.

1922.

APPUHAMY v. FERNANDO.

180—C. R. Chilaw, 20,457.

*Person acting as pawnbroker without a licence—Action for money lent—  
Is contract void?—Pawnbrokers' Ordinance, No. 8 of 1893.*

Plaintiff was convicted for acting as a pawnbroker without a licence, and was ordered to return the pledges to the persons who gave them. He thereafter brought this action for recovery of money lent.

*Held*, that the contract was not void, and that the action was maintainable.

**T**HE facts are set out in the judgment.

*L. H. de Alwis*, for appellant.

September 22, 1922. ENNIS J.—

This was an action for money lent. It appears that the plaintiff had acted as pawnbroker without taking a licence as required by Ordinance No. 8 of 1893. He was convicted on a breach of the Ordinance, and, I am told, by the order of the Commissioner the pledges were returned to the persons who gave them.

The broker thereupon brought the present action for the recovery of money lent. The learned Judge held that the contract between the plaintiff and the defendant was a contract prohibited by Statute, and was therefore a void contract.

I am unable to see anything in the Ordinance of 1893, which prohibits the contract. The learned Judge appears to have been referred to some old case based on section 25 of Ordinance No. 17 of 1844. That section was repealed in 1865, and substantially re-enacted, and it was subsequently repealed by section 3 of the Ordinance No. 8 of 1871, and it has not been re-enacted in any way in the Ordinance No. 8 of 1893. The case cited to the learned Commissioner, therefore, has no bearing on this case. The loan of the money was nowhere made illegal, and the plaintiff should have been given judgment.

I set aside the decree appealed from, and give judgment for the plaintiff, with costs, in the Court below and on appeal.

*Set aside.*