

THE HON'BLE SRI JUSTICE SANJAY KUMAR

WRIT PETITION NO.15664 OF 2015

DATED 12th JUNE, 2015

Between:

S. Narsing Rao

.. Petitioner

and

State Bank of India rep. by its
Asst. General Manager, RACTC,
Patny Circle, Secunderabad.

.. Respondent

THE HON'BLE SRI JUSTICE SANJAY KUMAR

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ORDER

The grievance of the petitioner is that the State Bank of India, Secunderabad, the respondent herein, is not delivering the original property documents which were taken as security for the housing loan under Account No.66001187453.

Sri B.S. Prasad, learned standing counsel for the respondent bank, having

obtained instructions in the matter, informed this Court that the petitioner seems to have purchased the property under an agreement of sale-cum-general power of attorney deed from one Dhanraj who had offered the property in question as security for the loan availed by him under Account No.66001187453.

It is not in dispute that this loan has been cleared and the material placed on record demonstrates that the petitioner himself repaid part of the loan after entering into the transaction with his vendor, the owner of the property in question. The agreement of sale, under which the petitioner claims rights, is a registered document bearing document No.4222/2007 and was registered before the Joint Sub-Registrar, Kukatpally, Ranga Reddy District. The vendor of the petitioner also addressed a letter, signed by him on 18.06.2007, requesting the bank to hand over the original registered document relating to the property, which was kept as security, to the petitioner herein.

Sri B.S. Prasad, learned standing counsel, would however state that this letter is not available in the records of the bank. Perusal of the signature in this letter shows that it tallies with the signature in the registered agreement of sale.

In the light of the aforestated facts, this Court is of the opinion that the bank has no legal right to retain the original property documents which were kept with it as security for a loan once the said loan is repaid in full. The only apprehension voiced by the bank is that in the event the vendor, who had deposited the said property document, complains thereafter the bank may be found fault with.

In the light of the letter executed by the vendor and the registered transaction entered into by him with the petitioner, this Court is of the opinion that the apprehension of the bank is without basis. However, by way of abundant caution, the bank would be at liberty to obtain an indemnity bond from the petitioner in so far as the release of the registered document to him is concerned. Upon obtaining such an indemnity bond, the bank shall hand over the original property document(s) which were kept as security for the housing loan bearing Account No.66001187453. This exercise shall be completed within two weeks from the date of receipt of a copy of this order.

With the above directions, the writ petition is disposed of. Pending miscellaneous petitions shall stand closed in the light of this final order. No order as to costs.

SANJAY KUMAR, J

12th JUNE, 2015

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