13th January, 2021.
(as)
09

W.P.A.95 of 2021

(Via Video Conference)

M/s. Priyanka Niketan Pvt. Ltd. & Anr.
-vs-
Canara Bank & Anr.

Mr. Sourabh Guhathakurata,
Mr. Sourav Sardar.
...for the Petitioners.

Mr. Subhas Chandra Sarkar.
...for the Respondent Bank.

The petitioners allege that the petitioners purchased the property-in-dispute from the defendants in a proceeding pending before the Debts Recovery Tribunal and foreclosed the mortgage of the bank in terms of an award passed by the Lok Adalat, to which the matter was referred. Learned counsel for the petitioners places reliance on Annexure P-5, at page 46 of the writ petition, which is a copy of such award.

Learned counsel for the petitioners submits that, as borne out by Annexure P-8 at page 51 of the writ petition, the entire settled amount was paid by the writ petitioner to the bank, which submission is not controverted by the respondent Bank. In fact, "no dues certificate" was issued on October 16, 2020 in favour of the writ petitioners, since the writ petitioners had put in requisite amount in full and final settlement of the claim against the defendants. Subsequently, when the writ petitioners approached the bank for release of the title deeds, the bank refused the same on the ground that the Debts Recovery Tribunal had directed return of the title deeds to the defendants and not the present petitioner, who had intervened in the meantime.

Learned counsel for the respondent bank sticks to the same stand and submits that the bank would be failing in its duty if it violated the specific order of the tribunal and handed over the title deeds to the petitioner instead of the defendants, irrespective of the fact that the petitioner deposited the settled amount.

Upon considering the submissions of the parties, it appears that the Debts Recovery Tribunal directed return of the title deeds to the defendants, since initially those were deposited by the defendants in the debts recovery proceedings. However, in view of the settlement of dues by the present writ petitioner and issuance of "no dues certificate" in favour of the petitioners, there cannot be any impediment in release of the title deeds in favour of the petitioners, subject to the petitioners satisfying the bank authorities, prima facie, as regards the petitioners' transfer deeds in support of the rights of the petitioners to get back the title deeds.

The expression "defendants", as used in the order dated November 09, 2020 passed by the Debts Recovery

Tribunal-1 , Kolkata, in Case No.OA/147/2012, can thus be construed as “the defendants or their transferees”. Such an interpretation would be in consonance with the factual matrix of the present case as well. However, as rightly pointed out on behalf of the bank, the petitioners have to satisfy the bank, prima facie, as regards purchase of the property by the petitioners from the defendants in the meantime.

Accordingly, WPA 95 of 2021 is disposed of by directing the respondent bank to release the title deeds-in-question in favour of the petitioners, subject to the petitioners submitting copies, and producing for perusal of the authorities, the originals of relevant transfer deeds in favour of the petitioners executed by the defendants in the original proceeding to expedite the petitioners’ claim of entitlement to the title deeds.

It is made clear that upon production of such documents in original and submission of copies thereof, the bank shall release the title deeds in favour of the petitioners, unless there is any gross discrepancy in such deeds. It is further clarified that the bank need not go to the extent of adjudication of the title of the petitioners. It is the only the civil courts which can examine the documents for the purpose for adjudicating whether the petitioners have title to the property.

Such exercise shall be completed by the bank at the earliest after being approached by the petitioners on that score.

The parties shall act on the communication of this order by counsel and/or server copies, without insisting upon prior production of certified copy thereof.

There will be no order as to costs.

Urgent photostat copies of this order, if applied for, be given to the parties upon compliance of all requisite formalities.

(Sabyasachi Bhattacharyya, J.)