19 **28.03.2025**

Ct. No. 28

Ab

WPA 26701 of 2024

Biswajit Pal and another
Vs.
The Union of India and others.

Mr. N.C. Behani,
Mr. P. B. Bihani,
Mr. M. Moitra.
... for the writ petitioners.
Mr. Madhu Jana,
Mr. Golam Zaky,
Ms. Ritika Chowdhury.
... for the respondent no. 1.

The affidavit of service filed in Court today is taken on record.

It appears from the affidavit of service that the bank has been informed that the matter would be listed before this Court on March 28, 2025 in terms of the direction passed on the last date. Despite the second service, the bank is unrepresented.

The writ petitioners are aggrieved by non-issuance of 'No Dues' or 'No Liability' Certificate by the bank in favour of the writ petitioners despite the writ petitioners having paid the sum settled by the Lok Adalat in respect of the loan borrowed by the writ petitioners from the respondent/bank.

As has been recorded in the order dated March 26, 2025 passed by this Court, the National Lok Adalat held at Alipore had passed an award whereby the loan transaction between the Bank and the writ petitioners-borrowers was settled and was supposed to be closed upon payment of a sum of Rs. 3,00,000/- (Rupees three lakh) by the borrowers to the bank. In fact the said award dated September 9, 2023 (a copy whereof appears at page 21 of the writ petition) clearly mandates inter alia that "E. On full and final payment of the awarded amount: The petitioner shall issue 'no dues' or 'no liability' or 'closure' certificate as the case may be, in favour of the default customer/O.P. within 15 days from the last and final payment. The instant Pre-litigation case is thus disposed of finally”.

It appears from a letter dated February 28, 2024 issued by the respondent/bank to the writ petitioners that the writ petitioners-borrowers have already deposited the settled sum of Rs. 3,00,000/- (Rupees three lakh) with the bank and that the bank has not yet issued the ‘No Dues’ or ‘No Liability’ Certificate to the writ petitioners on the specious ground that the matter is pending with CGTMSE.

Once the borrowers have paid the settled sum in terms of the award made by the Lok Adalat, it is no longer open to the bank to withhold the ‘No Dues’ or ‘No Liability’ Certificate and keep the writ petitioners on tenterhooks.

The bank is, therefore, directed to issue ‘No Dues’ or ‘No Liability’ or ‘Closure’ Certificate to the writ petitioners in respect of the loan that got settled by the Lok Adalat by its award dated September 9, 2023 within a period of two weeks from the date of receipt of the copy of this order.

With these observations, the writ petition is disposed of.

There shall, however, be no order as to costs.

(Om Narayan Rai, J.)