



IN THE HIGH COURT OF JUDICATURE OF BOMBAY
BENCH AT AURANGABAD

WRIT PETITION NO.6491 OF 2018

Narayan s/o Shrimant Munde,
Age 76 years, Occu. Agri. & Social work,
R/o Rashtramata Indira Gandhi College,
Jalna, Tal. & Dist. Jalna.

... PETITIONER

VERSUS

- 1) The Zonal Manager,
State Bank of India (Old SBH),
Zonal Office, 418, Plot No.1,
Town Centre, CIDCO, Aurangabad
Tal. & Dist. Aurangabad
- 2) The Assistant General Manager,
State Bank of India, RBO,
Plot No.79, Town Centre, CIDCO,
Aurangabad, Dist. Aurangabad
- 3) The Branch Manager,
State Bank of India (Old SBH),
June Mondha Branch,
Near Gandhi Chaman,
Jalna, Tal. & Dist. Jalna

... RESPONDENTS

.....
Mr. S.S. Thombre, Advocate for Petitioner
Mr. R.D. Deshpande, Advocate for Respondens No.2 & 3
.....

CORAM: ALOK ARADHE, CJ. &
S.G. CHAPALGAONKAR, J.

DATE: 20th MARCH, 2025.

ORAL JUDGMENT (PER : CHIEF JUSTICE) :

1. Rule. Rule is made returnable forthwith. By consent of the learned Counsel for the parties, the Writ Petition is heard finally.

2. By this Writ Petition, the Petitioner, *inter-alia*, seeks a direction to refund the amount of Demand Draft No.636124 with the possession of the Petitioner.

3. Facts giving rise to filing of the Writ Petition, briefly stated, are that, the Petitioner is an agriculturist. The Petitioner, on 13/12/2008, has purchased a Demand Draft for a sum of Rs.15,49,136/- in the name of Shubhada Co-operative Housing Society. The aforesaid Demand Draft was purchased by the Petitioner in favour of the Society as a consideration for the Flat which was purchased by the Petitioner. However, there was a dispute between the Petitioner and the Society and the Flat was not allotted to the Petitioner. Therefore, the Petitioner did not hand over the

Demand Draft to the Society and the same was not encashed by the Society.

4. The Petitioner submitted an application to the Assistant General Manager, State Bank of India, RBO, Plot No.79, Town Centre, Cidco, Aurangabad seeking the information about the Demand Draft. Thereupon, the Petitioner, by a communication dated 19/6/2015 was informed that the said Demand Draft No.636124 dated 13/12/2008 for a sum of Rs.15,49,136/- is issued on the Service Branch of State Bank of India, Mumbai. Thereupon, the Petitioner filed an application on 5/10/2017, requesting the respondents to refund the amount of Demand Draft. Thereupon, the Petitioner, by communication dated 5/10/2017, was informed that the application of the Petitioner has been forwarded for legal advice, but no legal advice has been received. The Petitioner thereupon again made an application 1/11/2017 and it was informed that as the said Demand Draft was not encashed, however, the communication sent by the Petitioner failed to evoke any response. Hence this Petition.

5. Learned Counsel for the Petitioner submitted that, the action of the respondents in not refunding the amount of Demand draft is arbitrary and irrational. The respondent, which is an instrumentality for the purpose of Article 12 of the Constitution of India, cannot be permitted to act in an arbitrary and unfair manner while dealing with its clients.

6. On the other hand, learned Counsel for the respondents, while inviting attention of this Court to communication dated 4/1/2020 sent by the Bank to the Petitioner, submitted that, in case the Petitioner produces the original Demand Draft and No Objection Certificate from the Society, the amount of Demand Draft shall be paid to him.

7. We have considered the rival submissions of both sides and have perused the record.

8. Admittedly, the Respondent is an instrumentality of the State within the meaning of Article 12 of the Constitution of India and supposed to act in fair, rational and reasonable manner. It is not in dispute that the Petitioner has purchased the Demand Draft for a sum of Rs.15,49,136/-. It is also not in dispute that the said

Demand Draft No.636124 neither encashed nor paid and it is also not in dispute that the Society has not allotted the flat to the Petitioner. There appears to be no justification on the part of the Respondents in withholding the amount of Demand Draft for past 15 years with them. The insistence of the Respondent that the Petitioner must use the No Objection Certificate of the Society has no sanctity of law as no provision of law requires that before encashing the Demand Draft by its purchaser, the No Objection Certificate from its proposed beneficiary should be sought. The aforesaid contentions made on behalf of the Respondent Bank are without substance and, therefore, cannot be accepted. It is, therefore, directed that, in case the Petitioner produces the original Demand Draft before the Respondent Branch Manager, State Bank of India (Old SBH), June Mondha Branch, Jalna, the amount of Rs.15,49,136/- shall be refunded to him. Accordingly, the Writ Petition is disposed of. Rule made absolute in above terms.

(S.G. CHAPALGAONKAR, J.)

(CHIEF JUSTICE)

FMPathan/-