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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**

\+ W.P.(C) 8965/2023 & CM APPL. 34013/2023

PUSHPA GUPTA .....Petitioner

Through: Mr. Vijay Nair and Mr. Arpit Dwivedi, Advs.

versus

PUNJAB NATIONAL BANK .....Respondent

Through: Mr. S.K. Sharma and Mr. Kailash Sharma, Advs.

CORAM:
HON'BLE MR. JUSTICE VIKAS MAHAJAN

O R D E R

% 26.08.2025

1. The present petition has been filed seeking direction to respondent/bank to forthwith release the original documents pertaining to mortgaged property bearing Flat No.106, 1st Floor, Pocket-I, Jasola, New Delhi owned by petitioner Mrs. Pushpa Gupta.

2. Mr. Vijay Nair, learned counsel appearing on behalf of petitioner submits that the petitioner had stood as guarantor to secure credit facilities advanced by respondent/bank to Gupta Promoters Pvt. Ltd (hereinafter referred to as 'borrower').

3. He submits that the said company has repaid all the dues of respondent/bank and NOC has also been issued by the bank.

4. To buttress his contention, he has invited attention of the Court to NOC dated 21.06.2016 (Annexure P-4) issued by erstwhile Oriental Bank of Commerce, which has now merged with respondent i.e. Punjab National Bank.

5. He submits that the entire outstanding having been repaid by

petitioner, the respondent/bank cannot legally withhold the title deeds of the mortgaged property.

6. *Per contra*, Mr. S.K. Sharma, learned counsel appearing on behalf of respondent/bank submits that though the entire outstanding dues have been repaid by petitioner, however, respondent/bank has retained the title deeds since directors of petitioners are also directors in another company namely, Gupta Exim India Pvt. Ltd., which still owes substantial amount to respondent/bank.

7. Mr. Nair submits that respondent/bank cannot withhold the title deeds which have been deposited by the petitioner, for the reason that a group company of borrower owes substantial amount to respondent/bank.

8. In support of his submission, he has placed reliance on the decision of the Co-ordinate Bench of this Court in ***Indus Sor Urja Private Limited v. Indian Bank, 2024 SCC OnLine Del 1586***. In the said decision, this Court in somewhat circumstances had observed as follows:

> *"16. Thus, it is apparent that the Term Loan, for which the subject property had been mortgaged, has been closed by repayment of the entire outstanding sum.* ***The respondent-bank itself has issued a No Dues Certificate dated 01st November, 2022 confirming that the entire loan stands repaid and that it has no objection in release of the charge over the subject property. Accordingly, there is no basis in law or in facts for the respondent-bank to not handover the original title deeds of the mortgaged property to the petitioner****.*
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> *17.* ***Once the entire loan stands repaid and the loan account is closed, the security given in the form of the subject property, has to be released. The respondent-bank cannot continue to withhold the security. This action of the respondent-bank is without any authority of law****."*

(emphasis supplied)

9. However, on a query posed by the Court to Mr. Sharma, he fairly concedes that insofar as borrower is concerned, it does not owe any money to respondent/bank and even NOC has been issued.

10. In that view of the matter and in light of the law exposited in ***Indus Sor Urja Private Limited*** (supra), this Court is of the considered view that the present petition deserves to be allowed. It is ordered accordingly.

11. Consequently, respondent/bank is directed to release the tile deeds of the property bearing bearing Flat No.106, 1st Floor, Pocket-I, Jasola, New Delhi to petitioner and discharge the personal guarantee of petitioner, within a period of four weeks from today.

12. The petition stands disposed of in the aforesaid terms.

VIKAS MAHAJAN, J

AUGUST 26, 2025
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