

**IN THE HIGH COURT OF PUNJAB AND HARYANA AT
CHANDIGARH**

CWP-29778-2019

Date of Decision: 16.10.2019

Sanjay Gupta

. Petitioner

Vs.

State Bank of India and others

. Respondents

**CORAM: HON'BLE MR.JUSTICE RAKESH KUMAR JAIN
HON'BLE MR.JUSTICE ARUN KUMAR TYAGI**

Present: - Mr.Saurabh Kapoor, Advocate,
for the petitioner.

RAKESH KUMAR JAIN, J.

The petitioner has prayed for the issuance of a writ in the nature of certiorari for quashing the *show cause* notices dated 30.8.2016 and 28.02.2019.

The petitioner was a director of the company, namely, M/s Supreme Tex Mart Ltd. Respondent No.1 sent a *show cause* notice on 30.8.2016 to the petitioner, being one of the directors of the company, asking him to show cause as to why his name should not be included in the list of willful defaulters as per the RBI guidelines as the company has defaulted in repayment of the loan, its account was classified as NPA w.e.f. 31.03.2010 and willful defaulter identification committee of the Bank [hereinafter referred to as 'the Committee'], after examining the conduct of the account and utilization of credit facilities, had concluded that their act and conduct comes within the perview of willful default. The petitioner had allegedly filed a reply to the *show cause* notice on 10.01.2017 in which he had alleged that since he had already resigned from the company in the year

2013, therefore, had no role in default of repayment of the amount. It is further alleged that the petitioner was informed by the Bank that he would be granted an opportunity of personal hearing before the Committee. The petitioner had allegedly appeared before the Committee and requested for deletion of his name from the list of willful defaulters. It is also averred that the Committee had assured that his name would be deleted but he again received a *show cause notice* dated 28.02.2019. The petitioner had allegedly sent an email to the respondent for excluding his name from the list of willful defaulters and has now filed the present petition.

The main thrust of the argument of the petitioner is that his name has already been excluded from the list of willful defaulters and therefore the second *show cause* notice dated 28.02.2019 is illegal.

We have heard learned counsel for the petitioner and after perusal of record, are of the considered opinion that there is no evidence brought on record by the petitioner that the Committee had already excluded his name from the list of willful defaulters on his representation that he had already resigned from the post of Director of the company in the year 2013. Moreover, it is a case where the petitioner has challenged the *show cause* notice, therefore, we are of the considered opinion that in such circumstances, the petitioner should represent to the respondents in response to the *show cause* notice because he was given an opportunity of personal hearing to make his submissions through video conferencing which was arranged by the bank and was fixed for 16.3.2019 but it appears that the petitioner has not availed that opportunity.

Thus, in view of the aforesaid facts and circumstances, we do not find any reason to interfere in this writ petition and the same is hereby dismissed but the petitioner is relegated to his remedy of making a

representation again to the respondent-bank, if so advised, in response to the second *show cause* notice. If any such response is filed even now by the petitioner within a period of 15 days from the date of receipt of certified copy of this order, the respondent-bank shall give an opportunity of hearing to the petitioner and decide the representation in accordance with law.

(RAKESH KUMAR JAIN)
JUDGE

16.10.2019
Vivek

(ARUN KUMAR TYAGI)
JUDGE

Whether speaking /reasoned : *Yes/No*
Whether Reportable : *Yes/No*