



WEB COPY

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED:13.12.2021

CORAM

THE HONOURABLE MR.JUSTICE M.DHANDAPANI

W.P.NO.26347 of 2021

and

W.M.P.No.27834 of 2021

Mr. Joseph Paul Chaly
(Former Non-Executive Director of
M/s. ReGen Infrastructure and Services Pvt.Lvt.)
Aged about 66 years,
S/o. Late, Paul Chaly,
D-903, 10, Kasturkunj,
Bhosale Nagar, ICS Colony,
Ganeshkhind Road,
Pune-411 007.

...Petitioner

Vs

1. Ministry of Finance,
Represented by its Secretary,
Department of Financial Services,
Jeevan Deep Building,
Parliament Street,
New Delhi-110 001.
2. Reserve Bank of India,
Represented by its Chief General Manager,
Department of Banking Operations & Development,
Central Office, 13th Floor,
Central Office Building,
Shahid Bhagat Singh Road,
Mumbai-400 001.
3. State Bank of India,
Represented by its
Deputy General Manager,
Stressed Assets Management Branch,
Red Cross Buildings,
32, Red Cross Road,
Egmore, Chennai-600 008.



WEB COPY

4. Wilful Defaulters Identification Committee,
State Bank of India,
Stressed Assets Management Branch,
Red Cross Buildings,
32, Red Cross Road,
Egmore, Chennai-600 008.

5. Wilful Defaulters Review Committee,
State Bank of India,
Stressed Assets Management Branch,
Red Cross Buildings,
32, Red Cross Road,
Egmore, Chennai-600 008.

...Respondents

PRAYER: Petition filed under Article 226 of the Constitution of India to issue a Writ of Mandamus, directing the respondents herein from taking any coercive action including circulating/publishing the name of the petitioner herein as "Wilful Defaulter" before any authority/Department or anywhere else or take any other action in the respect of the petitioner pursuant to the order passed by the 4th respondent i.e., the wilful defaulter Identification Committee (WDIC) of the 3rd Respondent vide SBI/SAMB/CHE/CLO V/2021-2022/281 dated 13.07.2021 pending disposal of the review petition filed by the petitioner herein dated 28.07.2021 before the 5th Respondent i.e., the Wilful Defaulter Review Committee (WDRC) of the 3rd Respondent herein.

For petitioner : Mr. Hishita Madhan

For 1st Respondent : Mr. M. Sathyan,
Additional Central Government
Standing Counsel

ORDER

The petitioner has filed this petition seeking issuance of a Writ of Mandamus, directing the respondents not to take any coercive steps pursuant to the impugned order passed by the 4th Respondent till the disposal of the review petitioner which is pending on the file of the 5th respondent.

2. Mr.M.Sathyan, Additional Central Government Standing Counsel takes notice for the 1st Respondent.

3. The case of the petitioner is that the petitioner being a former Non-Executive Director on the board of M/s. ReGen



Infrastructure and Services Pvt. Ltd (for short "RISPL") was issued a Show Cause notice dated 16.10.2020 by the 3rd Respondent as to why the name of the petitioner should not be included in the list of wilful defaulters as per the guidelines issued by the RBI/2nd Respondent herein. Though the petitioner was not involved in any day to day affairs of RISPL, he sent a reply to the same on 30.10.2020 in respect of the allegations levelled against him in the said notice. Further, the petitioner was also given an opportunity of personal hearing in which the petitioner was heard. Despite the same, the 4th Respondent had passed an impugned order dated 13.07.2021 in which the petitioner's replies pertaining to the affairs of the RISPL were not properly considered and was rejected.

4. However, the replies given by the similarly situated persons who were also the non-executive directors were accepted by the 4th Respondent whereas the petitioner's reply to the show cause notice was refused. Therefore, the petitioner made a detailed representation on 28.07.2021 to the 5th respondent through the 3rd respondent against the impugned order passed by the 4th respondent seeking review of the impugned order and the same is pending before the 5th respondent. Thereafter, the petitioner came to know that the 3rd respondent is likely to circulate petitioner's name to various Authorities/Departments pursuant to the impugned order which would cause serious prejudice to the petitioner's reputation. Therefore, the petitioner has filed the present Writ Petition seeking the above relief.

5. Heard the learned counsel on the either side and perused the materials available on record.

6. It is not in dispute that the review petition filed by the petitioner is pending before the 5th respondent herein and it is yet to be decided. Further it is seen from the records that the impugned order dated 13.07.2021 has been passed by the 4th respondent against the petitioner wherein the petitioner's replies to the show cause notice were rejected.

7. In view of the above, since the 5th respondent committee is yet to decide the review petition, the 5th respondent is directed to decide the review petition and pass appropriate orders on the same in accordance with law within a period of four weeks from the date of the receipt of a copy of this order. Further, the petitioner is at liberty to produce a copy of the review petition along with a copy of this order to the 5th respondent to enable him to pass appropriate orders. Till such time, orders are passed in the review petition, the 3rd respondent is directed not to take any coercive steps pursuant to the impugned order dated 13.07.2021.



8.This Writ Petition is disposed of with the aforesaid directions. No costs. Consequently, the connected Miscellaneous Petition is closed.

WEB COPY

Sd/-
Assistant Registrar(CS-V)

//True Copy//

Sub Assistant Registrar

NHS

To

1. The Secretary,
Ministry of Finance,
Department of Financial Services,
Jeevan Deep Building,
Parliament Street, New Delhi-110 001.
2. Chief General Manager,
Reserve Bank of India,
Department of Banking Operations & Development,
Central Office, 13th Floor,
Central Office Building,
Shahid Bhagat Singh Road,Mumbai-400 001.
3. Deputy General Manager,
State Bank of India,
Stressed Assets Management Branch,
Red Cross Buildings,
32, Red Cross Road,Egmore, Chennai-600 008.
4. Wilful Defaulters Identification Committee,
State Bank of India,
Stressed Assests Management Branch,
Red Cross Buildings,
32, Red Cross Road,Egmore, Chennai-600 008.
5. Wilful Defaulters Review Committee,
State Bank of India,
Stressed Assets Management Branch,
Red Cross Buildings, 32, Red Cross Road,
Egmore, Chennai-600 008.

+1cc to Mr.Fox Mandal Associates, Advocate, S.R.No.66035

+1cc to Mr.M.Sathyan, Advocate, S.R.No.66189

W.P.NO.26347 of 2021
and W.M.P.No.27834 of 2021

SRA(CO)
RGA(12/01/2022)