

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

119

CWP-22783 of 2022 (O&M)

Date of decision: 30.09.2022

Salil Bindra

...Petitioner

Versus

Reserve Bank of India and others

...Respondents

**CORAM: HON'BLE MR.JUSTICE M.S. RAMACHANDRA RAO
HON'BLE MR.JUSTICE H.S. MADAAN**

Present: Mr. V.K. Sachdeva, Advocate and
Mr. Pulkit Sachdeva, Advocate for the petitioner.

M.S. RAMACHANDRA RAO, J. (Oral)

Notice of motion

Mr. Gaurav Goel, Advocate accepts notice on behalf of
respondent No.2-Bank.

In this writ petition, the petitioner is questioning a public
notice issued on 15.09.2022, declaring the petitioner as a 'Willful
Defaulter' along with others.

It is the contention of counsel for the petitioner that the
petitioner has not been served the notice proposing to declare the
petitioner as a 'Willful Defaulter' or the decision of the screening
committee on the basis of which, the petitioner is declared as a 'Willful
Defaulter'.

This contention is refuted by counsel for respondent No.2-

Bank, stating that notices were sent by RP (AD) to the address available of the petitioner at H.No.21, Sector 6, Panchkula, but the notices have been returned, and therefore the public publication was made on 04.08.2022 in newspaper 'Pioneer Hind Janpath', informing the petitioner about the process, and inviting reply from the petitioner. It is further contended that since no response was received from the petitioner, after considering the responses of the other noticees, the Screening Committee made an order declaring the borrower company and the other directors as well as the petitioner as 'Willful Defaulters'. It is further contended that the said order of the Willful Defaulter Screening Committee dt. 27.04.2022 was also confirmed by the Willful Defaulter Review Committee in its meeting held on 25.05.2022.

Counsel for the petitioner contends that the petitioner was previously residing upto 06.07.2020 in H.No.21, Sector-6, Panchkula, Haryana, that the said house belongs to the petitioner's father and the same had been disposed of in a sale on 06.07.2020, and thereafter, the petitioner is residing at different address now mentioned in this writ petition.

It is thus apparent that the petitioner did not get the notice proposing to declare him as a 'Willful Defaulter', and was denied a hearing both before the Willful Defaulter Screening Committee as well as Willful Defaulter Review Committee. Since declaring of the petitioner as 'Willful Defaulter' has serious repercussions on the

petitioner's credit information maintained by respondent No.3, and on his ability to be a borrower from financial institutions, and thus, the said action of the Willful Defaulter Screening Committee and Willful Defaulter Review Committee has civil consequences as regards the petitioner, the decision dt. 13.07.2022 containing the declaration that the petitioner is a 'Willful Defaulter' by referring to the decision dt. 27.04.2022 of the Willful Defaulter Screening Committee, and the decision dt. 25.05.2022 of the Willful Defaulter Review Committee as regards the petitioner alone, is set aside. Consequently, the impugned publication made on 15.09.2022 *vis-a-vis* the petitioner is also set aside. Respondent No.2-Bank is directed to serve a show cause notice to the petitioner at the address indicated in the writ petition asking the petitioner to show cause why he should not be declared as a 'Willful Defaulter' within two weeks from today; on receipt of the same, the petitioner shall give his response thereto within four weeks thereafter; a personal hearing shall be provided to the petitioner by the Willful Defaulter Screening Committee, and then an appropriate decision be taken by the said committee and communicated to the petitioner.

In case the decision of the Willful Defaulter Screening Committee is adverse to the petitioner, the petitioner is also permitted to seek a review of the same before the Willful Defaulter Review Committee. It shall provide a hearing to the petitioner and then take an appropriate decision in accordance with law and communicate it to the

petitioner. All other contentions of the petitioner are left open.

Disposed of with the above direction.

(M.S. RAMACHANDRA RAO)
JUDGE

30.09.2022
sumit.k

(H.S. MADAAN)
JUDGE

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