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**IN THE HIGH COURT OF JUDICATURE AT BOMBAY  
ORDINARY ORIGINAL CIVIL JURISDICTION  
WRIT PETITION NO. 26 OF 2023**

|                         |               |
|-------------------------|---------------|
| Naresh Jagdishrai Goyal | ...Petitioner |
| <i>Versus</i>           |               |
| Yes Bank Ltd            | ...Respondent |

**WITH  
WRIT PETITION (L) NO. 39248 OF 2022**

|                    |                |
|--------------------|----------------|
| Anita Naresh Goyal | ...Petitioner  |
| <i>Versus</i>      |                |
| Yes bank Ltd & Anr | ...Respondents |

**Mr Milind Sathe, Senior Advocate, with Abhishek Kale & Arya Bile, i/b Naik Naik & Co, for the Petitioner in WP/26/2023.**

**Ms Tanvi Sinha, with Navankur Pathak & Aditya Talwar, i/b Saikrishna & Associates, for Respondent No.1 in WPL/39248/2022.**

**Mr Milind Sathe, Senior Advocate, with Abhishek Kale & Arya Bile, i/b Naik Naik & Co, for the Petitioner in WPL/39248/2022.**

**Ms Tanvi Sinha, with Navankur Pathak & Aditya Talwar, i/b Saikrishna & Associates, for Respondent No.1 in WPL/39248/2022.**

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RAMCHNDRA  
SANKPAL

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**CORAM    G.S. Patel &  
              S.G. Dige, JJ.  
DATED:    18th January 2023**

**PC:-**

1. An Affidavit is filed on behalf of Yes Bank Limited (“**YBL**”). This is filed in both Writ Petitions but in Writ Petition (L) No. 39248 of 2022 it is from pages 337. Paragraphs 2 to 5 of this Affidavit at pages 338 to 340 reads thus:

“2. I say that the Petitioners in the captioned Writ Petitions are erstwhile Promoter/Director of the company Jet Airways (India) Limited (**‘Jet Airways’**). I say that the captioned Writ Petitions have been filed by the Petitioners against the proceedings (**‘WD Proceedings’**) under the Reserve bank of India’s Master Circular dated July 01, 2015 (**‘Master Circular’**) initiated by the Respondent No.1 against the Petitioners pursuant to the default by Jet Airways in making payment against the Loan under the relevant financing documents (**‘Jet Loan’**).

3. I state that under the WD Proceedings and in terms of Section 3(a) and 3(b) of the Master Circular, the in-house Committee of Respondent No.1 issued an Order dated November, 25, 2022 (**‘First Committee Order’**) declaring the Petitioners in the captioned proceedings as ‘Wilful Defaulters’ for reasons as detailed therein.

4. I state that thereafter, vide an assignment agreement dated December 16, 2022 (**‘Assignment Agreement’**), the Respondent No.1 has assigned various loans of various borrowers including the Jet Loan of Jet Airways in favour of one JC Flowers Asset Reconstruction Private Limited (**‘ARC’**) on terms as detailed in the Assignment Agreement. I say that in terms of the Assignment Agreement, the ARC is the full and absolute legal owner of all rights and benefits of the Respondent No.1 under the Jet Loan and is legally entitled to *inter alia* to recover and receive all amount due thereunder. A redacted copy of the Assignment Agreement with relevant schedules pertaining

to the Jet Loan is annexed and marked as **Annexure ‘A’** hereto.

5. I state that since the Jet Loan and all rights and benefit of the Respondent No.1 under its financing documents stand assigned to the ARC in terms of the Assignment Agreement, the Respondent No.1 shall not be proceeding with WD proceedings against the Petitioners and shall withdraw the First Committee Order without prejudice to the rights and remedies available to the ARC under the Assignment Agreement and in law.”

2. We accept the statement of YBL that it is not pursuing the Wilful Defaulter proceedings against the Petitioner.

3. We dispense with the requirement for a formal order of withdrawal of the first committee order. The rights and contentions of the Assignee, JC Flowers Asset Reconstruction Private Limited (“**ARC**”), are kept open subject to the following:

- (a) that if JC Flowers chooses to initiate any wilful defaulter proceedings against either or both these Petitioners, it must issue a fresh show-cause notice and follow the procedure established by law including a disclosure of all the documents on which it seeks to rely and giving the Petitioners a complete hearing.
- (b) We also read the statement of the withdrawal to apply in not only in respect of the first committee order but also the underlying show-cause notice and the additional show-cause notices.

4. It is true that the ARC is not a party-respondent. It need not be. It is an assignee of YBL. If YBL has dropped the Wilful Defaulter proceedings, and, on affidavit withdrawn the First Committee order and both underlying show cause notices, it is difficult to see how these can continue or inure to the ARC.

5. We leave open the question of whether the ARC is independently entitled in law to maintain wilful defaulter proceedings against the Petitioners under the 1st July 2015 Master Circular of the Reserve Bank of India (“**RBI**”).

6. The Writ Petitions are disposed of in these terms. There will be no order as to costs.

(S. G. Dige, J)

(G. S. Patel, J)