

**IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION**

WRIT PETITION NO. 1277 OF 2024

Hardik Valia & Anr.

.. Petitioners

Versus

State Bank of India & Anr.

.. Respondents

Adv. Rohit Balani i/b. M/s. The Fort Circle for the Petitioners.

Adv. Sabir Kumar a/w. Valentine Mascarenhas for Respondent No.1.

CORAM: B. P. COLABAWALLA &

FIRDOSH P. POONIWALLA, JJ.

DATE: JUNE 25, 2024

P. C.

1. The above Writ Petition is filed seeking to quash and set aside the orders of the Identification Committee and the Review Committee declaring the Petitioners as willful defaulters. The main grievance in the present Petition is that the resultant orders have been passed in breach of the principles of natural justice.

2. On instructions, the learned Advocate appearing for State Bank of India, states that the impugned Show Cause Notice and the resultant orders of declaring the Petitioner as a willful defaulter, namely, by

Identification Committee order and the Review Committee order will stand withdrawn in view of the decision laid down by the Supreme Court in **State Bank of India V/s. Jah Developers Private Limited & Ors. [(2019) 6 SCC 787]**. However, liberty is sought to initiate fresh proceedings.

3. In view of the aforesaid statement, we dispose of the above Writ Petition by accepting the statement made on behalf of State Bank of India as recorded above. Liberty is granted to the State Bank of India to initiate fresh proceedings for declaring the Petitioner as a willful defaulter. It goes without saying that any fresh proceedings shall be strictly in accordance with law laid down by the Hon'ble Supreme Court in **Jah Developers Private Limited & Ors. (supra)** and several other judgements of this Court including the one in **Milind Patel Vs. Union of India & Ors. (Writ Petition No.3671 of 2023 decided on 4th March 2024)**.

4. The State Bank of India shall communicate this order to all the Credit Rating Agencies within one week from today and inform them of the withdrawal of the Petitioner being declared as a willful defaulter.

5. The Writ Petition is disposed of in the aforesaid terms. However there shall be no order as to costs.

6. This order will be digitally signed by the Private Secretary/
Personal Assistant of this Court. All concerned will act on production by fax
or email of a digitally signed copy of this order.

[FIRDOSH P. POONIWALLA, J.]

[B. P. COLABAWALLA, J.]