IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 25.06.2024

CORAM:

THE HONOURABLE MR. JUSTICE **G.K.ILANTHIRAIYAN**

W.P.No.21044 of 2022
and W.M.P.No.20063 of 2022

P.Subramani ... Petitioner

Vs.

1. The Assistant General Manager,
   Tamil Nadu Mercantile Bank Ltd.,
   No.1432, Ground Floor,
   Akshya, Orbit 11, Trichy Road,
   Coimbatore.

2. The Indian Bank Association,
   Rep. by its Chief Executive,
   World Trade Centre Complex,
   6th Floor Centre 1 Building,
   World Trade Centre Complex,
   Cuff Parade, Mumbai – 400 005. ... Respondents

Prayer: Writ Petition filed under Article 226 of the Constitution of India praying to issue a Writ of Mandamus, direct the second respondent to forthwith remove the name of the petitioner from the caution list uploaded by them in their web page on 11.04.2022.

For Petitioner : Mr.Karthikeyan
For Mr.Joel

For Respondents
For R1 : Mr.G.Sarath Kumar
For R2 : No appearance

ORDER

This writ petition has been filed for directions, directing the second respondent to remove the name of the petitioner from the caution list uploaded by them in their web page on 11.04.2022.

2. The petitioner is a Registered Valuer with the Institution Valuers, India. The petitioner had given various valuation reports to the first respondent bank. On 17.06.2019, the first respondent bank issued notice seeking clarification in respect of some valuation reporta submitted by the petitioner. On verification, the petitioner came to know that out of 14 valuation reports, except two valuation reports, other valuation reports were forged his signature and fabricated. On receipt of the notice, the petitioner submitted detailed explanation. However, the petitioner's name is published in the caution list of the second respondent's official web page. Aggrieved by the same, the petitioner filed this present writ petition with the above prayer.

3. Heard the learned counsel appearing on either side and perused the material placed before this Court.

4. The similar issue has already been dealt with by this Court

in the case of ***NR Rahuram & Co., Vs. Indian Bank's Association and ors.***, in ***W.P.No.17780 of 2017*** order dated ***30.01.2020***, which held as follows :-

> *"13. However, the first respondent based on the complaint received from the second respondent bank, with regard to the irregularities committed by the petitioner in the valuation of the properties, the first respondent has hosted the petitioner's name in the caution list in their website affecting his business interest with other member banks of the first respondent association. This will amount to deprivation of fundamental rights of the petitioner, to carry on his business as a valuer with other banks. Insofar as other banks are concerned, there is no finding against the petitioner that he has indulged in unfair practices, guilty of professional misconduct, violated code of ethics and professional practice. Even as per clause 1.4 of the handbook on policy standards and procedures for real estate valuation by banks and housing finance institutions in India, the said requirement is mandatory. In the case on hand, since there is no finding that the petitioner has committed any of the aforementioned irregularities, with regard to other banks, the hosting of the petitioner's name in the caution list of the first respondent website is arbitrary, and unconstitutional.*

14. Clause 1.4 and 1.5 of the handbook on policy standards and procedures for real estate valuation by banks and housing finance institutions in India reads as follows:

"1.4 Removal In extreme cases where the valuer has been found to be indulging in unfair practices, guilty of professional misconduct, violating the code of ethics and professional practice, he shall be removed from the panel. The procedure to be followed by the banks / housing finance institutions shall comprise of the following steps :

- issue of show cause notice

- hearing

- appropriate action, including removal from the panel for a period of five years, if charges are found serious

1.5 Re-Empanelment

Valuers once removed from the panel of any bank or housing finance institution could be re-empanelled again after a specified period, based on the recommendations of the bank Conflict Resolution Committee. Names of valuers removed shall be reported to the Indian Banks' Association which in turn shall place the names on its caution list."

15. Further, even under the appointment letter issued by the second respondent, there is no reference that *the petitioner has been put on notice about the handbook on policy standards and procedures for real estate valuation by banks and housing finance institutions in India which the first respondent relies upon.*

16. For the foregoing reasons, this Court directs the first respondent to remove the name of the petitioner from the caution list in their website within a period of one week from the date of receipt of a copy of this order. However, it is made clear that insofar as the second respondent bank is concerned, they are at liberty to terminate the services of the petitioner in accordance with the appointment letter dated 10.09.2013 which permits them to terminate without reason and without any prior notice."

5. In view of the above order, this Court directs the second respondent to remove the name of the petitioner from the caution list in their website within a period of one week from the date of receipt of a copy of this Order.

6. With the above directions, the Writ Petition stands allowed. Consequently, connected miscellaneous petition is closed. There shall be no orders as to costs.

25.06.2024

Index : Yes/No
Speaking/Non Speaking order
Neutral Citation : Yes/No
rts

G.K.ILANTHIRAIYAN. J,

rts

To
1. The Assistant General Manager,
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2. The Chief Executive,
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