IN THE HIGH COURT OF JUDICATURE AT PATNA
Civil Writ Jurisdiction Case No.4131 of 2025

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Upendra Kishore, S/o Kaushal Kishore, Resident of- M.V.I Shashik, Near Rajdhani Nagar, Keshari Nagar, Patna, Bihar- 800024.

... ... Petitioner/s

Versus

1. Punjab National Bank, through its Chairman and Managing Director, Head Office Plot No.-4, Sector-10 Dwarka, New Delhi-110075.
2. Chairman and Managing Director, P.N.B., Head Office Plot No.-4, Sector-10, Dwarka, New Delhi- 110075.
3. General Manager, P.N.B., Sastra Division, Head Office Plot No.-4, Sector-10, Dwarka, New Delhi-110075.
4. Assistant General Manager, P.N.B., Recovery Section, Zonal office R Block, Chanakya Tower, Patna-800001.
5. Chief Manager, Punjab National Bank, New Market Branch, Maharaj Complex, Fraser Road, Patna-800001.
6. Indian Bank Association, through its Chief Executive, World Trade Centre Complex, 6th Floor Centre 1 Building, World Trade Centre Complex, Cuff Parade, Mumbai-400005.
7. Chief Executive, Indian Banks Association, World Trade Centre Complex, 6th Floor Centre 1 Building, World Trade Centre Complex, Cuff Parade, Mumbai-400005.

... ... Respondent/s

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Appearance :

For the Petitioner/s	:	Mr.Siddhartha Prasad, Adv.
For the Respondent/s	:	Mr.Mritunjay Kumar, Adv

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CORAM: HONOURABLE MR. JUSTICE A. ABHISHEK REDDY

ORAL ORDER

8 15-05-2026 Heard the learned counsel for the parties.

2. The present writ petition has been filed for the following relief(s):-

a) For commanding the Respondent IBA to remove the name of the petitioner from the TPE caution list published on its website at the behest of Respondent bank causing much prejudice and hardship to the petitioner in as *much as most of the nationalized banks have stopped giving any business(work of valuation) to the petitioner because of his name appearing in the TPE caution list of IBA and also in view of the fact that as per the relevant guidelines of IBA which has been adopted by the respondent bank the maximum period for which any valuer can be depanelled by the bank is prescribed as 5 years and that too in extreme cases in that view of the matter now the effect of depanelment is wiped out. In the present case by publishing the name of the petitioner in TPE Caution list maximum punishment of "blacklisting" has been meted out to the petitioner without prescribing any time limit which clear cut violation of fundamental rights of the petitioner enshrined in Article 19(1)g of the Constitution of India as also the relevant guidelines of the IBA and Bank.*

(b)For commanding the respondent bank to communicate with the respondent IBA with regard to removal of name of the petitioner from TPE Caution list since the effect of order 18.09.2019 issued by the respondent bank, whereby and whereunder the petitioner has been depanelled from the panel of valuers, has outlived its life in view of clause 1.4 of the "Handbook on Policy Standards and Procedures for Real Estate Valuation by Banks

and Housing Finance Institutions in India" adopted by the Respondent Bank.

(c) For issuance of writ of mandamus commanding the respondent bank to consider the case of the petitioner for re-empanelment as a valuer, since the maximum punishment period i.e. 5 years as mentioned above has elapsed.

(d) Forthwith Respondent bank may be directed to start giving the work of valuation to the petitioner as prior to passing of the letter dated 18.09.2019 and subsequent publication of the name of the petitioner in TPE Caution List of IBA.

(e) For any other relief/reliefs that the petitioner is entitled to in the fact and circumstances in the case.

3. The factual matrix, as presented before this Court, hinges on the professional standing of the petitioner, who is a registered valuer under Section 34 AB of the Wealth Tax Act, 1957. The petitioner was empanelled as a valuer with Respondent Punjab National Bank (PNB) on 06.05.2005.

4. The genesis of the dispute lies in a credit facility of ₹400 lakhs sanctioned by PNB to M/s Priyadarshi Commercial Pvt. Ltd. in 2015. The said loan account was declared a Non-Performing Asset (NPA) on 30.06.2016. Subsequently, an FIR

(RC0932017S0002) was registered by the CBI in 2017 regarding the fraudulent mortgage. Though the petitioner was not named in the FIR or the first chargesheet, his name surfaced in the second chargesheet.

5. Consequently, the petitioner received a show-cause notice from PNB on 20.08.2019 regarding valuation lapses. Though the petitioner has submitted a written reply on 27.08.2019, the Respondent PNB issued a letter on 18.09.2019 de-empaneling the petitioner as a valuer. Shortly thereafter, on 04.10.2019, the petitioner's name was included in the IBA's TPE Caution List.

6. The petitioner filed CWJC No. 21740 of 2019 challenging the de-empanelment, which was dismissed for default on 02.01.2023. A subsequent restoration application, MJC No. 1989 of 2023, was also dismissed on 08.09.2023. Furthermore, CWJC No. 11454 of 2022, challenging his name being included in the caution list, was also disposed of on 28.08.2023.

7. In the criminal proceedings, a coordinate Bench of this Hon’ble High Court stayed the proceedings against the petitioner in the CBI case vide order dated 13.08.2024. Following the lapse of five years since his de-empanelment, the

petitioner has got issued a legal notice on 06.01.2025 seeking re-empanelment. This request was expressly rejected by PNB on 21.01.2025.

8. Learned counsel for the petitioner has argued that the inclusion of the petitioner's name in the IBA TPE Caution List operates, in effect, as blacklisting, resulting in automatic exclusion from empanelment across various banks and leads to severe denial of professional livelihood.

9. It was submitted that no show-cause notice, filing of written explanation, or opportunity of hearing was afforded by the IBA before inclusion of the petitioner in the caution list, rendering the action *void ab initio* and violative of the principles of natural justice, as settled by the Hon'ble Supreme Court in *Raghunath Thakur v. State of Bihar, (1989) 1 SCC 229* and *State of Orissa v. Dr. (Miss) Binapani Dei, (1967) 2 SCR 625.*

10. Learned Counsel for the petitioner has further argued that the mandatory safeguards under the IBA Guidelines were completely bypassed, rendering the action arbitrary, unguided, and a colorable exercise of power, a principle recognized by the Hon'ble Apex Court in *Patel Engineering Ltd. v. Union of India, (2012) 11 SCC 257.*

11. The core argument of the petitioner rests on

Clause 1.4 of the "Handbookon Policy Standards and Procedures for Real Estate Valuation," which prescribes a maximum period of five years for de-empanelment, even in extreme cases. Since the petitioner was de-empanelled on 18.09.2019, the five-year period categorically expired in the month of September 2024. Learned Counsel relying on *Kulja Industries Ltd. v. BSNL, (2014) 14 SCC 731*, has urged that administrative blacklisting must always be proportionate and time-bound, and that indefinite continuation of the petitioner's name beyond the period of 5 years operate as an impermissible "civil death".

12. The petitioner contended that his role was strictly limited to market valuation, without any allegations of overvaluation, undervaluation, or mala fides. That the CBI criminal proceedings have already being stayed by this Court, therefore, the continuation of administrative punishment is impermissible.

13. Per contra, the learned counsel representing Punjab National Bank has strongly resisted the petition, arguing that the legality and clarity of the de-empanelment letter dated 18.09.2019 has already been conclusively tested and decided by this Court.

14. It is submitted that the dismissal of CWJC No. 21740 of 2019 for default, and the subsequent dismissal of the restoration application in MJC No. 1989 of 2023 on 08.09.2023, finalized the matter. The Respondents relied on the Division Bench's ruling in MJC No. 1989 of 2023, which explicitly held that the petitioner has no inherent right to be empaneled, and it remains entirely within the discretion of the Bank to empanel or de-empanel persons based on their satisfaction.

15. The Respondents further emphasized the gravity of the pending criminal charges, noting that the petitioner is an active accused in Special Case No.1/2018 (RC Case No.25/2017) pending before the Special Judge, C.B.I, Patna and facing serious charges under Sections 120(B) r/w 419, 420, 460, 468, 471 of the IPC and provisions of the Prevention of Corruption Act. Given these facts, they assert that the writ application is devoid of merits and fit to be dismissed.

16. This Court has carefully heard the rival contentions and perused the extensive materials placed on record. The meaning, scope, and comparative understanding of administrative blacklisting has been cogently explained by the Hon'ble Supreme Court of India, in a catena of cases there is a visible distinction between the legitimate protective measure of

de-empaneling an erring professional and the unconstitutional imposition of a perpetual "civil death."

17. This Court must first deal with the primary defense raised by the Respondent Bank-that the present writ petition is barred by the finality of the orders passed in CWJC No. 21740 of 2019 and MJC No. 1989 of 2023. This Court finds this reliance to be a patently erroneous application of the doctrine of finality. A bare perusal of the pleadings reveals that the petitioner is not seeking the quashing of the original de-empanelment order dated 18.09.2019 on procedural grounds. Rather, the petitioner has raised a fresh cause of action i.e the expiration of the maximum permissible punitive period. The order in MJC No. 1989 of 2023 affirmed the Bank's discretionary power to de-empanel at that time; however, it did not grant the Bank an unbridled license to ignore its own temporal policy constraints indefinitely.

18. Turning to the merits, it is an undisputed factual position that the "Handbook on Policy Standards and Procedures for Real Estate Valuation", which governs the actions of both the IBA and member banks, contains a specific stricture under Clause 1.4. This clause explicitly states that even in extreme cases of professional misconduct, the appropriate action

includes "removal from the panel for a period of five years".

19. Under similar circumstances the Hon'ble Apex court in *Kulja Industries Ltd. v. Chief Gen. Manager, BSNL, (2014) 14 SCC 731*, has held that any order of blacklisting or debarment entails severe civil consequences and cannot operate as a permanent 'civil death'. There is a visible distinction between a proportionate, time-bound debarment and an indefinite, perpetual ban. This understanding is further bolstered by the dictums in *Vetindia Pharmaceuticals Ltd. v. State of U.P., (2021) 1 SCC 804*, and *Daffodills Pharmaceuticals Ltd. v. State of U.P., (2020) 18 SCC 550*, wherein the Hon'ble Supreme Court has categorically ruled that an order of blacklisting bereft of a specified time limit is legally unsustainable and patently erroneous. The administrative edict of de-empanelment, therefore, cannot be allowed to hang over the head of a citizen in perpetuity, as such an impassive approach falls severely short of the constitutional ethos of fairness enshrined under Articles 14 and 19(1)(g).

20. The petitioner's de-empanelment commenced on 18.09.2019, it mathematically follows that the five-year ceiling definitively expired in the month of September 2024. As settled by the Hon'ble Supreme Court, administrative blacklisting must

be proportionate and time-bound. Indefinite continuation of the petitioner's name on a centralized Caution List, beyond the policy-mandated maximum period, is inherently disproportionate and falls short of constitutional fairness under Articles 14, 19(1)(g), and 21, which inevitably leads this Court to conclude that the restriction must be lifted.

21. Furthermore, this Court cannot ignore the fact that the coordinate Bench of this Court, vide order dated 13.08.2024 in Cr. Misc. No. 11906 of 2024, has already stayed the CBI proceedings against the petitioner. The Court has recorded a *prima facie* view that valuers cannot be routinely prosecuted merely for rendering a valuation. When the underlying criminal liability is itself under judicial suspension, the continuous administrative suffocation of the petitioner’s livelihood solely based on those very same allegations is an arbitrary exercise of power.

22. The administrative actions of the Respondents, in refusing to recognize the expiration of the maximum five-year de-empanelment period, appear clearly insensitive to the severe civil consequences suffered by the petitioner. The decisions of this Court as a participant in the legal process must reflect the ethos of fairness and the sound application of prescribed

regulatory guidelines.

23. Hence, the instant writ petition is allowed. The continued retention of the petitioner's name on the TPE Caution List is set aside on account of being *ultra vires* the five-year limitation prescribed in Clause 1.4 of the governing Handbook.

24. This Court deems it expedite to issue the following directions:-

(i) The Respondent Indian Banks' Association (IBA) is directed to forthwith remove the name of the petitioner, Upendra Kishore, from the TPE Caution List published on its website.

(ii) Respondent Punjab National Bank is directed to immediately formally communicate this order to the IBA to facilitate the said removal.

(iii) The Respondent Bank shall independently consider any fresh application submitted by the petitioner for re-empanelment strictly on its own merits and current eligibility criteria, uninfluenced by the expired 2019 de-empanelment.

25. It goes without saying that the observations made by this Court through this judgment are specifically in the context of administrative blacklisting policies, and they shall not be taken to be any opinion on the merits of the ongoing CBI criminal trial, which shall proceed independently in accordance with the law.

26. All pending I.As., if any, are deemed to have been disposed of.

(A. Abhishek Reddy , J)

Bhardwaj/-

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