

ORDER SHEET
IN THE HIGH COURT AT CALCUTTA
CIVIL APPELLATE JURISDICTION
ORIGINAL SIDE

APO/56/2023

SRI SANDEEP KABRA AND ORS.
VS
RESERVE BANK OF INDIA AND ORS.

BEFORE:
HON'BLE JUSTICE RAJASEKHAR MANTHA
HON'BLE JUSTICE AJAY KUMAR GUPTA
Date : 13th January, 2026.

Appearance :
Mr. Avishek Guha, Adv.
Ms. Sonal Agarwal, Adv.
Ms. A. Dutta, Adv. ...for appellants.

Mr. Shiv Mangal Singh, Adv. ...for respondent-Bank.

1. The instant appeal is directed against the judgment and order dated 24th April, 2023 passed by a learned single Bench of this Court.
2. By an order dated 31st July, 2023 a Co-ordinate Bench has dismissed the stay application being GA/1/2023.
3. The petitioners were issued a show-cause notice on 24th July, 2018 by the respondent-Bank for outstanding dues against principal debtor, M/s. Ceebuild Company Private Limited of which the appellants are directors.
4. Willful Defaulter Identification Committee passed this order on 25th October, 2018 not being satisfied with the reply of the appellants.
5. It appears from the facts of the instant case that the appellants were declared willful defaulters and their names and photographs have

been published by the Indian Bank sometimes on 23rd April, 2019. The said publication was preceded by show-cause notice dated 24th July, 2018 and an order dated 25th October, 2018. The petitioners remained absolutely silent from 23rd April, 2019 till 30th May, 2019.

6. There is absolutely no explanation as to why the appellants were silent from 14th December, 2018 or for that matter from 23rd April, 2019 in respect of a similar show-cause notice issued by the Allahabad Bank and thereafter until 28th January, 2023.
7. Learned counsel for the appellants argued that the appellant-Company, was before the NCLT in respect of the proceeding under the Insolvency and Bankruptcy Code where CIRP was appointed. In addition thereto, a look-out notice was issued against the appellants preventing them from travelling abroad. Such look-out notice is stated to have been quashed by a single Bench of this Court in WPA/5778/2023 by order dated 5th September, 2023.
8. This court is not even remotely satisfied as to how the appellants were not aggrieved by the order declaring them willful defaulters and their publication of the photographs in newspapers and in the website of RBI. The writ petition before the single bench was a mere afterthought.
9. Reliance is placed on the decision of the **Vidya Devi vs. State of Himachal Pradesh And Others** reported in **(2020) 2 SCC 569** and in the case of **Sukh Dutt Ratra And Another vs. State of Himachal**

Pradesh And Others reported in **(2022) 7 SCC 508**. The said two decisions were in respect of acquisition proceedings of private property by the State where it was found by the Supreme Court that the cause of action for demand of interest on delayed payment was a continuing cause of action. In the instant case, it clearly appears to this court that the appellants had waived their right against, acquiesced to and accepted, their being declared as willful defaulters. The effect of being a willful defaulter may have been over by now.

10. While it is true that the Supreme Court has held that declaration of a person as a willful defaulter would amount to a commercial death, the appellants, took absolutely no steps whatsoever despite the sweeping consequences that follow upon a principal debtor or guarantor being declared as willful defaulter. The appellants could thus be deemed to have accepted the decision of the respondents.
11. For the reasons stated hereinabove, the impugned order calls for no interference. APO/56/2023 fails and is hereby dismissed.
12. No order as to costs.

(RAJASEKHAR MANTHA, J.)

(AJAY KUMAR GUPTA, J.)