



WEB COPY

WP No. 5623 of 2



IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 02-03-2026

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THE HON'BLE MR JUSTICE KRISHNAN RAMASAMY

WP No. 5623 of 2022

AND

WMP Nos.5717 & 5718 of 2022

D.Jagannathan

..Petitioner(s)

Vs

The Deputy General Manager,
Punjab National Bank, Recovery Department,
Zonal office:46-49, PNB Towers,
Royapettah High Road,
Royapettah, Chennai-14.

..Respondent(s)

Prayer: This writ petition is filed under Article 226 of the Constitution of India, praying to issue a Writ of Certiorari calling for the records on the file of the respondent relating to the impugned order dated 10.01.2022 bearing Ref No.ZO-Chennai/Recovery/Valuer/2022 and quash the same.

For Petitioner(s) : Mr.R.Saravanan

For Respondent(s) : Mr.Ramasayi Gummadi
for Mr.R.Jayaprakash

ORDER

Challenge was made against the order bearing Ref.No.ZO-Chennai/Recovery/Valuer/2022, dated 10.01.2023 passed by the respondent.



2. The case of the petitioner is that he is an approved valuer on the respondent bank's panel. While serving with the Oriental Bank of Commerce (now amalgamated with the respondent bank), he was assigned to value an immovable property owned by M/s. RGS Leather Exports. After a personal inspection, he submitted a valuation report dated 05.02.2018, assessing the property at Rs.15.60 crore. This valuation was based on a land rate of Rs.2,200/- per sq. ft., as per the Walaja SRO Guideline Value dated 03.04.2017. Two years later, the respondent issued a show-cause notice alleging a discrepancy between the petitioner's report and a new valuation report dated 31.01.2020 by M/s. Hi-Tech Valuers, which valued the land at only Rs.1.25 crore. In this regard, the petitioner was issued with a show cause notice dated 26.04.2021. Although the petitioner submitted a detailed explanation on 05.05.2021, the respondent summoned him before the Zonal Office Conflicts Resolution Committee. During the hearing, he was directed to produce a fresh G.L.R. (Guideline Register) certificate from the Walaja SRO. Due to the petitioner's inability to produce the certificate within the stipulated time, the respondent issued a communication dated 10.01.2022, depanelling him, blacklisting his name, and reporting him to the IBA for circulation among other banks. Challenging the said communication, the petitioner has come forward with the present writ petition.



3. Learned counsel for the petitioner would submit that without affording an opportunity of hearing by furnishing the report of the third valuer i.e., Hi Tech Valuers, the respondent issued an impugned communication dated 10.01.2022. Furthermore, during the meeting before the Zonal Office Conflicts Resolution Committee on 23.12.2021, the petitioner explained the discrepancy between his valuation report and that of Hi-Tech Valuers. Specifically, the petitioner categorized the subject property as “industrial”, whereas Hi-Tech Valuers treated it as “agricultural”. Despite these explanations, the respondent proceeded to de-panel the petitioner and black list his name. Such an action is *non-est* in the eyes of the law. Accordingly, he prays for allowing this writ petition.

4. Learned counsel appearing for the respondent would submit that in the present case, there is no question of a denial of opportunity. It is pertinent to note that pursuant to the show cause notice dated 26.04.2021, an opportunity was duly provided, and the petitioner has also participated in the proceedings. Only after granting a personal hearing, the respondent has passed the impugned order. Regarding the question raised by this Court concerning the failure to provide the petitioner with a copy of the Hi-Tech Valuers report dated 31.01.2020, the petitioner has made no such request during the proceedings. On these grounds, the respondent prays for the dismissal of this writ petition.



5. Heard the learned counsel on either side and perused the materials available on record.

6. The subject matter of this writ petition pertains to a valuation report submitted by the petitioner on 05.02.2018. In the said report, the petitioner classified the subject property i.e., M/s.RGS Leather Exports as "Industrial" and assessed its value at Rs.15.5 Crores. Based on this valuation, credit facilities were extended to the borrower, and the property was mortgaged as collateral. Subsequently, the borrower's accounts were classified as Non-Performing Assets (NPA). During the recovery process, a secondary valuation by 'Hi-Tech Valuers' assessed the property at only Rs.1.25 Crores. This discrepancy led the respondents to black-list and de-panel the petitioner from the approved panel of valuers by way of the impugned communication dated 10.01.2022.

7. In the present case, the Hi Tech Valuers' report dated 31.01.2020 served as the primary basis for the respondent to initiate severe action against the petitioner, including blacklisting and de-paneling him from the approved list of valuers. Such being the case, the respondent was supposed to have provided a copy of the Hi tech valuers' report along with the show cause notice, which would have enabled the petitioner to file an appropriate reply and distinguish his findings from the said valuation. However, in the present case on hand, the Hi



Tech Valuers' report was not at all provided to the petitioner. Without providing the requisite documents and opportunity of personal hearing, passing the impugned order dated 10.01.2022 is a clear violation of Principles of Natural Justice and the same is liable to be set aside. Accordingly, the impugned order of communication dated 10.01.2022 passed by the respondent is hereby set aside with the following directions:

(i) The respondent is directed to furnish a copy of the Hi Tech Valuers' report dated 30.01.2020 to the petitioner, as expeditiously as possible.

(ii) Upon receipt of such report, the petitioner is directed to submit his explanation or appropriate reply before the respondent.

(iii) After filing of said reply by the petitioner, the respondent is directed to conduct an enquiry by affording an opportunity of personal hearing and thereafter, decide the matter in accordance with law.

8. With the above terms, this writ petition stands allowed. No costs.

Consequently, connected miscellaneous petitions are closed.

02-03-2026

Index: Yes/No

Speaking/Non-speaking order

Neutral Citation: Yes/No

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KRISHNAN RAMASAMY J.

VM

To:

The Deputy General Manager,
Punjab National Bank,
Recovery Department,
Zonal office 46-49,
PNB Towers,
Royapettah High Road,
Royapettah, Chennai-14

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