

25.02.2025
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AN/Ct. No.14

IN THE HIGH COURT AT CALCUTTA
Constitutional Writ Jurisdiction
Appellate Side

WPA 990 of 2025

Gupta Power Infrastructure Limited & Ors.
versus
Union Bank of India & Ors.

Mr. Suddhasatva Banerjee
Mr. Tanay Agarwal
Mr. Shivam Bhimsaria
Ms. Akansha Singhania
... for the petitioners

Mr. Ranajit Chowdhury
Mr. Purnendu Modak
Ms. Sampoorna Saha
... for the Union Bank of India

1. The petitioner challenges the order dated 23rd December, 2024 on fraud examination by the Deputy Zonal Officer, Union Bank of India, Bhubaneswar.
2. The primary ground of challenge is that the said order was passed without granting any opportunity of hearing to the petitioners. There has been violation of the principles of natural justice. The same is contrary to the direction passed by the Hon'ble Supreme Court on 27.03.2023 in Civil Appeal No. 7300 of 2022 (State Bank of India & ors. vs. Rajesh Agarwal & ors.).
3. Learned counsel representing respondent no. 1 fairly submits that no opportunity of hearing was given to the petitioners prior to declaration of fraud.
4. The Hon'ble Supreme Court in the matter of Rajesh Agarwal (supra) clearly laid down that since the Master Directions of fraud do not expressly

provide an opportunity of hearing to the petitioners before classifying their account as fraud, audi alteram partem has to be read into the provisions of the directions to save them from the vice of arbitrariness. The petitioners have alleged violation of the principle of audi alteram partem.

5. In view of the above, the impugned declaration of fraud is set aside. The respondent authorities are directed to take steps in accordance with law and in line with the law laid down by the Hon'ble Supreme Court in the matter Rajesh Agarwal (supra) after giving reasonable opportunity of hearing to the petitioners to rely upon all documents to defend their case.

6. The Bank is directed to forward to the petitioners the documents relied upon by the bank to declare the petitioners as fraud, if not already forwarded, at the earliest.

7. Steps shall be taken in the matter positively within a period of ninety days from the date of communication of this order.

8. The instant writ petition stands **disposed of**.

9. Urgent certified photostat copy of this order, if applied for, shall be given to the parties as expeditiously as possible on compliance of all necessary formalities.

(Amrita Sinha, J.)