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10.09.2025
AGM

**In The High Court At Calcutta
Constitutional Writ Jurisdiction
Appellate Side**

W.P.A 13692 of 2025

**Gupta Power Infrastructure Limited & Ors.
-versus
Indian Bank & Ors.**

**Mr. Suddhasatva Banerjee,
Mr. Ishan Saha,
Mr. Shivam Bhimsaria.
...For the Petitioners.**

**Mr. Shiv Mangal Singh.
...For the Respondent
Nos.1, 2 and 3.**

1. The reasoned order dated 29th May, 2025 of the Fraud Examination Committee classifying the account(s) of the petitioners as fraud by the Indian Bank is impugned in the instant writ petition.

2. Specific submission of the petitioners is that there has been violation of principles of natural justice. The Bank did not take steps in terms of the Master Circular of the Reserve Bank of India relating to fraud.

3. It appears from the submissions made on behalf of the parties that the Forensic Audit Report was forwarded to the petitioners along with the show cause notice. The petitioners submitted a response to the show cause and sought for certain documents.

4. Though the Bank answered to the request made by the petitioners for forwarding the documents/details but the petitioners seek further

documents to give a meaningful reply to defend his case.

5. Prayer has been made to set aside the impugned order.

6. Learned advocate representing the Bank vehemently opposes the submission and the prayer of the petitioners. It has been submitted that all documents were forwarded to the petitioners. Opportunity of hearing was also granted. The petitioners practically admitted diversion of funds by not disputing or denying opening of accounts with other Banks.

7. I have heard the submissions made on behalf of the parties.

8. It appears that the petitioners sought for certain documents/details from the Bank, which the petitioners require for meaningfully defending itself. Without the documents sought for, the petitioners may not be in a position to defend its case properly.

9. The petitioners rely on the order dated 18th March, 2025 passed by this Court in **WPA 29044 of 2024 (M/s. Gupta Power Infrastructure Limited & Ors. -versus- Canara Bank & Ors)** wherein under similar set of facts, the Court upon relying on the judgment delivered by the Hon'ble Supreme Court on 27th March, 2023 in civil appeal no. 7300 of 2022 in the matter of **State Bank of India & Ors. v. Rajesh Agarwal & Ors.** and the clarificatory order dated May 12, 2023 in the matter of Rajesh Agarwal (supra) and the judgment delivered by this Court in **WPA No.10601 of 2024 (Sweta Agarwal v. State Bank of India)** on August 7, 2024 proceeded to set aside the show cause notice and the steps taken pursuant thereto including

the final order declaring the petitioners' account as fraud.

10. As the facts of the instant case are similar to the facts of the case in the matter of Canara Bank & Ors. (supra), accordingly, the decision passed in the cited case is passed herein. The impugned show cause notice and the steps taken pursuant thereto including the impugned final order declaring the petitioners as fraud are set aside.

11. It will be open for the Bank to take steps in the matter strictly in accordance with law laid down by the Hon'ble Supreme Court in the case of Rajesh Agarwal (supra).

12. The writ petition stands disposed of.

13. Urgent certified photocopy of this order, if applied for, be supplied to the parties expeditiously on compliance of usual legal formalities.

(Amrita Sinha, J.)