



\$~60 to 62

* **IN THE HIGH COURT OF DELHI AT NEW DELHI**

+ W.P.(C) 8135/2024 & CM APPL. 33423-33424/2024

YMR NUTS PVT LTD AND ORS. Petitioners

Through: Mr. Ravi Gupta, Sr. Adv. with Mr.
Mahip Datta, Mr. Aman Vasisth,
Ms.Sanya Lamba and Ms. Muskan
Mehra, Advs.
M: 8233119499
Email: vashisth.lex@gmail.com

versus

STATE BANK OF INDIA Respondent

Through: Mr. Karn Kumar, Adv.
M: 9818067500, 7678434212

61

+ W.P.(C) 8140/2024 & CM APPL. 33434-33435/2024

M/S JIA OVERSEAS AND ORS. Petitioners

Through: Mr. Ravi Gupta, Sr. Adv. with Mr.
Mahip Datta, Mr. Aman Vasisth,
Ms.Sanya Lamba and Ms. Muskan
Mehra, Advs.
M: 8233119499
Email: vashisth.lex@gmail.com

versus

STATE BANK OF INDIA Respondent

Through: Mr. Karn Kumar, Adv.
M: 9818067500, 7678434212

62

+ W.P.(C) 8145/2024 & CM APPL. 33443-33444/2024

MATA DIN BHAGWAN DASS AND ORS. Petitioners



Through: Mr. Ravi Gupta, Sr. Adv. with Mr.
Mahip Datta, Mr. Aman Vasisth,
Ms.Sanya Lamba and Ms. Muskan
Mehra, Advs.
M: 8233119499
Email: vashisth.lex@gmail.com

versus

STATE BANK OF INDIA

..... Respondent

Through: Mr. Karn Kumar, Adv.
M: 9818067500, 7678434212

CORAM:
HON'BLE MS. JUSTICE MINI PUSHKARNA

ORDER
30.05.2024

%

**CM APPL. 33424/2024, CM APPL. 33435/2024 & CM APPL.
33444/2024 (For Exemptions)**

1. Exemptions allowed, subject to just exceptions.
2. Applications are disposed of.

**W.P.(C) 8135/2024, CM APPL. 33423/2024, W.P.(C) 8140/2024, CM
APPL. 33434/2024 & W.P.(C) 8145/2024 & CM APPL. 33443/2024**

3. The present petitions have been filed assailing the order/proceedings dated 7th May, 2024, passed by the Review Committee for Identification of Fraud of the respondent-bank, communicated to the petitioners vide letter dated 10th May, 2024. By way of the said order, the accounts of the petitioners, have been identified, as 'Fraud'.

4. Learned Senior Counsel appearing for the petitioners submits that the accounts of the petitioners, have been identified as 'Fraud', in gross violation of the Principles of Natural Justice, as recognized by the Supreme Court in the case of *State Bank of India and Others Versus Rajesh*



Agarwal and Others, (2023) 6 SCC 1. It is submitted that there cannot be exclusion of the Principles of Natural Justice in the process of Identification of loan account as ‘Fraud’, and the banks are under the obligation to adhere to the said Principles.

5. Learned Senior Counsel submits that no material/documents, including the Forensic Audit Report, were made available to the petitioners, despite requesting for supply of such documents. Attention of this Court has been drawn to the reply filed by the petitioners, wherein, this fact regarding non-supply of documents, has been specifically mentioned.

6. Learned Senior Counsel further submits that it was only along with a subsequent Show Cause Notice dated 6th April, 2024 for willful default, that only few pages of Forensic Audit Report, were supplied.

7. Issue notice. Notice is accepted by learned counsel appearing for the respondent-State Bank of India (“SBI”).

8. He submits that as per the judgment in the case of ***Rajesh Agarwal (Supra)***, the respondent was required to provide only the conclusion of the Forensic Audit Report and not the whole document. He further submits that the decision to declare the account of the petitioner as ‘Fraud’, is based upon the decision passed by the Review Committee for Identification of Fraud of the respondent-SBI.

9. Let reply be filed within a period of four weeks.

10. Rejoinder thereto, if any, be filed within two weeks, thereafter.

11. In view of the submissions made before this Court, it is directed that the operation of the impugned order dated 07th May, 2024 passed by the respondent-bank, shall remain stayed, till the next date of hearing.

12. At this stage, learned counsel appearing for the respondent-bank



submits that there are certain proceedings which are under process to be filed before the Central Bureau of Investigation (“CBI”).

13. It is clarified that this Court has not made any comment on any proceedings being undertaken by the bank in that regard.

14. Re-notify on 16th October, 2024.

MINI PUSHKARNA, J

MAY 30, 2024/kr