**IN THE HIGH COURT OF GUJARAT AT AHMEDABAD**

**R/SPECIAL CIVIL APPLICATION NO. 3997 of 2024**
**With**
**CIVIL APPLICATION (FOR STAY) NO. 1 of 2024**
**In R/SPECIAL CIVIL APPLICATION NO. 3997 of 2024**

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AMIT DINESHCHANDRA PATEL & ORS.
Versus
PUNJAB NATIONAL BANK & ORS.

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Appearance:
ARJUN R SHETH(7589) for the Petitioner(s) No. 1,2,3,4
AMIRAJ R BAROT(8575) for the Respondent(s) No. 3
DHRUVKUMAR S CHAUHAN(8138) for the Respondent(s) No. 1,6
MR MIHIR H PATHAK(5261) for the Respondent(s) No. 8
MR VISHWAS K SHAH(5364) for the Respondent(s) No. 5
MR. JAINISH P SHAH(7033) for the Respondent(s) No. 9
RULE SERVED for the Respondent(s) No. 4,7
VIVAN T SHAH(7947) for the Respondent(s) No. 2

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**CORAM:HONOURABLE MS. JUSTICE VAIBHAVI D. NANAVATI**

**Date : 17/09/2024**

**ORAL ORDER**

1. Draft amendment dated 10.09.2024 is taken on record. The same is allowed. Amendment be carried out within a period of one week.

2. When the matter is taken up for hearing, Mr.A.R. Sheth, learned advocate with Mr.Aalay Shah, learned advocate for the petitioners submitted that the respondent no.2 – Union Bank of India has passed an order dated 29.08.2024, declaring the petitioners' account as fraud account under the RBI circular, which is duly produced at Annexure-W-7. It is submitted that the respondent no.2 has appeared in the present petition upon issuance of notice. It is submitted that the respondent no.2 forms a part of consortium of banks, which is duly produced at page 60 wherein, the consortium

banks through its various branches, extended the credit facilities to the company in question, which includes the Union Bank of India, which figures at page 64.

3. It is submitted that the order dated 22.04.2024 pursuant to the show-cause notice is ordered to be stayed by order dated 26.04.2024. It is submitted that the said notice also includes the Union Bank of India, which is also a consortium bank and the notice in question is issued by the consortium and in view thereof, it was not open for the respondent no.2 to pass the order, declaring the petitioners' account as a fraud account on 29.08.2024, placing reliance on the RBI circular, which is against the settled position of law.

4. Mr.Vivan Shah, learned advocate for the respondent no.2 submitted that the order pursuant to the said show-cause notice dated 22.04.2024, declaring the petitioners' account as fraud account, is stayed by order dated 26.04.2024. It is submitted that all the banks have passed the separate orders, declaring the petitioners' account as fraud account.

5. Considering the submissions advanced by the learned advocates appearing for the respective parties, prima facie, the petitioners' submissions require consideration.

6. In view thereof, the order dated 29.08.2024 is directed not to be acted upon till the next returnable date.

7. Post the matter on 29.10.2024.

**(VAIBHAVI D. NANAVATI,J)**

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