ITEM NO.4 COURT NO.7 SECTION XVI

S U P R E M E C O U R T O F I N D I A
RECORD OF PROCEEDINGS

Petition(s) for Special Leave to Appeal (C)Nos.20618-20619/2025

[Arising out of impugned final judgment and orders dated 12-03-2025 in FMA No. 1201/2024 & FMA No. 1266/2024 passed by the High Court at Calcutta]

STATE BANK OF INDIA Petitioner(s)

VERSUS

AMIT IRON PRIVATE LIMITED & ANR. Respondent(s)

FOR ADMISSION, IA No. 232297/2025 - PERMISSION TO FILE ADDITIONAL DOCUMENTS/FACTS/ANNEXURES

Date : 04-11-2025 These matters were called on for hearing today.

CORAM :
HON'BLE MR. JUSTICE J.B. PARDIWALA
HON'BLE MR. JUSTICE K.V. VISWANATHAN

For Petitioner(s) Mr. Tushar Mehta, Solicitor General
Mr. Sanjay Kapur, AOR
Mr. Surya Prakash, Adv.
Mr. Abhishek Tiwari, Adv.
Ms. Shubhra Kapur, Adv.
Ms. Mansi Kapur, Adv.

For Respondent(s) Mr. K. Parameshwar, Sr. Adv.
Mr. Rajat Nair, AOR
Mr. Randeep Sachdeva, Adv.
Mr. Suryaksh Manot, Adv.
Mr. Dhruv Pande, Adv.
Mr. Akshaja Singh, Adv.
Mr. Vishal Sinha, Adv.
Mr. Sahib Kochar, Adv.
Mr. Shivang Gupta, Adv.
Mr. Vasu Kalra, Adv.
Mr. Alok Dubey, Adv.

UPON hearing the counsel the Court made the following

O R D E R

1. We heard Mr.Tushar Mehta, the learned Solicitor General of India appearing for the State Bank of India and Mr. K.

Parameshwar, the learned senior counsel appearing for the respondent(s) at length.

2. The principal argument canvassed by Mr.Mehta today on behalf of the Bank is that the decision of this Court in the case of *State Bank of India & Ors vs. Rajesh Agarwal & Ors., reported in (2023) 6 SCC page 1,* should not be read or understood to convey in so many words that oral hearing or personal hearing is mandatory. The argument of the learned Solicitor General is that banks may have to encounter situations by which it would not be possible to afford oral hearing or personal hearing to the parties concerned. According to the learned Solicitor General at times giving of personal hearing may defeat the very purpose of declaring the account to be a fraud account. To fortify his submission, the learned Solicitor General has relied on some case law.

3. On the other hand Mr.Parameshwar, the learned senior counsel appearing for the respondent(s) would submit that the law as regards the obligation to provide personal hearing before declaring the account to be a fraud account has been well settled by the decision of this Court in the *State Bank of India & Ors vs. Rajesh Agarwal & Ors.*(supra). Our attention was drawn to few paragraphs of the said judgment to make good the submission that it is not enough to call for the reply to the show cause notice and decide the matter. According to Mr.Parameshwar, oral hearing or personal hearing is mandatory.

4. We want the parties to file their written submissions in writing with the case law they propose to rely upon. We also

want the Bank to highlight over and above the position of law they propose to canvas to make good their argument, the peculiar contingencies which they may have to encounter and why such contingencies should exempt to Bank from giving personal hearing.

5. We are of the view at this stage that the presence of the Reserve Bank of India is also necessary. The learned counsel appearing for the bank shall implead the Reserve Bank of India as a party respondent in the matters.

6. Cause title be amended accordingly.

7. Dasti service, in addition, is permitted.

8. Post it on 18.11.2025 on top of the Board.

9. One set each of the entire paper books shall also be furnished to Mr.Ramesh Babu M.R., the learned advocate-on-record who ordinarily appears for the Reserve Bank of India.

10. We make it clear that we shall conclude the hearing on 18.11.2025. No further time shall be granted in the matters.

(NIRMALA NEGI)
ASTT. REGISTRAR-cum-PS

(POOJA SHARMA)
COURT MASTER (NSH)