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

+ W.P.(C) 2700/2025 & CM APPL. 12858/2025

BHUTHALINGAM HARIHARAN

.....Petitioner

Through: Mr. Ravi Nair and Mr. Kshitij Ujala,
Advocates.

versus

RESERVE BANK OF INDIA AND ORS

.....Respondent

Through: Mr. Sidhartha Barua, Mr. Kumar
Arnav Singh Deo and Mr. Naman, Advocates for
R2/IDBI.

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+ W.P.(C) 2709/2025 & CM APPL. 12876/2025

RAJEEV RANJAN VEDERAH

.....Petitioner

Through: Mr. Ravi Nair and Mr. Kshitij Ujala,
Advocates.

versus

RESERVE BANK OF INDIA AND ORS

.....Respondent

Through: Mr. Sidhartha Barua, Mr. Kumar
Arnav Singh Deo and Mr. Naman, Advocates for
R2/IDBI.

CORAM:

HON'BLE MS. JUSTICE JYOTI SINGH

ORDER

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26.11.2025

1. These writ petitions are filed on behalf of the Petitioners under Article 226 of the Constitution of India seeking identical reliefs as follows:-

“a) Issue an appropriate Writ or Direction quashing/setting aside the Impugned Order dated 22.11.2024 passed by the Respondent No. 2 and Respondent No. 3, classifying the Petitioner as fraud under Master



Directions on Fraud Risk Management in Commercial Banks (Including Regional Rural Banks) and All India Financial Institutions dated 15.07.2024, as amended/replaced from time to time, and all proceedings or actions initiated or taken consequent to such declaration;

b) Issue a Writ of Mandamus or any other appropriate Writ or Direction directing Respondent No. 2 and 3 to not take any fresh/further action under Master Directions on Fraud Risk Management in Commercial Banks (Including Regional Rural Banks) and All India Financial Institutions dated 15.07.2024, as amended/ replaced from time to time against the Petitioner without complying with the principles of natural justice including providing a copy of the Forensic Audit Report and/or without providing a proper, effective and fair opportunity of being heard to the Petitioner;

c) Issue a Writ of Mandamus or any other appropriate Writ or Direction directing the Respondent No. 2 and Respondent No. 3 to withdraw any communication, notice or intimation issued to any third party or persons by the Respondent No. 2 and Respondent No. 3 regarding the illegal and arbitrary declaration of the Petitioner as fraud; and

d) Pass any such other appropriate orders/directions as this Hon'ble Court may deem fit and proper in the facts and circumstances of the case."

2. At the outset, Mr. Sidhartha Barua, learned counsel for Respondent No.2/IDBI Bank fairly and candidly submits that Coordinate Bench of this Court in ***Ballarpur International Holdings B.V. v. Reserve Bank of India & Ors., W.P.(C) 2908/2025*** has set aside order dated 22.11.2024 whereby account of the company was declared as 'Fraud', relying on the judgment of the Supreme Court in ***State Bank of India and Others v. Rajesh Agarwal and Others, (2023) 6 SCC 1*** and Division Bench of this Court in ***IDBI Bank Ltd. v. Gaurav Goel and Others, 2025 SCC OnLine Del 935***, owing to non-compliance of principles of natural justice by not affording opportunity of personal hearing to the Petitioner therein i.e. the company in which Petitioners herein are the directors and on parity these writ petitions can be allowed to this limited extent. Copy of order dated 28.05.2025 is handed over and taken on record.



3. In light of order dated 28.05.2025 passed by the Coordinate Bench and candid submission of Mr. Sidhartha Barua, impugned order dated 22.11.2024 is set aside. This will, however, not preclude IDBI Bank/ Respondent No.2 to pass fresh order, in accordance with law, after affording opportunity of personal hearing to the Petitioners. In case IDBI Bank proceeds in the matter and final decision is taken, the same shall be communicated to the Petitioners within one week from the date of the decision and in the event, the decision is adverse to the Petitioners, the same shall not be given effect to for a period of two weeks from the date of communication of the decision, to enable the Petitioners to avail their legal remedies.
4. Writ petitions are allowed and disposed of to the aforesaid extent. It is made clear that Court has not expressed any opinion on the merits of the cases and all rights and contentions of the parties are left open.
5. Pending applications also stand disposed of.

JYOTI SINGH, J

NOVEMBER 26, 2025/YA