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

+ W.P.(C) 9298/2024 & CM APPL. 22447/2025

RAJKUMAR SUKHDEV SINHI & ANR.Petitioners

Through: Mr. Sandeep Sethi, Sr. Adv. with Mr.
Rishi Agrawala, Mr. Tejasvi
Chaudhry and Ms. Tarini Khurana,
Adv.

versus

IDBI BANKRespondent

Through: Mr. Sidhartha Barua, Adv.

CORAM:
HON'BLE MR. JUSTICE VIKAS MAHAJAN

ORDER
13.05.2025

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1. In the present petition, petitioners have assailed two show-cause notices both dated 19.06.2024, (Annexure P-1 and Annexure P-2) separately issued by the respondent Bank to the petitioners, calling upon them to show cause as to why they should not be classified as 'fraud' and subsequent actions be not taken against them as per the Master Directions. The show-cause notices, though separately issued to the petitioners, but are identically worded.

2. Mr. Sandeep Sethi, learned Senior Counsel appearing on behalf of the petitioners, besides other submissions has laid emphasis on the ground that the impugned show-cause notices have been issued without complying with the principles of natural justice, inasmuch as said notices refers to certain transactions without any underlying basis.

3. Elaborating on his submission, Mr. Sethi submits that no report



including Forensic Audit Report or other documents have been provided with the show-cause notices. Therefore, it is not possible for the petitioners to reply to the allegations, which are not rooted in any document.

4. Mr. Siddharth Barua, learned counsel appearing on behalf of the respondent Bank, on instructions, submits that the present petition can be disposed of in terms of the order passed by the Coordinate Bench of this Court in ***Gautam Malhotra v. IDBI Bank Limited***¹.

5. Mr. Sethi submits that petitioners have no objection, in case the petition is disposed of in terms of the order passed in ***Gautam Malhotra*** (supra).

6. In view of the above, present writ petition alongwith pending application is disposed of with the following directions:

(i) The SCN dated 19.06.2024 shall stand, however, the respondent/IDBI Bank Limited shall maintain *status quo* and shall not declare or classify the account of the petitioner as 'fraud';

(ii) In the meanwhile, the petitioner shall be afforded an opportunity to inspect the relevant record from 02:00 p.m. to 05:00 p.m. at IDBI Bank Ltd., 9th Floor, Plate B, Block 2, NBCC Office Complex, East Kidwai Nagar, New Delhi 110023 on meeting Ms. Kaveri Krishnamurthy, DGM, IDBI Bank Ltd. (Mobile No. 9820252268) on 16.06.2025 and 17.06.2025 and if need be on 20.06.2025;

(iii) The petitioner may be accompanied with his Chartered Accountant or any financial expert who shall be supplied with the copies of the forensic audit reports, soft as well as hard copies, if the latter desired, at the cost of the petitioner;

(iv) On conducting such inquiry, the petitioner shall file his reply to the SCN within a period of 14 days i.e. on or before

¹ Order dated 21.08.2024 passed in W.P.(C) 11519/2024



04.07.2025;

(v) The respondent/IDBI Bank Limited may thereupon afford an opportunity of hearing to the petitioner on any working day, and thereafter may take a decision in accordance with law, within 21 days of the filing of the reply to the SCN.

7. Needless to say, that all contentions of the parties are left open.

VIKAS MAHAJAN, J

MAY 13, 2025/jg