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

+ **W.P.(C) 915/2026 & CM APPL. 4503/2026**

RAJNEESH NAGAR

....Petitioner

Through: Mr. Ashish Dholakia, Sr. Adv., Mr.
K.D. Sharma, Adv., Mr. Srikant Misra, Adv., Ms.
Ananya Narayan Tyagi, Mr. Varun Sharma, Adv.,
Ms. Deeksha Khurana, Adv.

versus

CANARA BANK LIMITED & ANR.

.....Respondents

Through: Mr. Rajesh Kumar Gautam, Miss
Likivi K Jakhalu, Mr Deepanjali Choudhary, Miss
Azal Aekram, Advs.

Mr. Abhishek Baid, Mr. Mohit Kumar Bafna, Mr.
Praneet Das and Mr. Ravinder Kumar, Advocates
for R2

CORAM:

HON'BLE MR. JUSTICE JASMEET SINGH

ORDER

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27.01.2026

1. This is a writ petition filed under Article 226 of the Constitution of India seeking setting aside of the fraud declaration letter dated 20.12.2025, wherein the respondent bank has classified the petitioner's account as fraud with effect from 19.12.2025.
2. I have heard the learned counsel for the parties.
3. From the documents available on record, the Transaction Audit Report ("**TAR**") was not provided to the petitioner with the show cause notice at any time prior thereto. Even in the reply to the show cause notice, the petitioner sought a copy of the TAR. Additionally, the personal hearing was also not provided.
4. The same is totally contrary to the judgment of **SBI v. Rajesh Agarwal, (2023) 6 SCC 1**.



5. The declaration of a person as fraud has serious consequences and while doing the same, principles of natural justice have to be followed.
6. For the said reasons, the impugned letter dated 20.12.2025 is quashed.
7. The respondent No. 1 is at liberty to issue fresh show cause notice and will comply with principles of natural justice and law laid down by the Hon'ble Supreme Court in ***Rajesh Agarwal (Supra)***.
8. The petition is disposed of in aforesaid terms.

JANUARY 27, 2026/AS

JASMEET SINGH, J