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

+ **W.P.(C) 3475/2026 & CM APPL. 16799/2026**

DHANANJAY TIWARI

.....Petitioner

Through: Mr. Jagdeep Kumar Sharma, Sr. Adv
with Mr. Kartikay Sharma & Ms.
Ishika Ahluwalia, Advs.

versus

PUNJAB AND SIND BANK

.....Respondent

Through: Ms. Seema Gupta, Adv.

CORAM:

HON'BLE MR. JUSTICE JASMEET SINGH

ORDER

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01.04.2026

1. This is a writ petition filed under Article 226 of the Constitution of India seeking the following prayers:-

“A. Issue a writ of Certiorari or any other appropriate writ, order or direction quashing the Impugned Order dated 18.02.2026 issued by the Respondent Bank as illegal, invalid and null and void;

B. Issue a writ of Mandamus directing the Respondent Bank to remove the Petitioner's name from all records, databases and reports where he has been classified or reported as “fraud”, including reporting made to the Reserve Bank of India and credit information companies; and...”

2. The brief facts of the case are that M/s Reliance Commercial Finance Limited (“**RCFL**”) is a non banking finance company. RCFL availed loan from the respondent bank. The respondent bank sanctioned the loan in the year 2014, 2015 and 2016 for an aggregate amount of Ra. 540 crores. The



petitioner was inducted on the board of RCFL and was appointed as Additional Director of RCFL on 01.03.2019 and a permanent Director on 30.09.2019. He continued in such capacity until 15.03.2022 after which the petitioner resigned.

3. Due the RCFL account not being satisfactory, it was declared as NPA on 29.11.2019 in accordance with the RBI guidelines. Subsequently, in relation to credit facilities extended to RCFL, the respondent bank issued a Show Cause Notice (“SCN”) dated 29.10.2025 to the petitioner based on Forensic Audit Report dated 02.01.2020. Since no response was received from the petitioner, the respondent bank issued a reasoned order dated 18.02.2026 declaring the petitioner as fraud recording that no reply was received to Show Cause notice dated 29.10.2025.

4. Mr. Sharma, learned senior counsel for the petitioner, on instructions states that no SCN was ever served upon the petitioner and hence the question of reply would not arise.

5. Additionally and more importantly, he states that even assuming that Show Cause notice was served and the petitioner failed to respond to the same. The order declaring the petitioner as fraud is based on Forensic Audit Report dated 02.01.2020.

6. A perusal of the SCN dated 29.10.2025 annexed with the counter affidavit does not show that the Forensic Audit Report was a part of the SCN or was ever supplied to the petitioner. Hence, the question of petitioner giving a meaningful response in the absence of Forensic Audit Report did not arise at all.

7. On my query to Ms. Gupta, learned counsel for the respondent, that whether there is any document to show that Forensic Audit Report has been



supplied to the petitioner, states that the answer is in the negative.

8. However, she states that the petitioner did not respond to the SCN and if the petitioner had asked for the same, the same would have been supplied.

9. The judgment of ***SBI v. Rajesh Agarwal, (2023) 6 SCC 1*** clearly declares that fraud has serious consequences and before doing so principles of natural justice must be followed. I am of the view that since the impugned order is predicated on the Forensic Audit Report, the same should have been supplied to the petitioner. Additionally, in a matter involving similar set of facts between the petitioner and Punjab National Bank in WP(C) 10829/2025, the Coordinate Bench has allowed the prayer of the petitioner directing the respondent bank to grant personal hearing.

10. For the said reasons, the petition is allowed and the impugned order dated 18.02.2026 declaring the petitioner as fraud is set aside.

11. Since the petitioner now has a copy of the Forensic Audit Report and the SCN, the petitioner shall file a reply to the SCN within 15 days from today.

12. The respondent bank or its Fraud Examination Committee shall give atleast a 2 week notice to the petitioner and fix a personal hearing and thereafter shall hear the petitioner and pass a reasoned and a speaking order.

13. The petitioner is residing at the address given in the memo of parties.

14. The Counter Affidavit handed over in Court today is taken on record.

15. With the aforesaid directions, the present writ petition is disposed of.

JASMEET SINGH, J

APRIL 1, 2026/NG