S/L 22
20.11.2026
Court. No. 25
suvayan

WPA 29931 of 2026

Pratik Sharma & Anr.
Vs.
Union Bank of India & Ors.

Mr. Rachit Lakhmani
Mr. V.V.V. Sastry
Mr. Vishwarup Acharyya
Mr. Piyush Kumar

...for the petitioners.

Mr. Jishnu Chowdhury, Sr. Adv.
Ms. Tannya Baranwal
Ms. Vansika Khaitan
Mr. Mayank Agarwal
Mr. Deep Basak

...for the Union Bank of India.

1. The petitioners have filed the present writ application challenging the show-cause notice dated September 16, 2026 wherein the bank has directed the petitioners to show-cause as to why the accounts of petitioners shall not be declared as fraud.

2. The petitioners submit that the credit facilities were sanctioned in favour of the petitioners on January 16, 2014. Thereafter the account of the petitioners was classified as Non-Performing Assets on March 12, 2018 and the account of the petitioners was classified as fraud on March 23, 2021. The petitioners submit that though the allegation that the account of the petitioners was classified as fraud on March 23, 2021 but the same has not been communicated to the petitioners and the petitioners had no knowledge with regard to the declaration of fraud of the account of the petitioners on March 23, 2021.

3. The petitioners further submit that as per the show-cause notice the bank has withdrawn the order declaring

the account of the petitioners fraud dated March 23, 2021 on September 5, 2026 and subsequently, the bank has issued the present notice.

4. Mr. Lakhmani, learned advocate appearing for the petitioners submits that in the show-cause notice it is not mentioned by the bank what are the reason for withdrawal of the earlier classification alleged fraud of the account of the petitioners. He further submits that the bank has relied upon several documents in the show-cause notice but other than the forensic audit report no further document has been supplied to the petitioners.

5. The petitioners have brought to the notice of this Court to the audit report wherein it was mentioned that during the audit, the auditor has verified several documents including parties ledger accounts, stock audit reports, bank statements and statutory report but same has not been supplied to the petitioners. He submits that the bank without supplying the documents other than the audit report, due to which the petitioners are not in a position to give comprehensive reply and accordingly, the petitioners have filed the present writ application.

6. Learned counsel appearing for the bank submits that whatever the grievance, the petitioners ought to have filed reply to the show-cause notice; instead of giving any reply to the show cause notice or asking for any documents from the bank, the petitioners have filed the present writ application which is required to be dismissed. He further submits that on March 23, 2021 the bank has passed the order declaring the account of

the petitioners as fraud. But subsequently as per the judgment passed by the Hon'ble Supreme Court it was found that an opportunity is to be given and accordingly, the same was withdrawn and the further show-cause notice has been issued to the petitioners to explain why the account of the petitioners shall not be declared as fraud.

7. Heard the learned counsel for the respective parties.

8. Perused the materials on record and the show-cause notice dated September 16, 2026.

9. Learned counsel for the petitioners submits that though the show-cause notice is dated September 16, 2026 but the petitioners have received show-cause notice on September 25, 2026. Whatever the date the petitioners have received the notice but admittedly neither the petitioners have submitted any show-cause reply nor have submitted any representation asking any document from the bank.

10. Considering the above, this Court finds that instead of going into the merit of the matter, the writ petition can be disposed of by giving at liberty to the petitioners to submit the show-cause reply to the show-cause notice dated September 16, 2026.

11. Accordingly, the petitioners are given liberty to submit show-cause reply to the show-cause notice dated September 16, 2026 within a period of two week from date and if the petitioners intending that any document is required to be supplied by the respondent bank, in the show-cause reply, the petitioners should indicate the

documents and if the bank received the reply of the petitioners along with any demand with regard to the document, the bank will consider for supply of the document. If the bank relied upon the said document during the issuance of the show-cause notice, the bank shall be supplied to the petitioners within two weeks thereafter.

12. It is made clear that if the bank finds that the documents which the petitioners' demanded are not required for the adjudication, the same may be intimated to the petitioners within a week. If the petitioners received any document from the bank within two weeks, the petitioners are given liberty to file supplementary reply to the show-cause notice within two weeks after receipt of further documents, if any.
13. On receipt of the supplementary reply, if any, the bank shall decide in accordance with law within a period of three weeks thereafter.
14. It is made clear that this Court has not gone into the merit of the case. All the points have been kept open to decide by the bank at the time of hearing including the maintainability of issuance of the show-cause notice by the bank.
15. WPA 29931 of 2026 is disposed of.
16. Urgent photostat certified copies of this order, if applied for, be supplied to the parties upon compliance with all the necessary formalities.

(Krishna Rao, J.)