



\$~102

* **IN THE HIGH COURT OF DELHI AT NEW DELHI**
CNR No. DLHC010392632026
+ **W.P.(C) 12218/2026 & CM APPL. 56553/2026**
KUNDAN REFINERY PRIVATE LIMITED Petitioner
Through: Mr Prithu Garg, Mr Ashutosh Arvind
Kumar, Mr Aryan Bhat, Advs
versus
PUNJAB NATIONAL BANK & ORS. Respondents
Through: Mr Harshit Gupta Adv

CORAM:
HON'BLE MR. JUSTICE JASMEET SINGH

ORDER

% **21.08.2026**

CM APPL. 56552/2026

Exemption allowed, subject to all just exceptions.

The application is disposed of.

W.P.(C) 12218/2026

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

- “i. Issue a writ of mandamus, or any other appropriate writ, order or direction, directing Respondent No. 1 to forthwith remove all 11 liens marked in the Petitioner’s Current Account No. 4184008700002048, Shalimar Bagh Branch, New Delhi, as detailed in the Lien Inquiry Statement (annexed as Annexure P-1 to the Writ Petition), and to restore the said bank account to full and unrestricted operation;*
- ii. Issue a writ of certiorari, or any other appropriate writ, order or direction, quashing all 11 liens marked in the*



Petitioner's Current Account No. 4184008700002048, Shalimar Bagh Branch, New Delhi, as detailed in the Lien Inquiry Statement (annexed as Annexure P-1 to the Writ Petition);

iii. Issue a writ of certiorari, or any other appropriate writ, order or direction, calling for the entire records of Respondent Nos. 2 to 4 relating to the instructions / communications by which the 11 liens came to be marked on the Petitioner's Account No. 4184008700002048, including any FIR, seizure order under Section 106 BNSS, report to the jurisdictional Magistrate, or application under Section 107 BNSS, and, upon examination thereof, quash / set aside the said instructions / communications as being arbitrary, illegal, unreasoned, without jurisdiction, and violative of the principles of natural justice, ,,,

2. The brief facts of the case are that the petitioner is a company engaged in refining and trading of precious metals. The petitioner maintained a Current Account with the respondent bank bearing No. 4184008700002048. The respondent has marked 11 liens on the petitioner's account aggregating to a total of Rs. 2,08,82,133.34/-.

3. Mr. Garg, learned counsel for the petitioner, no show cause notice, no information etc. has been supplied to the petitioner and impugned action is in violation of principles of natural justice as well as various circulars issued by Reserve Bank of India from time to time.

4. He draws my attention to Standard Operating Procedure ("**SOP**") dated 02.01.2026 wherein Clause 10.1 reads as under:-



“10.1 In case of grievances related to the amount put on hold effected by NCRP-CFCFRMS, the following process will be followed:

a) A person affected by such an action will approach the Bank branch where her account exists or any other designated branch or office. The bank will undertake CDD as prescribed in relevant RBI circulars and Master Directions, updated from time to time and the justifications submitted by the person, exercise Enhanced Due Diligence (EDD) and if convinced about the bonafides of the transaction, submit the grievance to the Grievance Redressal Module of CFCFRMS with the necessary justifications submitted by the aggrieved person. Banks and FIs would be expected to submit such a grievance at the earliest and not beyond 07 calendar days from the day the aggrieved person complains.

b) The grievance will be assigned by the concerned SHO to the IO or Police officer under intimation to the concerned District Grievance Officer. If there are multiple holds, the grievance will be assigned by the concerned SHOs to the concerned IOs or Police officers under intimation to the District Grievance Officers.

c) The IO or Police Officer of the case shall verify the grievance. She shall issue a notice (physical or electronic) to the account holder in whose account the reported amount is put on hold to appear for verifications, preferably through a video conference. A representative of the aggrieved person's



bank branch (preferably grievance redressal officer) may also be included in the videoconference or otherwise involved with the process of verifications. The account holder or the person raising the grievance on behalf of the account holder should not be called to appear in person before the IO or Police officer, unless deemed to be unavoidable during a course of the investigation, and an FIR or e-FIR is issued in the case. To the extent possible, videoconferencing should be opted.

d) For verifications, the IO or Police Officer may also take the assistance of the concerned Police Station of the area where the account holder resides. For this, the CIAR module of the Samanvaya Platform can be used. If satisfied with the verifications and the explanations submitted, he will direct the concerned banks to remove the hold on the reported amount within 15 calendar days of the receipt of the grievance. The Bank or FI concerned shall remove the hold on the reported amount and shall update the same on the Grievance Redressal Module.

e) If the IO or Police Officer is not satisfied with the explanation submitted by the aggrieved person, she shall submit her remarks on the Grievance Redressal Module within 15 calendar days of raising the grievance by the bank, duly recording the reasons and the same will be communicated to the account holder by SMS/email.

f) If the IO or Police Officer or the authorised Police Officer doesn't address the grievance raised within a period of 15



calendar days, then on the completion of 15 calendar days, the grievance will be automatically notified to the District Grievance Officer. If the account holder is not satisfied with the orders of the IO or Police Officer, she may file a review request within 15 calendar days of receiving intimation by visiting the designated bank branch, which will then be reviewed by the District Grievance Officer. The reviewing officer will go through the details submitted, reasons offered by the IO or Police Officer, may seek additional information from banks, pass appropriate instructions to the IO or Police Officer and update her decision on the Grievance Redressal Module within 15 calendar days of being notified. As instructed by the District Grievance Officer, the IO or Police Officer shall take appropriate action and update the portal within 2 calendar days. Banks and FIs should furnish the requested information at the earliest and not later than 2 calendar days to enable expeditious disposal of the grievance.

In case no lawful directions regarding continuation or discontinuation of the hold (where money is held in the bank account against any LEA request or court order) are received within 90 calendar days of the grievance being submitted by the bank, then within 15 calendar days before the expiry of these 90 calendar days, the bank will intimate the concerned LEA for removal of the hold, in cases where the hold placed has been contested upon through this grievance redressal



mechanism. Further, an SMS will be sent to the concerned SHO or the authorised Police Officer through NCRP. If the amount is not required to be retained in any other case or if there is no petition filed in any court for the release of that amount, and there is no request from the concerned LEA for an extension of the hold period, the bank shall remove the hold, after EDD, on a request made by the account holder and as per instructions of the concerned LEA.

Before carrying out the discontinuation of the hold, intimation will be sent to the SHO at least 15 calendar days before the date of expiry of the 90 calendar days from the date of raising the grievance. The status of the removal of the hold will be updated on CFCFRMS by the Bank. In case the IOs or designated Police Officers find it necessary during the course of investigation that it's necessary to continue the hold, they may ask for an extension for continuation for up to 90 additional calendar days.

10.2 In cases of grievances related to suspension of digital banking services or seizure of accounts or any other property on the basis of information available on NCRP-CFCFRMS, the following process will be followed:

- a) Directions for seizure of bank accounts or suspension of digital banking services shall be given under Section 106 BNSS or any other extant laws.*
- b) A person affected by such an action will approach the bank*



branch where her account is held or any other designated branch or office. The bank will undertake CDD as prescribed in relevant RBI circulars/ Master Directions, updated from time to time and the justifications submitted by the person, exercise Enhanced Due Diligence (EDD) and if convinced about the bonafides of the credentials and the transactions, submit the grievance to the Grievance Redressal Module of NCRP-CFCFRMS with the necessary information including explanations submitted by the aggrieved person. Banks and FIs would be expected to submit such a grievance at the earliest and not beyond 07 calendar days from the day the account holder or aggrieved person complains.

c) The grievance will be assigned to the IO or Police Officer issuing directions for suspension of digital banking services or seizure, and also notified to the concerned State and District Grievance Officers. If there are multiple directions mandating suspension of digital banking services or seizure, the grievance will be assigned to each of the Officers issuing such directions along with the notification to the concerned State and District Grievance Officers.

d) The IO or Police Officer of the case shall verify the requests made in the grievance. For this, he may seek additional information from the aggrieved account holder. The IO or Police Officer of the case should use Video Conferencing to the extent possible to interview the aggrieved account holder. The IO or Police Officer may also take assistance from the



Police Station of the area where the account holder resides for the purpose of verification. For this, the CIAR module of the Samanvaya Platform can be used. If satisfied with the verifications and the explanations submitted, he may direct the concerned bank to release the seized account or enable the digital banking facilities, keeping the reported amount on hold, as the case may be, under intimation to the district and state grievance officer, duly updating the Grievance Redressal Module, within 15 calendar days.

e) If the IO or Police Officer is not satisfied with the explanation submitted by the aggrieved person, she shall submit her remarks on the Grievance Redressal Module, duly recording her reasons, within 15 calendar days of receipt of the grievance on the portal, and the same will be communicated to the account holder by e-mail or SMS.

f) If the IO or Police Officer doesn't address the grievance within 15 calendar days, then on the completion of the 15th day, the grievance will be automatically notified to the District Grievance Officer. Further, if the account holder is not satisfied with the orders of the IO or Police Officer, she may file the review request within 15 calendar days of receiving intimation, which will then be reviewed by the District Grievance Officer. The District Grievance Officer will pass appropriate instructions to the IO or Police Officer and update her decision on the Grievance Redressal Module within 15 calendar days of being notified. As instructed by the District



Grievance Officer, the IO or Police Officer shall take appropriate action and update the portal within 2 calendar days. Banks and FIs should furnish the requested information at the earliest and not later than 2 calendar days to enable expeditious disposal of the grievance.

g) Any account holder aggrieved by the decision of the District Grievance Officer to continue the seizure or suspension of digital banking services may prefer an appeal against the decision to the State Grievance Officer within 15 calendar days. The State Grievance Officer or any other officer designated by the state DGP/CP shall review the details of the grievance raised, if required, may seek additional case details and assess the need for continued seizure or suspension of the digital banking services of the account. The State Grievance Officer will pass appropriate instructions to the IO or Police Officer and update her decision on the Grievance Redressal Portal within 15 calendar days of being notified. As instructed by the State Grievance Officer, the IO or Police Officer shall take appropriate action and update the portal within 2 calendar days. Banks and FIs should furnish the requested information at the earliest and not later than 2 calendar days to enable expeditious disposal of the grievance.

h) Any account holder or any other person on her behalf, aggrieved by the decision of any Grievance Officer, at any point of time, may approach the jurisdictional Court for restoration of digital banking services or unfreezing of the said



account.

10.3 In cases of Victim (Complainant) Bank Account subjected to Suspension of Digital Banking Services or Seizure

In case the bank account of the victim is seized erroneously or as a preventive measure, action by the bank on a request from the victim herself to prevent any further loss, then on a request of the victim, the Bank shall release the victim's seized bank account, if it does not violate any lawful directions. In case the victim's account too has any complaint on CFCFRMS, then CDD may be conducted as prescribed above.

NOTE: The grievance on the Grievance Redressal Module can be raised by; (i) any aggrieved account holder or (ii) Any person on behalf of the aggrieved account holder, who is a Senior Citizen and not capable of visiting branch physically or (iii) Any person on behalf of the aggrieved account holder, who is specially abled and incapable of visiting branch physically or (iv) Any person on behalf of the aggrieved account holder, who is suffering from terminal illness and is incapable of visiting branch physically.”

5. A perusal of the aforesaid SOP shows that in case the petitioner is aggrieved by the action of the respondent of freezing its account, the petitioner on making the representation is entitled to submit the grievance within 7 days.

6. Mr. Garg, learned counsel for the petitioner, states that he will be satisfied if the present petition is treated as a representation under Clause 10.1 of the SOP and the respondent bank is directed to follow the SOP in



letter, spirit and intent.

7. Accordingly, the petition is disposed of directing that the present petition be treated as a representation under Clause 10.1 of the SOP.

JASMEET SINGH, J

AUGUST 21, 2026/AS