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

\+ W.P.(C) 8482/2016 and CM APPL. 34952/2016

DECCAN CHRONICLE HOLDINGS LTD. ..... Petitioner
Through: Ms. Maneesha Dhir, Advocate with Mr. Apoorve Karol and Mr. Vaibhav Tyagi, Advocates

versus

RESERVE BANK OF INDIA AND ANR ..... Respondents
Through: Mr. K.S. Parihar, Advocate with Mr. H.S. Parihar, Advocate for R-1/RBI.
Mr. Ripu Daman Bhardwaj, SPP for R-3/CBI.

CORAM:
HON'BLE MS. JUSTICE HIMA KOHLI

<u>O R D E R</u>

% **23.09.2016**

1. The present petition has been filed by the petitioner praying *inter alia* for quashing the letter dated 19.09.2016, issued by the respondent No.2/Bank, informing it that on receiving a letter dated 12.09.2016 from the respondent No.3/CBI, requesting the Bank to stop transactions in the current account No.CAPUB/230100100000351 maintained by the petitioner with it, they have been forced to freeze the said account and disallow any transactions therein.

2. Ms. Dhir, learned counsel for the petitioner submits that the respondent No.2/Bank could not have frozen the petitioner's account without giving prior intimation of the action proposed to be taken, particularly, since the said account is operated by the petitioner for paying

the salaries to its employees, purchasing news print etc.

3. Mr. Bhardwaj, learned counsel for the respondent No.3/CBI, who appears on advance notice, disputes the above submission and refers to a Full Bench decision dated 18.03.2011 of the Bombay High Court in **Criminal Writ Petition No.1520/2009** entitled Essar Logistics Ltd. vs. Vinoshkumar Ramchandran Valluvar and Anr., where the question referred for a decision was framed as below:-

> "Whether Section 102 of the Code of Criminal Procedure requires the issuance of a notice to a person before or simultaneously with the action of attaching the Bank account?"

4. After examining the provisions of Section 102 Cr.PC, and the judicial precedents on the aforesaid aspect, the Full Bench had concluded that Section 102 Cr.PC does not require issuance of a notice to a person before or simultaneously with the action of attaching his Bank Account.

5. Ms. Dhir, learned counsel for the petitioner submits that the relief in the present petition has been confined to issuance of directions to the respondent No.2/Bank for de-freezing its account maintained with it and for restraining it from initiating similar action in respect of the other accounts of the petitioner maintained with it. She states that the petitioner reserves its right to challenge the action of the respondent No.3/CBI of stopping transactions in its account.

6. At this stage, counsel for the respondent No.3/CBI states that after the respondent No.2/Bank had made necessary compliances of the directions to freeze the account of the petitioner in terms of the communication dated 12.09.2016, CBI has duly informed the Court of 14 ACMM Nainpally,

Hyderabad of the action taken against the petitioner in RC-07(E)/2016/CBI/BSFC/BLR. He states that if counsel for the petitioner states that her client proposes to offer a security for operating the said account, it is for them to approach the said Court but the present petition, as filed, would not be maintainable.

7. In view of the submissions made by the counsel for the respondent No.3/CBI and in view of the position of law, as has been clarified by the Full Bench of the Bombay High Court in the judgment dated 18.03.2011, this Court is not inclined to entertain the present petition for quashing the letter dated 19.09.2016, issued by the respondent No.2/Bank, as the action taken by the Bank is on the directions of the respondent No.3/CBI, in terms of their letter dated 12.09.2016. The CBI is empowered to invoke the provisions of Section 102 Cr.PC for freezing the account of the petitioner without issuing an prior notice to it either before or simultaneously with the action of attaching its bank account.

8. The petition is therefore disposed of alongwith the pending applications with liberty granted to the petitioner to approach the Court of 14 ACMM, Nainpally, Hyderabad, for seeking de-freezing of its account on furnishing adequate security/surety, as per law. Needless to state that this Court has not made any observations on the maintainability of such an application or the merits thereof as may be filed by the petitioner, which is left open for being decided by the concerned Court, in accordance with law.

HIMA KOHLI, J

SEPTEMBER 23, 2016/rkb