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

***Reserved on: 04th November, 2026***
***Pronounced on: 17th November, 2026***
***Uploaded on: 17th November, 2026***

\# **CNR No. DLHC010408132026**

\+ CRL.M.C. 6404/2026 & CRL.M.As. 26804/2026, 26806/2026

GREENLAM INDUSTRIES LIMITED .....Petitioner

Through: Mr. Divij Kumar, Mr. Yogesh Khanduja, Advocate with Mr. Kushagra Pareek, AR.

versus

STATE OF NCT OF DELHI ....Respondents

Through: Mr. Yudhvir Singh Chauhan, APP with Mr. Narendra Kumar, Advocate. SI Akash Yadav, IFSO.
Ms. Aayushi Gupta, Advocate for Complainant.
Mr. Devashish Marwah, Advocate for AU Small Finance Bank.

**CORAM:**
**HON'BLE MR. JUSTICE SANJEEV NARULA**

**JUDGMENT**

**SANJEEV NARULA, J.:**

1. The present petition, filed under Article 227 of the Constitution of India read with Section 528 of the Bharatiya Nagarik Suraksha Sanhita, 2023, assails the orders dated 14th October, 2025, passed by the JMFC-01, and 15th April, 2026, passed by the JMFC-02, Patiala House Courts, New Delhi, in proceedings arising out of FIR No. 97/2025, registered at P.S. Special Cell, Delhi. By the first order, the Magistrate directed the release of certain amounts to Respondent No. 2/complainant, pursuant to which a sum of ₹19,57,212 was debited from the Petitioner's bank account and transferred to Respondent No. 2. By the subsequent order, the Petitioner's application seeking intervention and restoration of the amount was

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19:07:37

dismissed.

2. The FIR No. 97/2025 was registered on the complaint of Respondent No. 2, Amit Chopra, alleging an investment fraud involving approximately ₹2.14 crores. During the investigation, certain transactions were flagged on the National Cybercrime Reporting Portal[1], and the corresponding amounts were placed on hold in various bank accounts. One such transaction concerned ₹19,57,212 credited to the Petitioner's account maintained with HDFC Bank.

3. Respondent No. 2 thereafter moved an application before the Magistrate seeking release of the amounts placed on hold. In his report dated 12th October, 2025, the Investigating Officer[2] furnished particulars of the accounts and transactions flagged on the NCRP portal. The report, however, expressly stated that the transactions were yet to be verified. Notwithstanding, the IO conveyed his no objection to the release of the amounts and suggested that the complainant be required to furnish an indemnity bond.

4. By order dated 14th October, 2025, the Magistrate directed release of the amounts on the premise that they were traceable to the complainant. No notice was issued to the Petitioner, although the order directly affected the funds standing to its credit. Acting upon the said order, HDFC Bank debited ₹19,57,212 from the Petitioner's account on 22nd October, 2025 and transferred the amount to Respondent No. 2.

5. The record reveals that this disputed transaction concerns a payment made by Bisnu Chem India Pvt. Ltd.[3], a company with which the Petitioner had commercial dealings relating to Duty Free Import Authorisations[4] for the import of kraft paper. Bisnu Chem maintains an account with AU Small Finance Bank[5], while the Petitioner maintains its account with HDFC Bank. Respondent No. 2 also maintains

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[1] "NCRP"
[2] "IO"
[3] "Bisnu Chem"
[4] "DFIA"

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19:07:37

an account with AU Small Finance Bank, separate from that of Bisnu Chem, and another with HDFC Bank, into which the Magistrate directed the released amount to be transferred.

6. The Petitioner's case is that it had entered into a Rate Contract dated 14th April, 2025 with Bisnu Chem for the transfer of DFIA authorisations. Pursuant thereto, the Petitioner raised a pro forma invoice dated 30th September, 2025 for ₹29,60,172. After adjusting an advance payment of ₹10,00,000 received on 23rd April, 2025, and deducting TDS of ₹2,960, Bisnu Chem remitted the balance amount of ₹19,57,212 through RTGS on 30th September, 2025, bearing UTR No. AUBLR62025093018899966. According to the Petitioner, the payment arose from its commercial dealings with Bisnu Chem and had no connection with Respondent No. 2 or the alleged investment fraud.

7. In support of its case, the Petitioner has placed on record the relevant contractual documents, payment advices and contemporaneous email correspondence. HDFC Bank has also issued a credit confirmation dated 16th March, 2026, identifying Bisnu Chem as the remitter of ₹19,57,212.

8. On learning of the debit, the Petitioner approached the Magistrate seeking permission to intervene and restoration of the amount. In his report dated 15th February, 2026, the IO stated that, according to the NCRP data, ₹19,57,212 had been credited to the Petitioner's account from Respondent No. 2's AU Bank account. However, no corresponding debit appeared in Respondent No. 2's bank statement. The IO further reported that the source of the transaction and the account trail remained to be verified. Nonetheless, by order dated 15th April, 2026, the Magistrate dismissed the application on the technical ground that, since the money had been transferred pursuant to a judicial order, directing its restoration would amount to review of that order, which was impermissible in law.

9. During the pendency of the present petition, this Court called for further

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"AU Bank"

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19:07:37

clarification from the investigating agency and the concerned banks. The State has filed a status report dated 2nd September, 2026, supported by the relevant banking records. AU Small Finance Bank has also filed a reply on affidavit dated 17th September, 2026. These documents substantially clarify the circumstances in which the disputed transaction came to be associated with the complainant's NCRP complaint.

10. The State's status report records that verification of the complainant's AU Bank statement revealed two transfers of ₹10,00,000 each, made on 30th September, 2025, to VJ Enterprises and Kaziji Impex Pvt. Ltd. The respective UTR numbers were AUBLR62025093018899217 and AUBLR62025093018899962. No debit of ₹19,57,212 in favour of the Petitioner appears in the complainant's account.

11. The status report further records that the payment of ₹19,57,212 received by the Petitioner was made from the account of Bisnu Chem, and that the transaction is reflected in the banking records of both companies. Significantly, the UTR number relating to the payment to Greenlam ends with 9966, whereas the UTR number of the complainant's transfer to Kaziji Impex ends with 9962. The investigating agency has itself noticed the close resemblance between the two transaction references. The subsequent verification by the concerned banks, however, establishes that these were distinct transactions, originating from different accounts.

12. AU Small Finance Bank, in its affidavit, has explained that the transaction concerning Greenlam was incorrectly tagged against the complainant's NCRP complaint owing to a technical error in the interface with the portal. According to the Bank, the entry was corrected in its system on 8th October, 2025, by updating the appropriate transaction reference. The Bank has also placed on record its communication dated 7th November, 2025, informing HDFC Bank and the investigating authorities of the erroneous tagging. The State's status report refers to this communication and the explanation furnished by AU Bank. However, the IO's report dated 12th October, 2025, does not reflect the correction stated to have been

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Signing Date:17.11.2026
19:07:37

made on 8th October, 2025, and continues to refer to the earlier transaction mapping.

13. In view of the above, the banking records establish that ₹19,57,212 was remitted to the Petitioner by Bisnu Chem, consistent with the contemporaneous documents relating to their commercial dealings. AU Small Finance Bank has also explained how the transaction came to be erroneously linked to Respondent No. 2's NCRP complaint. No material has been placed before this Court establishing any independent connection between this payment and the funds allegedly lost by Respondent No. 2.

14. The order dated 14th October, 2025 proceeded on the premise that the amounts identified by the investigating agency were traceable to the complainant, although the IO's report expressly acknowledged that the transactions remained unverified. The Petitioner was also not afforded an opportunity of hearing before the amount was directed to be released from its account to Respondent No. 2. In these circumstances, the order, insofar as it authorised the transfer of ₹19,57,212 from the Petitioner's account, cannot be sustained.

15. Section 503 of the BNSS permits delivery of seized property to the person entitled to its possession. The Petitioner was deprived of ₹19,57,212 pursuant to a judicial order founded on an erroneous identification of the transaction. The question that follows is whether the Petitioner should be granted restitution in these proceedings or relegated to an independent remedy for recovery of the amount.

16. In ***Sri Rahul Chari v. State of Karnataka***[6], the Karnataka High Court set aside an order directing transfer of funds from a third party's bank account to a cyber-fraud complainant without hearing the account holder, and directed restoration of the amount to the account from which it had been debited. In ***South Eastern Coalfields Ltd. v. State of M.P.***[7], the Supreme Court explained that Section 144 of the CPC is not the fountain source of restitution, but is merely a statutory

[6] W.P. No. 2865/2022, decided on 17th October, 2022

[7] (2003) 8 SCC 648

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19:07:37

recognition of a pre-existing rule of justice, equity and fair play. The Court observed that the principle of restitution is intended to place a party in the same position in which it would have been had the order occasioning the prejudice not been passed. The principle is not confined to cases involving an erroneous direction of the Court, but also applies where an act of a party, which persuades the Court to pass an order ultimately found to be unsustainable, results in one party gaining an advantage or the other suffering a corresponding loss.

17. Respondent No. 2 received the amount pursuant to a judicial order, and no wrongdoing is attributed to him in seeking its release. That, however, does not entitle him to retain money which the subsequent verification has established was wrongly transferred from the Petitioner's account. Merely setting aside that order would not remedy the loss. The appropriate course is to direct restoration of the amount rather than require the Petitioner to institute separate recovery proceedings.

18. The record also contains an indemnity bond executed by Respondent No. 2 on 18th October, 2025. The bond records his undertaking to indemnify the Court in the event of its breach. The indemnity bond thus envisaged recourse against Respondent No. 2 for recovery of the amount released to him.

19. The Magistrate declined the Petitioner's request for restoration on the ground that it would amount to reviewing the order dated 14th October, 2025. That, however, does not preclude this Court, in exercise of its supervisory jurisdiction, from setting aside the erroneous disbursement and directing restitution. The petition is accordingly allowed in the following terms:

(i) The order dated 14th October, 2025, passed by the JMFC-01, Patiala House Courts, New Delhi, is set aside only to the extent that it authorised release of ₹19,57,212 from the bank account of the Petitioner to Respondent No. 2. The remaining disbursements under that order are not disturbed.

(ii) The order dated 15th April, 2026, passed by the JMFC-02, Patiala House Courts, New Delhi, dismissing the Petitioner's application for intervention and

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19:07:37

restoration of the aforesaid amount, is also set aside.

(iii) Respondent No. 2 shall restore ₹19,57,212 to the Petitioner within six weeks from today, by electronic transfer to the Petitioner's HDFC Bank account from which the amount was originally debited, or to such other account as may be communicated by the Petitioner. Respondent No. 2 shall place proof of remittance on record before the Trial Court within one week thereafter.

(iv) The undertaking furnished by Respondent No. 2 pursuant to this Court's order dated 2nd September, 2026, concerning his interest in property bearing No. T-7/1002, TDI Lake Grove, Kundli, Sonipat, Haryana, shall remain operative until restitution is effected. This direction shall remain subject to the existing rights of the co-owner and the secured creditor and shall not be construed as creating any charge over their interests. Upon confirmation of full repayment, the undertaking shall stand discharged.

(v) In the event of non-compliance, the Petitioner shall be at liberty to seek enforcement of these directions and pursue such other remedies for recovery as may be available in accordance with law.

20. This judgment is confined to the legality of the disbursement from the Petitioner's account and the consequential relief of restitution. The liability, if any, of the concerned banks or the investigating agency has not been adjudicated, and the Petitioner remains at liberty to pursue appropriate remedies in accordance with law, subject to adjustment of any amount recovered towards the same loss.

21. The petition stands disposed of in the aforesaid terms, along with all pending applications, if any.

**SANJEEV NARULA, J**

**NOVEMBER 17, 2026/*nk***

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