



IN THE HIGH COURT OF KARNATAKA AT BENGALURU
DATED THIS THE 28TH DAY OF APRIL, 2026
BEFORE
THE HON'BLE MR. JUSTICE SACHIN SHANKAR MAGADUM
WRIT PETITION NO. 5246 OF 2026 (GM-RES)

BETWEEN:

1. M/S VDAD HOLIDAYS PRIVATE LTD
A COMPANY REGISTERED UNDER
INDIAN COMPANIES ACT 2013
HAVING ITS REGISTERED OFFICE AT:
THIRD FLOOR, NO.13,
ESSEL WILLCON
KANKANADI ROAD,
BENDOOOR WELL CIRCLE MANGALURU,
DAKSHINA KANNADA
KARNATAKA - 575 002.

REPRESENTED BY ITS DIRECTOR:
SRI. HANNEF K M

Digitally signed by
NAGARAJA B M
Location: HIGH
COURT OF
KARNATAKA

...PETITIONER

(BY SRI. VENUGOPALA M S, ADVOCATE)

AND:

1. M/S FEDERAL BANK
KANKANADY BRANCH
THE VINTAGE KANKANADY
MANGALURU, DAKSHINA KANNADA
KARNATAKA - 575 002



REPRESENTED BY:
THE BRANCH MANAGER

2. DEPUTY INSEPCTOR GENERAL
CYBER CRIME UNIT
DIG POLICE OFFICE
AGRA RANGE, AGRA - 282 001.

AMENDED AS PER COURT ORDER DATED 05/03/2025

...RESPONDENTS

(V/O DATED 19/2/2026

BY SRI. B S JEEVAN KUMAR, ADVOCATE FOR R1;

NOTICE TO R2 IS HELD SUFFICIENT V/O DATED 28.04.2026)

THIS WP IS FILED UNDER ARTICLES 226 AND 227 OF THE CONSTITUTION OF INDIA PRAYING TO ISSUE A WRIT / ORDER / DIRECTION IN THE NATURE OF MANDAMUS DIRECTING THE RESPONDENT BANK TO DE-FREEZE THE OPERATING CURRENT ACCOUNT OF THE PETITIONER COMPANY BEARING ACCOUNT NO. 17700200005094 AND THEREBY PERMIT THE PETITIONER COMPANY TO OPERATE THE SAID ACCOUNT FOR THE PURPOSE OF TRANSACTIONS DURING ITS NORMAL COURSE OF BUSINESS BY CONSIDERING THE REPRESENTATION DATED 03.01.2026 VIDE ANNEXURE H AND ETC.,

THIS PETITION, COMING ON FOR ORDERS, THIS DAY, ORDER WAS MADE THEREIN AS UNDER:

CORAM: HON'BLE MR. JUSTICE SACHIN SHANKAR MAGADUM



ORAL ORDER

The captioned writ petition is instituted by the petitioner seeking issuance of a writ in the nature of mandamus directing respondent/Bank to defreeze the petitioner's Current Bank Account bearing No. 17700200005094 and thereby permit the petitioner to operate the account without any restrictions by considering the representation dated 3.1.2026 vide Annexure-H.

2. The petitioner, which is a private company, is maintaining the aforesaid current bank account with respondent/Bank. It is the specific case of the petitioner that the said account is actively used for day-to-day financial transactions as well as for carrying on his professional and business activities. It is averred that on 30.12.2025, the respondent issued a letter of intimation wherein the transactions pertaining to the bank account was restricted to an extent of a lien mark of Rs.500/- in



view of the orders received from certain law enforcing authorities. In addition, the petitioner was informed to furnish the list of requisites to be furnished in order to remove the said restrictions. It is the case of the petitioner that though the letter of intimation dated 30.12.2025 only warranted the action of restriction to the extent of lien mark of Rs.500/-, the entire of operation of the said current account was freezed by the respondent/Bank. Though petitioner though requisition letter dated 3.1.2026 informed the bank that all requirements had been complied at their end, no response/communication written statement received. Petitioner through E-mail dated 17.01.2026 once again requested the concerned grievance redressal email address of respondent/bank for defreezing of the said current account. In response to the same, the respondent/Bank forwarded their reply via. email communication dated 22.01.2026, stating the account is freezed owing to the directions received from the National



Cyber Crime Reporting Portal. Hence, the present writ petition.

3. This Court has heard the learned counsel appearing for the petitioner and the learned Standing Counsel appearing for respondent/Bank. The Court has carefully perused the statement of accounts as well as the material placed on record. On such examination, it is revealed that a sum of Rs.500/- alone has been lien marked in the petitioner's account, which appears to be the amount allegedly connected to the said crime. However, notwithstanding the limited extent of the amount involved, respondent/Bank, acting upon the communication received from certain law enforcing authority has proceeded to freeze the entire bank account of the petitioner.

4. On consideration of the records, this Court is of the *prima-facie* view that though respondent/Bank was justified in taking cognizance of the communication issued



by the Investigating Agency and in contemplating appropriate action, the measure adopted by the Bank in freezing the entire account is excessively harsh, disproportionate and arbitrary. The stand of respondent/Bank before this Court is that upon receipt of such communication from the Investigating Officer, it is obligated to freeze the account in its entirety, irrespective of the quantum of the amount involved in the alleged offence.

5. In the considered opinion of this Court, having regard to the bank statement placed on record, even assuming that the amount allegedly connected to the crime is Rs.500/-, the action of respondent/Bank in freezing the entire account cannot be sustained as reasonable. Such action has the effect of completely depriving the petitioner of access to its own legitimate funds and has caused serious prejudice to day-to-day financial activities. This Court is therefore of the view that the impugned action requires suitable modification. If the



Bank is directed to retain a lien over the said amount of Rs.500/- and permit the petitioner to operate the account beyond the said sum, the interest of the Investigating Agency would be adequately safeguarded while simultaneously ensuring that the petitioner is not unduly prejudiced.

6. In view of the foregoing discussion, this Court proceeds to pass the following:

ORDER

(i) The writ petition is hereby allowed;

(ii) Respondent/Bank is directed to consider the representation dated 03.01.2026 (Annexure-H) submitted by the petitioner and take appropriate steps to defreeze the petitioner's Current Bank Account bearing No. 17700200005094 forthwith;

(iii) It is open to respondent/Bank to retain lien over the amount of Rs.500/- in accordance with law, while permitting the



petitioner to freely operate the account in
respect of the remaining balance.

Sd/-
(SACHIN SHANKAR MAGADUM)
JUDGE

ALB
List No.: 1 Sl No.: 55