IN THE HIGH COURT OF JUDICATURE AT BOMBAY
APPELLATE JURISDICTION

CRIMINAL WRIT PETITION NO. 2606 OF 2016

Motilal Oswal Securities Ltd.	...	Petitioner
V/s.		
State of Maharashtra & anr.	...	Respondents

Shri Ashok Mundargi, Senior Counsel a/w. S.N. Raj i/b. Rahul Karnik for the petitioner.

Mr. J.P. Yagnik, APP for the State.

CORAM : ***NARESH H. PATIL AND***
***PRAKASH D. NAIK, JJ*.**

***10th August, 2016*.**

P.C.

The petitioner is a company incorporated under the Companies Act, 1956. It is submitted that petitioner is member of National Stock Exchange and Bombay Stock Exchange inter alia trading in securities market. The petitioner maintains current account with HDFC Bank Ltd.-respondent no.2 herein, bearing Account No.200600340052920. Respondent No.1 directed Branch Manager HDFC Bank Ltd. For freezing the said current account. The said communication was made consequent to registration of FIR No.146/2016 against the employees of the petitioner under Section 406, 418, 420, 120B of IPC.

2. Learned Senior Counsel Shri Mundargi appearing for the petitioner submits that initially the respondent no.1 by communication dated 7th July, 2016 issued directions for freezing the account to the extent of Rs.1.14 Crores but by a further communication dated 27th July, 2016, the HDFC Bank Manager informed that the said account was blocked completely. The Counsel submits that an amount of more than Rs.50 Crores are lying in the said account. The business/financial transactions carried out by the company have suffered very heavily due to blocking of entire account. Learned Counsel, therefore, prays for appropriate directions.

3. Learned APP on instructions submits that on registering FIR the investigating agency has issued intimation and direction to respondent no.2. The Complainant had raised grievance in respect of an amount of Rs. 1.14 Crores and as investigation is under progress, with a view to secure said amount certain directions were issued under Section 102 of Cr.P.C. Learned APP submits that the said amount as mentioned by the Complainant is required to be secured.

4. We have perused the record placed before us, provisions of Section 102 Cr.P.C., communications made by the respondent no.1, respondent no.2 which were placed on record during the course of hearing.

5. We have noticed that the amount involved in the subject investigation is to the extent of Rs.1.14 Crores. In the facts there was no necessity for blocking the entire account of the petitioner. Initially, the investigating agency had resorted to freezing the account to the extent of Rs.1.14 Crores but later on they decided to block the entire account. We find that this action and communication is unreasonable and requires interference.

6. For the reasons stated above, we are inclined to quash and set aside the action taken by the respondent-investigating agency and communication made under Section 102 of Criminal Procedure Code for blocking the entire current account No.200600340052920 held by the petitioners with HDFC Bank. We pass following order:

O R D E R

(I) The impugned intimation/communication dated 27th July, 2016 addressed by the HDFC Bank Ltd. to petitioners is quashed and set aside on the condition that the respondent no.2 shall secure a minimum balance of Rs.1.14 Crores in the Current Account No.200600340052920 held by the petitioners.

(ii) Petition is disposed of.

(PRAKASH D. NAIK, J.) **(NARESH H. PATIL, J.)**

L.S. Panjwani, P.S.