



W.P(MD)No.5149 of 2024

BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

DATED : 25.03.2024

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THE HONOURABLE MR.JUSTICE G.R.SWAMINATHAN

W.P(MD)No.5149 of 2024

and

W.M.P.(MD)No.4930 of 2024

M/s.KSM Clothing Company,
Rep. by its Partner,
Mr.K.Karthikeyan,
Having registered office at
991/55C, Boyampalayam PN Road,
Tiruppur District,
Tamil Nadu-641 602.

... Petitioner

Vs.

1. Inspector,
Narcotics Control Bureau,
Madurai Sub Zone,
Department of Internal Security,
Ministry of Home Affairs,
Government of India.
(R1 is substituted vide order dated 06.03.2024
by this Court)

2. Yes Bank,
Rep., by its Branch Manager,
Part Ground Floor, Plot No.266,
Balamurugan Complex, Avinashi Road,
Tiruppur-641 602.

... Respondents

Prayer : Writ Petition filed under Article 226 of the Constitution of India, praying this Court to issue a Writ of Certiorarified Mandamus, to call for the records relating to F.No.48/1/19/2023/NCB/MDS/15 dated 18.01.2024 passed



W.P(MD)No.5149 of 2024

by the 1st Respondent and quash the same and direct the 2nd respondent to de-freeze the bank account of the petitioner firm bearing account No. 048463400002677.

For Petitioner : Mr.R.Udhaya Kumar

For Respondents : Mr.K.Govindaraj
DSGI for R1

: Mr.V.Veerapandi
for M/s.Vastax Association for R2

ORDER

Heard both sides.

2. The petitioner's bank account was frozen in view of the impugned communication dated 18.01.2024 issued by the Inspector, NCB, Madurai. Notice was issued and the learned DSGI submitted that sensitive information was intercepted by NCB and the impugned communication came to be passed. I wanted to know the nature of the suspicious transaction. The learned DSGI submitted that a sum of Rs.9,300/- was ordered to be deposited in the petition mentioned account on 16.10.2023.

3. I am clearly of the view that while lien can be marked on the said amount involved in the said suspicious transaction, no purpose will be served



W.P(MD)No.5149 of 2024

by freezing the account itself. In any event, Section 68 (f)(2) of the NDPS Act, 1985 would come to the petitioner's rescue. It reads that an order freezing the account shall have no effect unless the said order is confirmed by an order of the competent authority within a period of 30 days of its being made. In this case, the competent authority has not passed any confirmation order within 30 days. That apart, as rightly pointed out by the learned counsel for the petitioner, the petitioner was not at all put on notice. I am clearly of the view that the petitioner's account has to be defrozeed. Without interfering with the impugned order, since it has become ineffective, the second respondent is directed to defrozeed the petition mentioned account.

4. The Writ Petition is allowed on these terms. No costs. Consequently, connected miscellaneous petition is closed.

25.03.2024

Index : Yes / No
Internet : Yes/ No
rmi

NOTE:Issue Order Copy on 26.03.2024



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W.P(MD)No.5149 of 2024

G.R.SWAMINATHAN, J.

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W.P(MD)No.5149 of 2024

25.03.2024