BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

DATED: 24.07.2025

CORAM

THE HONOURABLE MR.JUSTICE C.SARAVANAN

W.P.(MD).No.20095 of 2025
and
W.M.P.(MD).No.15461 of 2025

T.R.Shakila ... Petitioner

Vs.

1.The Manager,
Indian Bank,
Pb No.5555, 254-260,
Avvai Shanmugam Salai,
Royapettah,
Chennai - 600 014.

2.The Branch Manager,
Indian Bank,
High Court Branch,
Madurai - 625 023. ... Respondents

PRAYER: Writ Petition filed under Article 226 of the Constitution of India to issue a writ of Mandamus, directing the respondents to defreeze the petitioner's savings Bank Account No.984408690, Indian Bank, High Court Branch Madurai - 625 023, based on the petitioner's representations dated 01.07.2025 and 11.07.2025.

For Petitioner : Mr.M.Pozhilan
for M/s.C.Arulvadivel Associates

For Respondents : Mr.C.Karthik
Standing Counsel

ORDER

This Writ Petition is disposed of at the time of admission after hearing the learned counsel for the petitioner and the learned Standing Counsel for the respondents.

2. As a matter of fact, the issue is now covered by a decision of this Court rendered in ***W.P.No.25631 of 2024*** in the case of ***Mohammed Saifullah Vs. Reserve bank of India and others, dated 10.09.2024***, wherein, this Court has referred to Circular Memorandum issued by the Commissioner of Police, Chennai dated 24.06.2021 bearing C.No.131/COP,GCP/Camp/2021, the content of which is extracted below:

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Office the
Commissioner of Police
Greater Chennai Police,
Vepery, Chennai-07.

C.No. 131 /COP, GCP/Camp/2021, Dated: 24.06.2021.

CIRCULAR MEMORANDUM

Sub: Instructions for seizure and freezing of account – Issued - Regarding.

Ref: Order of Hon'ble High Court of Madras in Crl.O.P.No.10569/2021, dated. 18.06.2021.

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Investigating Officers adopt the procedure established by law and circulars are issued from time to time to enhance the quality of investigation. Whenever some lacuna is noted, it has to be attended to so that the stake holders of justice delivery system effect action with minimum hindrance to public. In this connection an instance has come to notice in the referred court order, wherein the IO has frozen an insurance company's genuine account creating obstacle in their genuine business.

In view of the directions of the Hon'ble High Court, the following instructions are issued, when the bank accounts are to be acted upon.

1. IOs shall follow the due process of calling for

   (i) Suspension of account
   (ii) Freezing of account and
   (iii) Forfeiture of account during investigation into Bank accounts

2. Before issuing a notice U/s 102 Cr.P.C, for freezing any account the Investigating Officer should apply his/her mind to take all precaution so that no inconvenience is caused to genuine account holders.
3. While investigating the frauds through online, the Investigating Officer will direct the banker to suspend the account initially for a period of 3 days. This is imperative to avoid any diversion of crime proceeds by the accused would cause irreparable loss to the victims.

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4. On the same day, notice be issued to the account holder/suspect/accused either under section 41 (A) Cr.P.C or 91 Cr.P.C. as is required.
5. If the account holder/suspect/accused does not turn up for investigation for the said notice the Investigating Officer shall issue a further notice under section 102 Cr.P.C to freeze the account until further order either from the Investigating Officer or from the court.
6. In case of any freezing of bank account, there should be an FIR. Without FIR, freezing bank account should not be entertained.
7. A notice is to be issued to the Banks / NBFCs with the specific mention of section 102 Cr.P.C for any freezing of account by the Investigating Officer.
8. In case of freezing account for investigation, the same should be intimated to the jurisdictional court immediately and account holder, if known, as per procedure U/s 102 Cr.P.C.
9. The frozen account holder, if it be a third party other than the accused, shall be summoned, examined and freezing or otherwise should be finalised, at the earliest.
10. If the account had flow of fraudulent money and much more than that was available, with orders of the immediate Supervising Officer in writing, the freezing should be applied to the extent of fraudulent proceeds.
11. The Investigating Officer will critically look for forfeiture of the balance available in the account holder/suspect/accused account by adopting due procedure established by law, if found involved.

All the Deputy Commissioners of Police in Districts and CCB, CWC should ensure that there should not be any deviance hereafter and will result in stringent action, if noticed.

Commissioner of Police,
Greater Chennai Police,
Vepery, Chennai-07.

To

All Additional Commissioners of Police in Greater Chennai Police.
All Joint Commissioners of Police in Greater Chennai Police.
All Deputy Commissioners of Police in Greater Chennai Police.

3. This Court, in the above case, has observed as under:

> *"6. Unfortunately, in most of the cases the guidelines issued in this Circular not observed. Later when an identical issue came up for consideration before this Court in WP No. 13509 of 2024 considering the dictum laid down by the Hon'ble Supreme Court in* ***M.T.Enrica Lexie and another –vs- Doramma and others*** *reported in* ***MANU/SC/0409/2012, Teesta Atul Setalvad and others –vs- The State of Gujarat and others****, reported in* ***(2018) 2 SCC 372*** *and* ***Shento Varghese –vs- Julfikar Husen and others,*** *reported in* ***2024 SCC Online SC 895,*** *directed the petitioner/account holder to execute a bond undertaking to deposit the amount in case the money found in his account is a tainted money and liable to be forfeited.*
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> *7. As far as the present case in hand, though the intimation from the Cyber Crime Bureau, Telangana, indicates that suspected money in the account of the petitioner is only a tune of Rs. 2,48,835/-, due to the blanket order to freeze the account, the fifth respondent Bank has freezed the account in its entirety. Therefore, the petitioner herein is unable to operate his account and deal with the money lying in his account.*
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> *8. Under the guise of investigation, order freezing the entire account without quantifying the amount and period cannot be passed. Such order will be construed as violation of the fundamental rights of trade and business as well as violation of livelihood. Therefore, it is appropriate to direct the*

fifth respondent to de-freeze the account and kept a lien over a sum of Rs.2,50,000/-. The petitioner herein is permitted to operate his account, subject to the condition that he shall ensure, the account shall always have a minimum of Rs. 2,50,000/-.

9. With the above directions, this Writ Petition is disposed of. There shall be no order as to costs."

4. This view has also been followed recently by this Court in ***W.P. (MD).No.17966 of 2025*** in the case of ***Nowsath Vs. The Regional Director, Reserve Bank of India, Chennai and others, dated 03.07.2025***, wherein, the Writ Petition was disposed of in terms of the above order.

5. In the present case, the petitioner claims to be a Typist, who is employed by an Advocate practising before this Court and that all of a sudden, the petitioner's bank account was frozen. It is submitted that the petitioner has only a sum of Rs.25,000/- in the aforesaid account and for no fault of the petitioner, her account has been frozen.

6. On the other hand, the learned Standing Counsel for the respondents would submit that the respondents have acted pursuant to a communication

received through e-mail from their headquarters based on a Cyber Police Complaint No.31912240174146 filed at the behest of one Majety Sambasiva Rao on 06.12.2024. It is submitted that the aforesaid communication itself calls upon the customer to contact the Law Enforcement Authority (LEA).

7. It is noticed that the communication was sent to the second respondent by the first respondent on 22.07.2025. However, the petitioner's bank account appears to have been frozen on 27.06.2025. Since the petitioner is merely an employee with an Advocate of this High Court and is having no other past involvement in any cyber crime, the respondents are directed to de-freeze the petitioner's bank account and allow the petitioner to operate the account in the light of the decisions cited supra.

8. Accordingly, this Writ Petition stands allowed. There shall be no order as to costs. Consequently, connected miscellaneous petition is closed.

24.07.2025

NCC : Yes / No
Index : Yes / No
Internet : Yes / No
Lm

To
1.The Manager,
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2.The Branch Manager,
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High Court Branch,
Madurai - 625 023.

C.SARAVANAN,J.

Lm

W.P.(MD).No.20095 of 2025

24.07.2025