APHC010065692025

IN THE HIGH COURT OF ANDHRA PRADESH
AT AMARAVATI **[3332]**
(Special Original Jurisdiction)

THURSDAY, THE 29th DAY OF OCTOBER 2026

PRESENT

THE HONOURABLE SRI JUSTICE RAVI CHEEMALAPATI

WRIT PETITION NO: 5242/2025

Between:

1. MITTAPALLI RAMA RAO AND SONS TOBACCO(P) LTD, REP BY ITS MANAGING DIRECTOR, SRI MITTAPALLI SIVA KUMAR S/O RAMA RAO, AGE 50 YEARS, R/O D.NO. 12-19-120, KOTHAPET, OLD BUNK ROAD, GUNTUR-522001. HAVING ITS REGISTERED OFFICE AT EDULAPALEM VILLAGE, G.T.ROAD, PATTIPADU MANDAL-522019.

...PETITIONER

AND

1. THE UNION OF INDIA, REP BY ITS SECRETARY (FINANCE DEPARTMENT), MINISTRY OF FINANCE, SASTRI BHAVAN, NEW DELHI.
2. THE RESERVE BANK OF INDIA, REP BY ITS DIRECTOR, NEW DELHI.
3. THE UNION BANK OF INDIA, REP BY ITS EXECUTIVE DIRECTOR, REGISTERED OFFICE AT UNION BANK BHAVAN, 239, VIDHAN BHAVAN MARG, NARIMAN POINT, MUMBAI-400021.
4. THE CHIEF MANAGER, UNION BANK OF INDIA, GUNTUR MAIN BRANCH, GOWRY SANKAR THEATRE, KOTHAPET, GUNTUR, ANDHRA PRADESH - 522001.

...RESPONDENT(S):

Petition under Article 226 of the Constitution of India praying that in the circumstances stated in the affidavit filed therewith, the High Court may be pleased topleased to issue a Writ, Order, or Direction more particularly one in the nature of Writ of Mandamus declaring the action of Respondent No.4 in freezing the Petitioners Bank Account bearing Number 015011011005754 without any reason or notice causing undue hardship to the Petitioner as illegal, arbitrary and violation of fundamental rights guaranteed to the Petitioner under Article 14, 19, 21 of the Indian Constitution with a consequential direction to the Respondent No.4 to lift the freeze on the Petitioners Bank Account Number 015011011005754 permitting him to withdraw the monies from his bank account and pass Prayer amended as per Courts Order Dt. 24.09.2026 in I.A.No.2 of 2026

IA NO: 1 OF 2025

Petition under Section 151 CPC praying that in the circumstances stated in the affidavit filed in support of the petition, the High Court may be pleased pleased directs the Respondent No.4 to lift the freeze on the Petitioner's Bank Account Number 015011011005754 and permit him to withdraw his monies from the Respondent No.4 Bank and pass Prayer amended as per Courts Order Dt. 24.09.2026 in I.A.No.2 of 2026

IA NO: 1 OF 2026

Petition under Section 151 CPC praying that in the circumstances stated in the affidavit filed in support of the petition, the High Court may be pleased t may be pleased to grant leave to the Petitioner / Respondent No.3 & 4 in W.P. to file counter affidavit by condoning the delay and consequently order to receive the Counter Affidavit on record and pass such other order or orders as may be deemed fit in the circumstances of the case.

IA NO: 2 OF 2026

Petition under Section 151 CPC praying that in the circumstances stated in the affidavit filed in support of the petition, the High Court may be pleased May be pleased to amend the Writ Petition Main Prayer and Petition in W.P.No 5242of 2026 NEW MAIN PRAYER It is therefore prayed that this Honble Court may be pleased to issue a Writ, Order, or Direction more particularly one in the nature of Writ of Mandamus declaring the action of Respondent No.4 in freezing the Petitioner's Bank Account bearing Number 015011011005754 without any reason or notice causing undue hardship to

the Petitioner as illegal, arbitrary and violation of fundamental rights guaranteed to the Petitioner under Article 14, 19, 21 of the Indian Constitution with a consequential direction to the Respondent No.4 to lift the freeze on the Petitioner's Bank Account Number 015011011005754 permitting him to withdraw the monies from his bank account and pass such other order or orders as this Honble Court may deem fit and proper in the circumstances of the case. INSTEAD OF OLD MAIN PRAYER It is therefore prayed that this Honble Court may be pleased to issue a Writ, Order, or Direction more particularly one in the nature of Writ of Mandamus declaring the action of Respondent No.4 in freezing the Petitioner's Bank Account bearing Number 015013030000865 without any reason or notice causing undue hardship to the Petitioner as illegal, arbitrary and violation of fundamental rights guaranteed to the Petitioner under Article 14, 19, 21 of the Indian Constitution with a consequential direction to the Respondent No.4 to lift the freeze on the Petitioners Bank Account Number 01501 3030000865 permitting him to withdraw the monies from his bank account and pass

Counsel for the Petitioner:

1. KANCHARLA ANISH

Counsel for the Respondent(S):

1. M UMA DEVI (CENTRAL GOVT COUNSEL)
2. V DYUMANI

The Court made the following:

ORDER

This Writ Petition is filed questioning the action of respondent no.4 in freezing the petitioner's bank account without any reason or notice.

2. Heard Sri Kancharla Anish, learned counsel for petitioner, and Smt. V.Dyumani, learned Standing Counsel for Bank.

3. Sri Kancharla Anish, learned counsel, while reiterating the contents of the writ affidavit would contend that simply basing on the representation given by one of the directors, the petitioner's bank account had been frozen and that too without issuing any notice and without offering any reason and therefore, there is clear violation of principles of natural justice besides the fundamental rights guaranteed under the Constitution. Accordingly, prayed to allow the writ petition.

4. On the other hand, Smt. V.Dyumani, learned Standing Counsel, while reiterating the contents of the counter affidavit would contend that one of the directors of the company vide letter dated 14.12.2023 requested the bank to freeze the current account of the petitioner's company and accordingly the account of the petitioner company had been frozen and that the bank has nothing to do with the disputes between the directors of the company and if the petitioner's company approaches the bank with authenticated documents

to unfreeze the account the same will be done as per law. Accordingly, prayed to dismiss the writ petition.

5. Perused the material available on record and considered the submissions made by the learned counsel for the parties.

6. The bank's counter-affidavit explicitly states that the petitioner-company's current account was frozen solely on the basis of a letter issued by one of its directors. Admittedly, the current account in question was opened on the strength of a formal board resolution passed by the company. Consequently, freezing the account merely upon the request of an individual director—without the backing of a corporate resolution—is legally untenable. Furthermore, the learned Standing Counsel failed to bring to the notice of this Court any rule, regulation, or statutory provision that empowers a banking institution to freeze a corporate account on the strength of a *letter simpliciter*.

7. In view of the above, the writ petition is disposed of, directing the respondent bank to defreeze the subject bank account forthwith. There shall be no order as to costs.

Pending miscellaneous petitions, if any, shall stand closed.

JUSTICE RAVI CHEEMALAPATI

29th October,
RR