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Order QR

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 17.11.2026

CORAM :

THE HONOURABLE MR. SUSHRUT ARVIND DHARMADHIKARI,
CHIEF JUSTICE
AND
THE HONOURABLE MR.JUSTICE G.ARUL MURUGAN

W.A.No.3387 of 2026

Case QR

CNR:{HCMA012159342026}
& C.M.P.No.30335 of 2026

1. TNSC Bank
   Periayamedu Branch,
   34, Vepery High Road,
   Vepery, Periyamedu,
   Chennai-600 007

2. The Managing Director
   Tamil Nadu State Apex Co-Operative Bank Ltd.,
   No.4, NSC Bose Road,
   Chennai-600001.

3. The Assistant General Manager
   Tamil Nadu State Apex Co-Operative Bank Ltd.,
   No.4, NSC Bose Road,
   Chennai-600001.

4. The Chief Manager,
   Tamil Nadu State Apex Cooperative Bank Ltd.,
   67/34, Vepery High Road,
   Periamet Branch, Vepery,
   Chennai-600 007.

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5. Nandhakumar
The Chief Manager (Legal Department)
Tamil Nadu State Apex Cooperative Bank Ltd.,
No.4, NSC Bose Road,
Chennai-600001.

Appellant(s)

Vs

1. Madras Society for the Protection and Care of Animals
Rep. by its Authorized Treasurer,
M.Manikhavel,
67/34, Vepery High Road, Vepery,
Chennai-600007.

2. The General Manager (Operations)
Tamil Nadu State Apex Co-Operative Bank Ltd.,
No.4, NSC Bose Road,
Chennai-600001.

3. K.Vijayalakshmi
Formerly The Chief Manager,
TNSC Bank Ltd., Periamet Branch,
Presently The Chief Manager,
Tamil Nadu State Apex Cooperative Bank Ltd.
New No.129, Old No.55,
Medavakkam Tank Road,
Near Vijaya Physiotherapy, Kellys,
Chennai-600010.

Respondent(s)

Prayer :Appeal filed under Clause 15 of the Letters Patent seeking to set aside the order dated 07.07.2026 passed in W.P.No.32287 of 2022

For Appellant(s): Mr.S.Muthu Kumar

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JUDGMENT
(Judgment of the Court was delivered by
G.Arul Murugan, J)

This intra-court appeal assails the order dated 07.07.2026 passed in W.P.No.22287 of 2022, whereby the writ petition filed by the first respondent Society was disposed of by directing the appellant bank to pay interest for the period during which the accounts of first respondent were frozen.

2. Learned counsel appearing for appellant bank contended that, only in view of the rival disputes among members of the first respondent, pursuant to which a notice was issued, the appellant bank had frozen two bank accounts of the first respondent. He further contended that since one account was admittedly a Current account, the direction issued by the learned Single Judge to pay interest is unsustainable, as no interest is payable on a current account. He submitted that, in any event, 12% interest imposed on the appellant bank is disproportionately high.

3. Heard learned counsel and perused the materials on record.

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4. The first respondent maintained two accounts with appellant bank, out of which, one is a current account and another is savings bank account. While the first respondent was operating these accounts, the appellant bank received a notice from a member of first respondent. It is the only contention of appellant bank that since there was a rival dispute and a notice was received by appellant bank, based on a legal opinion, appellant bank froze the accounts of first respondent.

5. In our considered opinion, when first respondent had two valid bank accounts, one Current account and one Savings Bank account, unless there is an order of attachment by any civil Court or any competent authority attaching the bank accounts of the first respondent, appellant bank is not authorised to attach the bank accounts merely on a legal notice issued by a member of first respondent claiming that there was a rival dispute.

6. Though it is contended that no interest is payable on a current account, the appellant bank, without any authority, froze the two bank

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accounts of first respondent in August 2018, which continued till December 2022. During this period, first respondent was barred from operating the accounts, due to which, funds in the two accounts could not be used for its requirements.

7. When the appellant bank froze the accounts and thereby prevented the first respondent from operating the accounts, the issue whether the account is a current account or savings bank account loses significance and, the appellant bank is liable to pay interest for the period during which the accounts remained frozen, viz. from August, 2018 to December, 2022, without any valid authority.

8. In such circumstances, the first respondent approached this Court and the learned Single Judge, after considering the rival contentions and finding that the appellant bank had frozen the accounts without any authority, disposed of the writ petition by directing the appellant bank to pay interest in accordance with the Rules.

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9. In our opinion, when the accounts were kept frozen by the appellant bank, without any lawful authorisation from any competent Court, the first respondent is entitled to interest for the period during which the accounts were kept frozen. Therefore, we do not find any error or infirmity in the order passed by the learned Single Judge warranting interference.

10. The writ appeal stands dismissed. It is made clear that since there is no specific Rule in respect of payment of interest on current account, the interest as applicable to savings bank account shall be paid to the first respondent. No costsConsequently, the interim application is also dismissed.

(SUSHRUT ARVIND DHARMADHIKARI,CJ) (G.ARUL MURUGAN,J)
17.11.2026

Index : Yes/No
Neutral Citation : Yes/No

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To

The General Manager (Operations)
Tamil Nadu State Apex Co-Operative Bank Ltd.,
No.4, NSC Bose Road,
Chennai-600001.

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THE HON'BLE CHIEF JUSTICE
AND
G.ARUL MURUGAN,J.

(kpl)

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