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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**

\+ W.P.(C) 19137/2025&CM APPL. 79604/2025

YADHUVIR SINGH MANHAS .....Petitioner

Through: Adv. Rohan Tewari; Adv. Kailash Ram

versus

KOTAK MAHINDRA BANK AND ORS .....Respondents

Through: Mr. Dhruv Chawla, Adv for R1
Mr. Abhishek Saket (SPCG), Mr. Manish Madhukar, Mr. Abhigyan, Ms. Reya Paul, Advs. for R2-3
Mr.Abhinav Bajaj AAG with Mr.Saksham Ojha Ms.Geetashi Chandna Ms.Priya Fandon, Advocates for R5

CORAM:
HON'BLE MR. JUSTICE JASMEET SINGH

<u>O R D E R</u>

% 13.01.2026

1. This is writ a petition filed under Article 226 of the Constitution of India seeking the following prayers:-

> *"a) Issue a writ of Certiorari or any other appropriate writ, order or direction calling for the records and quashing the freeze instructions/liens issued by Respondent Nos. 4 to 6 and executed by Respondent No. 1 in respect of the Petitioner's Savings Account No. 7345482270;*
>
> *b) Issue a writ of Mandamus or any other appropriate writ, order or direction, thereby directing Respondent No. 1*

(Kotak Mahindra Bank Ltd) to forthwith defreeze the Petitioner's aforesaid bank account and restore full operational access thereto.;

c)Issue a Writ, Order or Direction in the nature of Certiorari quashing and setting aside the lien of Rs. 49,999/- imposed in July 2024 and the five miscellaneous liens aggregating to Rs. 8,209/-, in the absence of any information being provided to the Petitioner regarding the same;…"

2. The petitioner is challenging the disproportionate freezing of his Saving Account No. 7345482270 maintained with the respondent No.1 bank i.e. Kotak Mahindra Bank, Vasant Kunj-II Branch, New Delhi (IFSC: KKBK0004597).

3. The petitioner's entire balance of Rs. 6,09,755.13/- as on 30.11.2025 stands completely frozen pursuant to the lien notices aggregating to Rs.1,63,185.82 (or Rs. 1,71,395.63 which includes unexplained liens) issued by Cyber Crime Authority in 4 different States.

4. It is stated by Mr. Tewari, learned counsel for the petitioner that the petitioner has no objection if the amount of Rs. 1,63,185.82 is put on hold and the petitioner is permitted to operate the balance amount.

5. Mr. Chawla, learned counsel for the respondent No.1 states on instructions that there are some entries from Dubai which mismatch in the petitioner's account (i.e. the petitioner is a resident of Jalandhar and the entries are from Dubai) on the basis of which, the respondent No. 1 has put debit freeze.

6. Learned counsel for the petitioner has placed reliance on the decision of the Coordinate Bench in ***Pawan Kumar Rai v. Union of India &***

***Ors.* (2024) SCC OnLine Del 8936** and more particularly on paragraphs 24 to 27 which read as under:-

> *"**24.** The petitioner is a small-scale vendor, engaged in sale of food items and dependent on his daily earnings to sustain his family.*
>
> ***25.** Indubitably, passing of an order of freezing the entire bank account of the petitioner has a serious and adverse implication and invades and encroaches upon his invaluable right to earn and live with dignity. The impugned action, in essence, amounts to a violation of fundamental right of the petitioner, as it directly undermines his right to livelihood, which is integral part of the Right to Life guaranteed under Article 21 of the Constitution.*
>
> ***26.** Furthermore, when the Investigating Agency has identified a specific sum credited to the bank account of the petitioner, it is difficult to comprehend as to why the entire bank account of petitioner has been freezed.*
>
> ***27.** Thus, the continued freezing of the entire bank account of the petitioner, without even hinting that the petitioner was either mastermind or accomplice in the cybercrime or knowingly received the funds as part of any illegal activity will not be justifiable and sustainable, at the moment."*

7. The above observations of the Coordinate Bench, to my mind, correctly capture the legal position governing the rights of the petitioner.

8. The power to freeze a bank account, though undoubtedly available, is a drastic one and must, therefore, be exercised with due application of

mind and for cogent reasons, which ought to be reflected, at least briefly, in the communication directing such freezing. Any other approach would be antithetical to the principles of fairness and reasonableness that are ingrained in our Constitution. Merely because the respondent No.1 has some apprehensions of mismatch will not be a reason to put a freeze on the petitioner's account.

9. Further, the issue raised in the present petition is not an isolated one. This Court has noticed, that petitions of the present nature are increasingly flooding the dockets, reflecting a recurring and systemic problem. It is, therefore, high time that investigating and law-enforcement agencies, while exercising the power of freezing bank accounts, act with the requisite care.

10. At this juncture it is also important to refer to the following observations passed in ***Neelkanth Pharma Logistics (P) Ltd. v. Union of India, 2025 SCC OnLine Del 1055.***

> ***"14.*** *Investigating Agency is fully empowered to conduct investigation, and can also, under appropriate circumstances, send request to the concerned bank, directing freezing of the entire account.*
>
> ***15.*** *However, when it resorts to above, it must assign reasons.*
>
> ***16.*** *Such discretion vests with investigating agency, its better left to them to decide as to when such blanket freezing needs to be ordered. However, once it chooses to do so, it must offer some justification. Such blanket measure, if taken recourse*

to, without offering any reason, can certainly play havoc with the financial concerns of such account holders. In relation to small-time vendors, it can disrupt prospects of their mere existence, even. It is not difficult to imagine that any such action can put their lives in a complete disarray.

17. *Therefore, possibility of marking a lien on disputed amount, whenever it is identifiable, should be explored as a more appropriate interim measure. Ideally, it should be the first and foremost option. This would, naturally, mitigate the undue hardship being caused on account of blanket freezing of account and would also ensure that the alleged cheated money remains secured and intact.*

…

22. *In light of the frequent filing of such matters concerning blanket freezing of the accounts, this Court feels that Ministry of Home Affairs, Government of India should take proactive steps to address the same. It may consider consulting all concerned stakeholders, including respective States/UTs and then, with consensus of everyone, to chalk-out a uniform policy, standard operating procedures and guidelines to ensure that such matters are handled with requisite consideration and compassion. The aim should be to balance the rights of a complainant in any such criminal investigation vis-a-vis the right of innocent and unwary account-holder, made to face unwarranted hardship on* *account of blanket freezing of account, despite being completely innocent and unaware of commission of any crime."*

11. In view of the above, the petition is allowed and the freeze instructions impugned herein, insofar as they operate as a blanket freeze on the petitioner's entire savings account, are set aside. Respondent No. 1 is directed to defreeze the petitioner's Savings Account No. 7345482270, subject to the condition that the following sums amounting to **1,63,185.81 on which lien has been created by Respondent No. 1 subject to receiving notices from various police authorities as enumerated below,** shall remain under lien/hold. The lien on amount for which no reasons have been provided shall not be put on hold.

(i) Bihar (Munger/Dharhara): ₹ 38,186.82

(ii) Tamil Nadu (Kancheepuram): ₹ 35,000.00

(iii) Haryana (Kaithal): ₹ 40,000.00

(iv) Delhi (Outer North District): ₹ 49,999.00

Subtotal of explained liens: ₹ 1,63,185.82

(v) Additional unexplained lien: approximately **₹ 8,209.81**

(vi) Total hold / lien as per bank statement (30.11.2025): ₹ 1,71,395.63

12. The petitioner shall be permitted to freely operate the remaining balance in the said account. It is clarified that this order shall not preclude the investigating agencies from taking recourse to such

remedies as may be available to them in accordance with law.

13. Pending applications, if any, are also disposed of.

JASMEET SINGH, J

JANUARY 13, 2026 / (MS)