



IN THE HIGH COURT OF JUDICATURE AT MADRAS

**DATED: 08-06-2026**

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**THE HON'BLE MR.JUSTICE MOHAMMED SHAFFIQ**

**WP No. 21436 of 2026**

1. KMB Motor LLP  
Rep. by its Managing Partner S. Venkatachalam  
No. 6/1C, Thirumurugan Nagar,  
Near South Indian Bank,  
Maruthamalai Main Road, Vadavalli,  
Coimbatore 641 041.
2. S. Venkatachalam
3. S. Thamayanthi

..Petitioner(s)

Vs

1. Managing director  
State Bank of India,  
State Bank Bhavan, Corporate Centre,  
Madame Cama Road, Nariman Point,  
Mumbai, Maharashtra 400 021.
2. The Chief General manager  
State Bank of India  
Local Head Office, 16 College Lane,  
Nungambakkam, Chennai 600 006.
3. The Regional Manager  
State Bank of India,  
Administrative Office, State Bank Road,  
Gopalapuram, Coimbatore 641 018.
4. The Branch Manager  
State Bank of India,  
H. No 1028, Ground Floor,  
United India Building,  
Avinashi Road, Coimbatore 641 018.



5. Manimala Boopathi

6. Monish Babu

7. Sivaprakash

8. Santhosh Sivaprakash

9. Chitra Prasath

..Respondent(s)

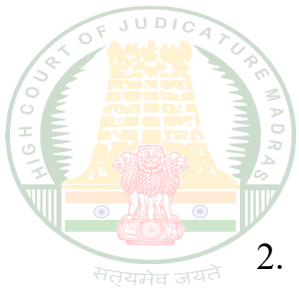
PRAYER: Writ Petition filed under Article 226 of the Constitution of India, praying to issue a Writ of Mandamus, Directing the 4th respondent to de-freeze the Account No:00000038032459012 (Petrol Vehicle) and No.43930644358 (Electric Vehicle) of the 1<sup>st</sup> petitioner and consequently direct the 4<sup>th</sup> respondent to renew the account No 00000038032459013 (Petrol vehicle) of the 1<sup>st</sup> petitioner firm, from 06.05.2026 to 05.05.2027.

For Petitioner(s): M/S.Muthuchharan Sundresh

For Respondent(s): Mr.M.L.Ganesh  
Standing Counsel  
for R1 to R4 (SBI Bank)

### **ORDER**

Writ petition is filed praying for a writ of mandamus to direct the 4<sup>th</sup> respondent to de-freeze the Account No.00000038032459013 (Petrol Vehicle) and Account No.43930644358 of the 1<sup>st</sup> petitioner firm and consequently direct the 4<sup>th</sup> respondent to renew the above Account Numbers.



2. 2<sup>nd</sup> petitioner Mr.S.Venkatachalam along with Mr.K.M.Balusamy and Mr.Govinda Rajalu Logan constituted a Limited Liability Partnership firm under the name and style of KMB Motor Limited Liability Partnership firm vide partnership deed dated 03.07.2017. Nature of business of the said partnership firm was buying and selling of Automobile, Motorcars, Lorries, Buses, Van etc. There has been a series of changes and reconstitution of the partnership firm as under:

a) Mr. Govinda Rajulu Logan retired from the partnership firm and a supplementary partnership deed dated 28.05.2018 was entered between Mr.K.M.Balusamy and Mr.S.Venkatachalam vide deed dated 28.05.2018.

b) A supplementary partnership deed dated 28.05.2018 was entered into whereby two others were inducted as partners viz., Ms. Susaritha Anbarasu and Mrs.Thamayanthi Shanmugam.

c) Ms.Susaritha Anbarasu retired from the firm vide deed dated 20.07.2020. The remaining partners viz., Mr. KM Balusamy, Mr.Venkatachalam and Mrs.Thamayanthi Shanmugam continued the firm in terms of the deed dated 20.07.2020.

d) Mr. K.M.Balusamy died on 04.09.2025. Mr. K.M.Balusamy left behind three daughters viz., Manimala, Senbagarani, and Chithra who are arrayed as 5<sup>th</sup>, 7<sup>th</sup> and 9<sup>th</sup> respondent in the present petition. Monish Babu who is arrayed as the 6<sup>th</sup> respondent is the grandson of Mr.K.M.Balusamy.

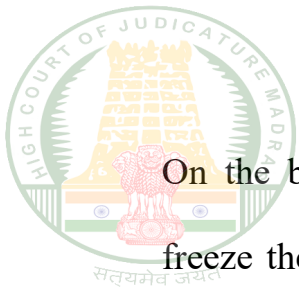


e) The legal heirs of Balusamy was were not included in the partnership firm which was continued by the remaining two partners viz., Mr.S. Venkatachalam and Mrs.Thamayanthi.

f) Differences arose between petitioners and respondents 5, 6, 7 and 8 with regard to the functioning of the petitioner firm. 6<sup>th</sup> respondent agreed to resolve the issues by entering into a settlement and agreed to furnish an affidavit stating that respondents 5 to 9 do not have any objection for the business being continued by the remaining partners viz., Mr. S.Venkatachalam and Mrs.Thamayanthi. Though respondents 5 to 9 had agreed to exit the partnership firm, however, Monish Babu, 6<sup>th</sup> respondent herein continued to visit the partnership firm and according to the petitioners entered the premises of the partnership firm and threatened the staff.

g) In view of the repeated threat by 6<sup>th</sup> respondent, 3<sup>rd</sup> petitioner lodged a complaint on 15.04.2026 against 6<sup>th</sup> respondent and one Senthil Raja before Vadavalli Police Station. CSR No.0104 of 2026 was issued by the police on 21.05.2026. 6<sup>th</sup> respondent admitted to the offence and gave an undertaking on 16.04.2026 before the Sub Inspector of the Vadavalli Police Station stating that respondents would not interfere with the functioning of the firm thereafter.

h) Legal heirs of Mr. Baluswamy viz., respondents 5 to 9 herein had issued a letter to the respondent Bank to freeze the firm account of both petrol vehicle and electric vehicle on the premise that certain sums are due to them.



On the basis of the above letter, respondent Bank proceeded to unilaterally freeze the bank accounts, without even putting the petitioners on notice. It is against the above background that the petitioners have approached this Court.

3. Petitioners would submit that freezing of the bank account without even putting the petitioners on notice, on the basis of a letter/complaint lodged by respondents 5 to 9, who are no way connected with the partnership firm is contrary to the guidelines issued by R.B.I. relating to freezing of bank accounts, which *inter alia* requires that banker should issue a notice to the account holder before freezing the accounts.

3.1. He would submit that in view of freezing of the bank accounts of the partnership firm, the firm has been unable to reach sales target fixed resulting in threat of the dealership being revoked.

3.2. Petitioner firm has been unable to pay salaries to the staff and meet out the day-to-day expenses of the firm.

4. This Court perused the material on record including the complaints lodged with the police station.



5. Learned Counsel for the petitioner would submit that it may not be permissible for the bank to unilaterally freeze an account merely at the request of an individual claiming a right over the bank account. That assuming respondent 5 to 9 do have a right, it is a right relating to a civil dispute and ought to be resolved through a court of law. It is trite that a bank acts as a custodian of the deposit of its customers. He would reiterate that in the petitioner firm 2<sup>nd</sup> and 3<sup>rd</sup> petitioner herein are the only partners, respondents 5 to 9 have no right in the partnership firm. Assuming they have one, it was reiterated, is something which ought to be established and declared before/by a court of law. Respondent bank thus ought not to have acted on the request/complaint of respondents 5 to 9 to freeze the bank account. The bank ought to have issued notice to the petitioners, in any view the respondent bank could not have adjudicated the above dispute relating to right of respondents 5 to 9 in the petitioner firm nor could have frozen the bank account, which has adversely affected the day-to-day affairs of the petitioners firm.

6. Heard the learned counsel for petitioners as well as the respondent bank.

7. This Court finds merit in the submission of the learned counsel for petitioner. At this juncture the learned Counsel for the respondent bank would submit that they would defreeze the bank account subject to the petitioner



submitting the following viz., i) Reconstitution of the Partnership Deed including the clause that existing partners will be responsible for all liabilities of the firm the said two loan accounts. (Account No. 00000038032459013 & Account No. 43930644358); ii) To execute loan security document in favour of the bank; iii) To execute indemnity bond in favour of the bank with regard to the two loan accounts; iv) To execute all loan documents in favour of the bank with regard to the two loan accounts, which was readily agreed to by the learned Counsel for the petitioner and who has also filed a memo to that effect which is extracted hereunder:

“MEMO FILED ON BEHALF OF THE PETITIONERS

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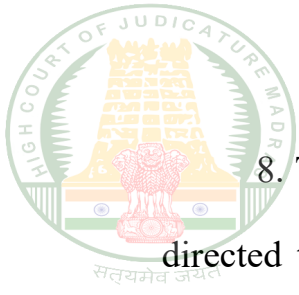
*The Petitioners herein undertake to produce the following documents:*

*1. Reconstitution of the Partnership Deed including the clause that existing partners will be responsible for all liabilities of the firm the said two loan accounts. (Account No. 00000038032459013 & Account No. 43930644358)*

*2. To execute loan security document in favour of the bank.*

*3. To execute indemnity bond in favour of the bank with regard to the two loan accounts.*

*4. To execute all loan documents in favour of the bank with regard to the two loan accounts.”*



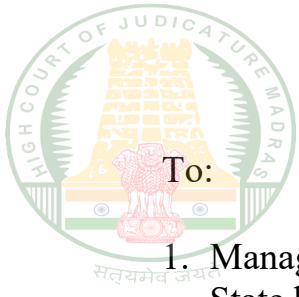
8. This Court find that *prima facie* case is made out. Respondent Bank is directed to de-freeze the bank account viz., Account No.00000038032459013 (Petrol Vehicle) and Account No.43930644358 of the petitioners firm.

9. Notice to respondents 5 to 9 returnable by 18.06.2026. Private notice is also permitted.

10. Post the matter on 18.06.2026.

SPP

**08-06-2026**



To:

1. Managing director  
State bank of India,  
State Bank Bhavan, Corporate Centre,  
Madame Cama Raod, Nariman Point,  
Mumbai Maharashtra 400 021.
2. The Chief General Manager  
State bank of India  
Local Head Office, 16 College Lane,  
Nungambakkam, Chennai 600 006.
3. The Regional Manager  
State Bank of India,  
Administrative Office,
4. State Bank Road,  
Gopalapuram, Coimbatore 641 018.
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State Bank of India,  
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**MOHAMMED SHAFFIQ, J.**

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