



IN THE HIGH COURT OF KARNATAKA AT BENGALURU

DATED THIS THE 25TH DAY OF MARCH, 2026

BEFORE

THE HON'BLE MR. JUSTICE SACHIN SHANKAR MAGADUM

WRIT PETITION NO. 4302 OF 2026 (GM-RES)

BETWEEN:

ONE TRADE ALLIANCE
REPRESENTED BY ITS
MANAGING PARTNER JAMAL A
AGED 33 YEARS
S/O ABBAS K.U.KIZHAKKUMURI HOUSE,
GOODALAIKUNNU, KALPETTA P.O.
KALPETTA MUNICIPALITY, KALPETTA,
WAYANAD, KERALA-673121.

...PETITIONER

(BY SRI. RAKSHITH R.,ADVOCATE)

AND:

1. THE STATE OF KARNATAKA
RERPRESENTED BY ITS CHIEF SECRETARY,
GOVERNEMENT OF KARNATAKA
VIDHANA SOUDHA,
DR.AMBEDKAR VEEDHI,,
BENGALURU-560001.
2. INDIAN CYBER CRIME
COORDINATION CENTRE,
REPRESENTED BY ITS CEO,
FIFTH FLOOR, NDCC II BUILDINDG,
JAI SINGH ROAD, NEW DELHI-110001.
3. STATE POLICE CHIEF PUNJAB
PUNJAB POLICE HEAD QUARERS
SECTOR 9A, CHANDIGARH -160009.



4. STATE POLICE CHIEF TAMIL NADU,
NO.1,DR.RADHAKRISHNAN SALAI,
MYLAPORE, CHENNAI -600004
5. CANARA BANK,
11701-VV MOHALLA MYSORE,
D.NO.2774, 5TH MAIN,
VV MOHALLA, MYSORE

...RESPONDENTS

(BY SRI. ADITYA DIWAKAR, AGA FOR R1;
SRI. VIGNESH SHETTY, ADVOCATE FOR R5;
V/O DTD:25/03/2026, NOTICE TO R2 TO R5 IS D/W)

THIS WP IS FILED UNDER ARTICLE 226 OF THE
CONSTITUTION OF INDIA PRAYING TO DIRECTING THE
RESPONDENT AUTHORITIES TO DEFROST/ WITH DIED IT
FROZE IMPENED. OS THE PETITIONER S BANK ACCOUNT
BEARING ACCOUNT NO 120035872414 MATHSITED WITHIN
CANARA BANK 11701-VV MOHALLA MYSORE NO 2774 5TH .
MAN.V.V MOHALLA MYSORE, KARNATAKA-571214.
FORTHWITH.

THIS PETITION, COMING ON FOR PRELIMINARY
HEARING, THIS DAY, ORDER WAS MADE THEREIN AS UNDER:

CORAM: HON'BLE MR. JUSTICE SACHIN SHANKAR MAGADUM

ORAL ORDER

The petitioner is a Company engaged in the business
of brokerage and dealing in buying and selling of assets. It
is the specific case of the petitioner that it maintains a



bank account bearing No. 120035872414 with the fifth respondent-Bank. The grievance of the petitioner arises from the action of the fifth respondent in freezing the said account, thereby disabling the petitioner from carrying out its routine business transactions.

2. Learned counsel appearing for the petitioner would submit that when the petitioner attempted to operate its account in the ordinary course of business, it was informed by the Bank that the account has been frozen at the instance of the fifth respondent on account of alleged involvement in a crime. It is further contended that, as per the information furnished by the Bank, the alleged "crime proceeds" attributable to the petitioner is only a sum of Rs.5,972.97. Notwithstanding the same, the Bank has proceeded to freeze the entire account without restricting the action to the said amount, thereby causing severe financial hardship to the petitioner-Company, which is dependent on the said account for its day-to-day commercial operations.



3. Per contra, learned Additional Government Advocate appearing for the respondent-State would submit that the freezing of the account is in connection with an investigation and that the petitioner has not placed any material on record to substantiate its contention that the alleged crime proceeds are confined only to a sum of Rs.5,972.97.

4. This Court, having heard the learned counsel for the parties and upon perusal of the material on record, finds that though the petitioner asserts that the amount involved is only Rs.5,972.97, no documentary material is placed before this Court to substantiate the said contention. In the absence of such material, this Court is not inclined to grant the relief of defreezing the account in its entirety.

5. However, at the same time, this Court cannot be oblivious to the fact that freezing of an entire bank account, particularly of a running business entity, has



serious civil consequences and may result in undue hardship. If the alleged crime proceeds are ascertainable and limited to a particular amount, the action of freezing the entire account, without restricting it to the extent of such amount, would be disproportionate.

6. In that view of the matter, this Court deems it appropriate to direct the petitioner to approach the fifth respondent-Bank by way of a representation seeking disclosure of the quantum of alleged crime proceeds on the basis of which the account has been frozen. In the event the Bank has definite material indicating the involvement of the petitioner and the extent of the amount in question, it is expected to act proportionately by marking lien only to the extent of the alleged amount and permitting the petitioner to operate the account insofar as the remaining balance is concerned.

7. Accordingly, this Court proceeds to pass the following:



ORDER

(i) The writ petition is allowed in part.

(ii) The petitioner is reserved liberty to submit an appropriate representation to the fifth respondent-Bank seeking disclosure of the quantum of the alleged crime proceeds forming the basis for freezing of its account.

(iii) Upon receipt of such representation, the fifth respondent-Bank shall, within a reasonable period, furnish particulars regarding the amount alleged to be involved.

(iv) In the event the said amount is ascertained, the fifth respondent-Bank shall ensure that lien is marked only to the extent of the said amount, and the petitioner shall be permitted to operate the bank



account for all transactions beyond the amount so
earmarked under lien.

(v) All other contentions are left open.

**SD/-
(SACHIN SHANKAR MAGADUM)
JUDGE**

ALB
List No.: 1 Sl No.: 52