112+240 IN THE HIGH COURT OF PUNJAB AND HARYANA AT CHANDIGARH

2026:PHHC:079887

CRM-22251-2026 in/&
CRM-M-26368-2026 (O&M)
Date of Decision: 20.05.2026

GO PAY DIGITAL WORLD PVT LTD. ... PETITIONER

VERSUS

UNION OF INDIA AND OTHERS ... RESPONDENTS

CORAM : HON'BLE MR. JUSTICE H.S.GREWAL

Present- Mr. Deepanshu Matya, Advocate for the petitioner.

Mr. Satyapal Jain, Addl. Solicitor General of India (through VC) with
Ms. Neha Sharma, Advocate (SPC) for respondent-UOI.

Mr. Narender Kumar Vashist, Addl.P.P., UT, Chandigarh with
Mr. Puneet Sharma, Advocate and ASI Joginder Singh.

Mr. Vijay Kumar, AAG Haryana.

Mr. Rohit Hans, D.A.G., Punjab.

Mr.Nitin Thatai, Advocate with
Ms.Monika Thatai, Advocate for respondents No.3 and 4.

Mr.Shivoy Dhir, Advocate for respondents No.5 and 6.

H.S. GREWAL, J. (ORAL)

CRM-22251-22252-2026

This is an application for amendment of the memo of parties.

Allowed, as prayed for.

Amended memo of parties is allowed to be taken on record.

Main case

1. The present petition has been filed under Section 528 of the Bharatiya Nagarik Suraksha Sanhita, 2023 (corresponding to Section 482 of

the Code of Criminal Procedure, 1973) read with Article 226 of the Constitution of India, seeking issuance of appropriate writ(s), order(s) or direction(s) directing respondent Nos. 3 to 6 to de-freeze the bank accounts of the petitioner, namely account No. 50200055217711 maintained with respondent No.4 and account Nos. 923020006238683, 923020018079164 and 923020018079148 maintained with respondent No.6, which have been frozen pursuant to various communications issued by different Law Enforcement Agencies in connection with complaints/FIRs pertaining to alleged cyber fraud transactions. A further prayer has also been made for directing the respondents not to freeze the aforesaid accounts in entirety in future in relation to similar complaints and instead to mark lien only to the extent of the disputed amount, in accordance with law and the applicable Standard Operating Procedure.

2. Learned counsel for the petitioner contends that the petitioner is a payment gateway company engaged in facilitating online financial transactions between third parties and is not itself the beneficiary of the underlying transactions. It is submitted that the petitioner merely acts as an intermediary platform for processing payments and retains only its agreed commission/service charges, whereas the amounts lying in the subject bank accounts belong to multiple merchants/clients transacting through the petitioner's platform. It is argued that the petitioner has been gravely prejudiced by freezing of the entire bank accounts on account of certain isolated disputed transactions allegedly arising out of cyber fraud committed by unknown third parties, with which the petitioner has no direct connection. Learned counsel submits that the petitioner has neither been named as an

accused in any of the FIRs nor is there any allegation suggesting its active involvement in the commission of the alleged fraud. It is further contended that freezing of the entire accounts, containing funds belonging to numerous unrelated clients, is arbitrary, disproportionate and has resulted in serious disruption of the petitioner's legitimate business operations, causing grave financial prejudice.

3. Per contra, learned counsel appearing for respondent Nos. 3 to 6 submits that the respondent-Banks have merely acted upon the communications/directions issued by the concerned Law Enforcement Agencies in connection with investigation of cyber fraud complaints and have no independent role in the matter. It is submitted that the banks are bound to comply with such directions received from the investigating authorities and have acted strictly in discharge of their statutory obligations.

4. I have heard the learned counsel for the parties and perused the record.

5. The Kerala High Court in **Headstar Global Pvt. Ltd. v. State of Kerela, 2025 SCC OnLine Ker 3546** has held that freezing of bank accounts must be proportionate, reasoned, and supported by material indicating the account holder's involvement in the alleged offence. Bank account under Section 106 of BNSS cannot be attached. The Hon'ble Supreme Court has dismissed SLP being SLP (Cri.) No.13433/2025 filed against aforesaid judgment.

6. The Bombay High Court in **Kartik Yogeshwar Chatur v. Union of India, 2025 SCC OnLine Bom 4778** has held that an Investigating Agency has no power to debit freeze or attach a bank account

under Section 106 of the BNSS, and that any such action can be taken only in accordance with Section 107 of the BNSS upon orders of the competent Magistrate.

7. The Delhi High Court in **Neelkanth Pharma Logistics (P) Ltd. v. Union of India, 2025 SCC OnLine Del 1055** has observed that freezing of an entire bank account merely on account of a small and identifiable amount alleged to be proceeds of cyber fraud having been credited therein, is a disproportionate and arbitrary exercise of power, particularly when the account holder is neither an accused nor even a suspect in the offence under investigation. The Court emphasized that such blanket freezing, without recording or communicating any reasons, results in grave civil and financial consequences, including disruption of business operations, dishonour of cheques and severe hardship, and directly impinges upon the right to livelihood.

8. In the present case, it is evident that the petitioner is not named as an accused in any of the FIRs brought to the notice of this Court. Further, no order under Section 107 of the BNSS passed by the competent Magistrate has been placed on record justifying attachment/freezing of the subject accounts in entirety. Prima facie, the action of freezing the complete bank accounts of the petitioner, despite the disputed transactions being identifiable and limited in nature, appears to be disproportionate. Since the petitioner is stated to be operating as a payment intermediary handling funds of multiple third parties, continuation of freezing of the entire accounts would cause undue hardship and irreparable disruption to lawful business activities.

9. Accordingly, the present petition is disposed of with a direction to respondent Nos.3 to 6 to de-freeze the petitioner's aforesaid bank accounts within a period of seven working days from today. However, the amounts specifically under dispute, which are subject matter of complaints/FIRs under investigation, shall continue to remain under lien to the extent of the disputed amount only, in accordance with law. It is further directed that in the event any future complaint is received in respect of any specific disputed transaction pertaining to the petitioner's accounts, the respondents shall not freeze the entire bank accounts of the petitioner mechanically, and shall be at liberty only to mark lien/restrict operation to the extent of the disputed amount, subject to orders passed by the competent authority in accordance with law.

(H.S.GREWAL)
20.05.2026 **JUDGE**
Janki

Whether speaking/reasoned **:** Yes/No
Whether reportable **:** Yes/No