IN THE HIGH COURT FOR THE STATE OF TELANGANA

AT HYDERABAD

THE HONOURABLE SMT JUSTICE K. SUJANA

CRIMINAL PETITION No.10879 of 2026

DATE: 21.07.2026

BETWEEN:

Sheik Mohideen.

.....petitioner/accused No.29

And

The State of Telangana,
Rep. by Deputy Superintendent of Police,
Economic Offences Wing, Crime Investigation
Department, Telangana, at Hyderabad.

.....Respondent

ORDER

This Criminal Petition is filed praying this Court to enlarge the petitioner on bail who is arrayed as accused No.29 in Crime No.12 of 2025 before the EOW Police Station, Cyberabad, registered for the offence punishable under

Sections 316(2), 318(4), 61(2) of BNS, and Section 5 of TSPDFE Act.

2. Brief facts of the case are that a complaint was lodged by the de facto complainant alleging that M/s. Capital Protection Force Pvt. Ltd. (Falcon) and its Managing Director, along with other accused, floated an online invoice discounting scheme by projecting fake business transactions with reputed multinational companies and induced thousands of investors across the country to invest huge amounts by promising high returns. It is alleged that the accused collected deposits running into several thousand crores of rupees and failed to repay the maturity amounts, thereby causing wrongful loss to the investors. During the course of investigation, it was revealed that M/s. Worldline ePayments India Pvt. Ltd., represented by the present petitioner, provided payment gateway services to Falcon from the year 2020 onwards. The prosecution alleges that the petitioner, while functioning as Executive Vice President, entered into a criminal conspiracy with A-2 by facilitating obtaining of Merchant Identification Number (MID) from State Bank of India by projecting Falcon's activity as "E-Commerce Services"

while suppressing that it was engaged in invoice discounting business, and thereby enabled collection of deposits from the public.

3. Heard Sri G. Ashok Reddy, learned counsel appearing for Sri S. Abhijeeth Reddy, learned counsel for petitioner, and Sri Palle Nageshwar Rao, learned Public Prosecutor, appearing for respondent – State.

4. Learned counsel for the petitioner submitted that the petitioner is innocent and has been falsely implicated in the present crime. He submitted that the petitioner is only an employee of Worldline ePayments India Pvt. Ltd., an RBI authorised payment aggregator, and had no role in the management or affairs of Falcon. It is contended that the petitioner's company entered into an agreement with Falcon in the year 2020 after following due diligence and KYC norms and the acquiring bank, namely SBI, independently scrutinized the documents and issued the MID. He further submitted that there are no allegations from any depositors against the petitioner and no material to show any criminal conspiracy. It is also submitted that the petitioner has cooperated with the investigation by appearing before the

investigating agency on several occasions pursuant to notices issued under the BNSS, and despite such cooperation, he was arrested. He further submitted that custodial interrogation is no longer required and the petitioner has been in judicial custody since 20.06.2026. Therefore, he prayed to enlarge the petitioner on bail.

5. Learned Public Prosecutor appearing for respondent-State, filed counter, opposing the submissions made by learned senior counsel for the petitioner, contending that the petitioner, being Executive Vice President of Worldline ePayments India Pvt. Ltd., played a key role in facilitating the fraud committed by Falcon. It is submitted that the petitioner knowingly misrepresented the nature of Falcon's business as e-commerce services and suppressed its involvement in invoice discounting, thereby violating RBI guidelines and enabling the accused to collect deposits to the tune of thousands of crores from innocent investors. It is further contended that the petitioner failed to ensure compliance with regulatory requirements and facilitated routing of funds through improper channels. It is submitted that investigation is still in progress and release of the petitioner at this stage

may hamper the investigation. Therefore, he prayed for dismissal of the petition.

6. Having regard to the rival submissions and upon perusal of the material available on record, it is noted that the petitioner has been in judicial custody since 20.06.2026. Admittedly, the petitioner is an employee of a payment gateway company, which had entered into an agreement with A-2 in the year 2020, pursuant to which a Merchant Identification Number (MID) was obtained from the State Bank of India in the same year. It is also not in dispute that for nearly five years there were no complaints or adverse reports against the said arrangement. However, in the year 2025, certain irregularities came to light, following which the State Bank of India reported the alleged fraud and the services of the payment gateway company were discontinued. The principal allegation against the petitioner is that, by suppressing the true nature of Falcon's business, the MID was obtained under the guise of e-commerce services, whereas the actual activity pertained to invoice discounting. Though the crime was registered on 11.02.2025, the petitioner was arrayed as an accused at a later stage based on the

statements of officials of the State Bank of India. Significantly, there are no specific allegations made by any of the victims against the petitioner. The material on record further indicates that the petitioner's company had business relationships with several other entities as well, and not exclusively with the accused company. Therefore, considering the nature of allegations leveled against this petitioner, the period of incarceration and the progress in investigation, this Court is of the opinion that it is a fit case to grant bail to the petitioner, subject to the compliance of following conditions:'

> i. The petitioner shall execute a personal bond for a sum of Rs.25,000/- (Rupees Twenty Five Thousand only) with two sureties for a like sum each to the satisfaction of the I Additional District and Sessions Judge, Ranga Reddy, at LB.Nagar.
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> ii. The petitioner shall appear before the concerned SHO at 11:00 a.m. on every Monday for a period of eight (8) weeks or till filing of charge sheet, whichever is

earlier, for the purpose of investigation, and thereafter, as and when required.

iii. The petitioner shall abide by the conditions stipulated in Section 437(3) of Cr.P.C. (presently Section 480(3) of the BNSS).

7. Accordingly, the Criminal Petition is allowed.

Miscellaneous applications, if any pending, shall stand closed.

K. SUJANA, J

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