IN THE HIGH COURT FOR THE STATE OF TELANGANA

AT HYDERABAD

THE HONOURABLE SMT JUSTICE K. SUJANA

CRIMINAL PETITION No.10872 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.10 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 to the tune of several thousand crores of rupees from the public 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. (formerly Ingenico 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 of the said company, entered into a criminal conspiracy with A-2 by obtaining Merchant Identification (MID) from SBI by describing Falcon's activity as

"E-Commerce Services", while suppressing that Falcon was engaged in invoice discounting business, thereby violating the RBI guidelines governing merchant onboarding. It is further alleged that by providing payment gateway services and linking Falcon's current account instead of an escrow account, the petitioner facilitated collection of deposits amounting to thousands of crores from investors, thereby attracting the offences punishable under Sections 316(2), 318(4), 61(2) of BNS and Section 5 of the TSPDFE Act. During investigation, based on the statements of the officials of the State Bank of India and other material collected, the petitioner was arrayed as accused No.29 and arrested on 19.06.2026 and remanded to judicial custody on 20.06.2026.

3. Heard Sri S.Niranjan Reddy, learned senior counsel appearing for Sri L. Preetham Reddy, learned counsel for petitioner, and Sri Palle Nageshwar Rao, learned Public Prosecutor, appearing for respondent – State.

4. Learned senior counsel for the petitioner submitted that the petitioner is innocent and has been falsely implicated in the present crime solely on the basis of the statement of the Chief Manager of State Bank of India. He submitted that the

petitioner is only an employee of Worldline ePayments India Pvt. Ltd., a Reserve Bank of India authorised payment aggregator, and had no role whatsoever in the affairs or management of Falcon or its invoice discounting business. It is contended that Worldline had entered into an agreement with Falcon in June, 2020 after following the prescribed KYC norms and due diligence, and Falcon continued as a merchant for nearly five years without any complaint or adverse report. Learned senior counsel further submitted that the acquiring bank, namely SBI, independently scrutinized the merchant documents and issued the Merchant Identification Number (MID) after satisfying itself regarding the nature of business and therefore, the allegation that the petitioner concealed the nature of Falcon's business is wholly untenable. He would further submit that when chargebacks started increasing during January, 2025, Worldline itself suspended the payment gateway services, withheld settlement amounts and also lodged complaints before the Economic Offences Wing, Mumbai, thereby demonstrating its bona fides. It is further submitted that the petitioner had continuously cooperated with the investigation by appearing before the investigating agency on several occasions pursuant to notices issued under Sections 94 and 179 of BNSS and had furnished all documents sought by the investigating agency. Despite such cooperation, the petitioner was arrested when he appeared before the investigating officer pursuant to the notice. It is also contended that no depositor has made any allegation against the petitioner and there is absolutely no material demonstrating any meeting of minds or criminal conspiracy between the petitioner and the principal accused. It is submitted that custodial interrogation is no longer necessary, the petitioner has been in judicial custody since 20.06.2026 and further detention would serve no useful purpose. 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 the Executive Vice President and authorised signatory of Worldline ePayments India Pvt. Ltd., played a crucial role in facilitating the fraud committed by Falcon. It is submitted that the petitioner knowingly projected Falcon as an e-commerce service provider and concealed the fact that it

was carrying on invoice discounting business while seeking Merchant Identification Number (MID) from SBI and other acquiring banks, thereby violating the RBI Guidelines relating to merchant onboarding. It is further submitted that by virtue of such concealment, Falcon was enabled to collect deposits amounting to about Rs.4,215 Crores from more than 7,000 depositors across the country and the accused company earned more than Rs.7.5 Crores as service charges. Learned Public Prosecutor further contended that the petitioner failed to ensure compliance with the RBI guidelines, permitted payment gateway services through Falcon's current account instead of an escrow account and thereby actively facilitated the commission of the offence. It is submitted that investigation is still in progress, several victims are yet to come forward, eleven criminal cases have been registered across the country relating to the same scam and there is every likelihood of the petitioner tampering with evidence, influencing witnesses or absconding if enlarged on bail. Considering the gravity and magnitude of the economic offence involving thousands of investors and huge public money, it is prayed that the petitioner is not entitled to the discretionary relief of bail. 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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