IN THE HIGH COURT FOR THE STATE OF TELANGANA
AT HYDERABAD

THE HONOURABLE SRI JUSTICE N.TUKARAMJI

<u>CRIMINAL PETITION No. 13602 OF 2026</u>

(CNR No. HBHC010572872026)

<u>DATE: 09.09.2026</u>

Between :

Mr. Lavleen Goel

… Petitioner/Accused No. 9

AND

The State of Telangana, Through P.S. EOW, Team-I, CCS, Detective Department, Hyderabad, Represented by the learned Public Prosecutor, High Court for the State of Telangana, Hyderabad.

… Respondent.

<u>ORDER</u>

This Criminal Petition is filed under Section 482 of the *Bharatiya Nagarik Suraksha Sanhita, 2023* (for short, "BNSS"), seeking the relief of anticipatory bail.

2. The petitioner is arrayed as Accused No 9 in Crime No. 294 of 2026 of Kachiguda Police Station, which was subsequently transferred and reregistered as Crime No. 121 of 2026 of P.S. EOW, Team-I, CCS, Detective Department, Hyderabad, for the offences punishable under Sections 318(4), 316(2) read with Section 61(2) of the *Bharatiya Nyaya*

Sanhita, 2023 (for short, "BNS"), Sections 3 and 5 of the *Telangana State Protection of Depositors of Financial Establishments Act*, 1999 (TSPDFE Act), Sections 3, 4, 5 and 6 of the *Prize Chits and Money Circulation Schemes (Banning) Act*, 1978 (PC & MCSB Act), Section 66(D) of the *Information Technology Act*, 2000.

3. Heard Mr. Rajender Khanna, learned counsel for the petitioner and Mr. Syed Yasar Mamoon, learned Additional Public Prosecutor, representing the respondent-State.

4.1. The prosecution case, in brief, is that the de facto complainant was allegedly induced, through Zoom presentations and WhatsApp communications, to join a money-circulation/luxury-product business operated under the name and style of M/s. Indi Konnect Ventures Private Limited (IGNITE). It is alleged that the business model involved the purchase of products and enrolment of members in a binary/pyramid structure, with promises of high financial returns and commissions. The company was allegedly projected as being connected with an international entity, so as to create an impression of corporate legitimacy and credibility. It is further alleged that, pursuant to such representations, the de facto complainant was induced to purchase an 18 K gold pendant and was instructed to make the requisite payment by way of Demand Drafts. Accordingly, she obtained Demand Drafts for a sum of Rs.59,175/- and Rs.2,623/-, totalling Rs.61,798/. The complainant was allegedly instructed to send the Demand Drafts by courier to a paying guest (PG) accommodation in Bengaluru, rather than to the stated office address of the company. On the basis of the complaint lodged in this regard, the crime was registered.

4.2. During the course of investigation, the prosecution alleges that Accused Nos.3 to 8, in conspiracy with one another, collected amounts from several victims by promising them high returns through the business operated under the name and style of IGNITE and M/s. Indi Konnect Ventures Private Limited. The investigating agency collected the complainant's bank-account details, Demand Drafts, WhatsApp communications and other relevant documents. It is further stated that 12 bank accounts allegedly connected with the accused were identified and frozen for the purpose of tracing the flow and alleged diversion of funds.

4.3. The statements of Accused Nos.7 and 8 are relied upon by the prosecution to allege that they incorporated M/s. Indi Konnect Private Limited/IGNITE at the instance of the petitioner/Accused No.9 and Accused No.4, and that the said company was projected as a sub-franchise of IGNITE. It is further alleged that the petitioner/Accused No.9 and Accused No.4 exercised control over and transferred funds collected from investors, while Accused Nos.7 and 8 allegedly received remuneration for activities relating to the incorporation of the company.

5.1. Learned counsel for the petitioner submits that no specific overt act relating to inducement, cheating, collection or receipt of money has been attributed to the petitioner. According to the learned counsel, the alleged role of the petitioner is confined to arranging persons to act as directors and facilitating the incorporation of M/s. Indi Konnect Ventures Private Limited. It is submitted that the petitioner was not named in the FIR and was subsequently implicated primarily on the basis of the statements of co-accused.

5.2. Learned counsel further submits that there is no allegation of any direct communication, inducement or representation made by the petitioner to the de facto complainant. It is also contended that there is no independent money trail connecting the petitioner either with the alleged transaction involving Rs.61,798/- or with the de facto complainant. It is further argued that the status and encashment of the Demand Drafts have not been established through the relevant bank records.

5.3. It is submitted that the petitioner’s premises were searched on 09.07.2026 and that the only materials allegedly recovered therefrom were an attendance register and documents relating to the incorporation of the company with the Registrar of Companies (ROC), with no incriminating material or money having been recovered. Thereafter, notice under Section 35(3) of the BNSS was issued on 30.07.2026, directing the petitioner to appear on or before 06.08.2026. According to the learned counsel, the issuance of such notice indicates that, at that stage, the investigating agency did not consider the arrest of the petitioner necessary. It is, therefore, contended that, in the absence of any subsequent circumstance or fresh material demonstrating a changed position, there is no justification for subjecting the petitioner to custodial interrogation.

5.4. Learned counsel for the petitioner further contends that mere involvement in the incorporation of a company, without independent material demonstrating knowledge of or participation in the alleged illegal scheme, cannot by itself fasten criminal liability upon the petitioner. Reliance is placed on the decisions in *P. Subbaraju v. State of Telangana*, 2025 SCC OnLine TS 1477; *Siddharam Satlingappa Mhetre v. State of Maharashtra*, (2011) 1 SCC 694; and *Gurbaksh Singh Sibbia v. State of Punjab*, (1980) 2 SCC 565, in support of the proposition that the individual role attributed to the petitioner and the actual necessity for custodial interrogation are relevant considerations while examining a prayer for anticipatory bail.

5.5. It is further submitted that the evidence in the present case is predominantly documentary in nature, comprising banking records, corporate records and electronic communications, all of which can be collected and examined without arresting the petitioner. The petitioner undertakes to cooperate with the investigation and to abide by any conditions that may be imposed by this Court. On these grounds, learned counsel for the petitioner prays that anticipatory bail be granted to the petitioner.

6.1. Learned Additional Public Prosecutor, opposing the petition, submits that the crime was registered pursuant to allegations of an organised fraud/money-circulation scheme operated under the name and style of IGNITE and allegedly linked with QNET/Vihaan. It is contended that the petitioner/Accused No.9 played a key role in planning and establishing the alleged scheme and in facilitating the incorporation of M/s. Indi Konnect Ventures Private Limited/Accused No.2.

6.2. In particular, it is alleged, on the basis of the additional confession statement of Accused No.4, that Accused No.9 arranged Accused Nos.7 and 8 to act as Directors of Accused No.2-company and contemplated its registration with the ROC. It is further alleged that Accused Nos.7 and 8, being employees of the petitioner, became directors at his instance. The prosecution also alleges that the petitioner/Accused No.9, along with Accused No.4, controlled and transferred the funds received through Accused No.2-company.

6.3. Learned Additional Public Prosecutor further submits that the statements of Accused Nos.4, 7 and 8, read with the documents recovered during the search of the petitioner's premises, prima facie support the allegation of the petitioner's involvement in the larger conspiracy. It is further contended by the prosecution that, although notice under Section 35(3) of the BNSS was issued to the petitioner at an earlier stage, the subsequent course of investigation disclosed the necessity of custodial interrogation. It is further contended that the incorporation of Accused No.2-company and the appointment of Accused Nos.7 and 8 as its directors formed part of the larger conspiracy alleged by the prosecution. The prosecution submits that the question whether the petitioner personally received any portion of the complainant's money, and whether such receipt establishes his participation in the alleged scheme, also requires further investigation. The prosecution further apprehends that, having regard to the petitioner's alleged connection with Accused No.4, who is stated to be absconding, the petitioner may influence witnesses or otherwise interfere with the investigation. It is, therefore, submitted that the seriousness and organised nature of the alleged offences, coupled with the material collected during investigation, warrant a cautious approach at this stage.

6.4. Learned Additional Public Prosecutor further submits that the earlier issuance of notice under Section 35(3) of the BNSS does not, by itself, preclude a subsequent arrest, if the investigation thereafter discloses circumstances demonstrating the necessity of such arrest. It is contended that the authorities relied upon by the petitioner are distinguishable on the facts and circumstances of the present case. Accordingly, the learned Additional Public Prosecutor prays for dismissal of the petition.

7. I have carefully considered the rival submissions and perused the material available on record.

8. The specific role attributed to the petitioner/Accused No.9 is that he arranged Accused Nos.7 and 8 to act as Directors and facilitated the incorporation of M/s. Indi Konnect Private Limited. Though the prosecution relies upon the statements of Accused Nos.4, 7 and 8, as well as the documents recovered during the search of the petitioner's premises, it is not in dispute that the petitioner was not named in the original complaint/FIR. Further, the prosecution material presently placed before the Court does not refer to any specific overt act on the part of the petitioner involving direct communication with, or representation to, the de facto complainant, nor does it demonstrate, at this stage, that any amount pertaining to the alleged transaction was encashed by, or credited to, any bank account under the petitioner's control.

9. The statements of the co-accused, therefore, have to be assessed in the context of the other material collected during investigation and with reference to the extent of independent corroboration available. These circumstances are relevant for assessing the petitioner's individual role,

without expressing any final opinion on the merits or evidentiary value of the prosecution material. It is also relevant to note that, according to the prosecution itself, the petitioner's premises were searched on 09.07.2026 and no money or other incriminating material was stated to have been recovered therefrom. Thereafter, notice under Section 35(3) of the BNSS dated 30.07.2026 was issued directing the petitioner to appear before the investigating agency. In this context, the principle reiterated by the Hon'ble Supreme Court in *Satender Kumar Antil v. Central Bureau of Investigation and Another*, 2026 INSC 115, that arrest cannot be treated as a routine or mechanical measure and that the necessity for arrest must be demonstrable, assumes relevance.

10. Mere apprehension that custodial interrogation may facilitate tracing the money trail or enable examination of digital and financial material, without specific material indicating that such purposes cannot effectively be achieved through other investigative measures, may not, by itself, justify the petitioner's arrest. At the same time, this Court cannot lose sight of the seriousness and gravity of the allegations concerning an organised money-circulation scheme and the alleged conspiracy involving Accused No.4 and the other accused. The nature of the allegations, therefore, has to be balanced against the petitioner's specific and individual role and the necessity, if any, for his custodial interrogation.

11. The principles governing consideration of a prayer for anticipatory bail require the Court to examine, inter alia, the nature and gravity of the accusation, the specific role attributed to the accused, the possibility of his absconding or tampering with the evidence, and the necessity of custodial interrogation, as recognised in *Siddharam Satlingappa Mhetre v. State of Maharashtra*, supra, and *Sushila Aggarwal v. State (NCT of Delhi)*, (2020) 5 SCC 1.

12. On an assessment of the material presently available, the investigation appears, at this stage, to substantially depend upon documentary, corporate, banking and electronic evidence. The prosecution has not placed before this Court any specific material demonstrating that custodial interrogation of the petitioner is indispensable for securing any particular recovery or discovery, which cannot otherwise be achieved through the ordinary course of investigation. The requirement of further investigation, by itself, cannot be equated with a demonstrated necessity for custodial interrogation, particularly, where the relevant documentary, banking, corporate and electronic records are otherwise capable of being secured and examined by the investigating agency.

13. Accordingly, without expressing any opinion on the merits of the case or on the ultimate evidentiary value of the material collected by the prosecution, this Court has considered the petitioner's alleged individual role, the absence, at this stage, of a demonstrated direct money trail

connecting him with the alleged transaction, the search of his premises on 09.07.2026, the subsequent issuance of notice under Section 35(3) of the BNSS dated 30.07.2026, and the petitioner's undertaking to cooperate with the investigation and particularly in the absence of specific material demonstrating that the petitioner's custodial interrogation is indispensable for any recovery, discovery or other investigative purpose, which cannot otherwise be secured, the petitioner has made out a case for grant of anticipatory bail.

14. Resultantly, the Criminal Petition is allowed. The petitioner/Accused No. 9 is enlarged on anticipatory bail, subject to the following conditions:

(A) The petitioner/Accused No. 9 shall surrender before the Station House Officer/Investigating Officer, P.S EOW, Team-I, CCS, DD, Hyderabad, on or before 24.09.2026. Upon such surrender or in the event of arrest, the Station House Officer/Investigating Officer shall release the petitioner/Accused No. 9 on bail on execution of personal bond for a sum of Rs.50,000/- (Rupees Fifty Thousand only), with two sureties for a like sum each, to the satisfaction of the said Officer.

(B) The petitioner/Accused No. 9 shall appear before the Investigating Officer on every Tuesday and Saturday between 10:00 AM to 03:00 PM, for a period of twelve (12) weeks from the date of his release on bail or until filing of the final result, whichever is earlier.

(C) The petitioner/Accused No. 9 shall remain available for interrogation as and when required by the Investigating Officer during the course of investigation and shall extend full cooperation with the Investigating Officer.

(D) The petitioner/Accused No. 9 shall strictly comply with all the conditions contemplated under Section 482(2) of the BNSS.

(E) The petitioner/Accused No. 9 shall furnish his complete residential address, mobile number and other contact particulars to the Investigating Officer and shall promptly intimate any changes therein.

(F) The petitioner/Accused No. 9 shall not directly or indirectly induce, threaten, influence, or promise any person acquainted with the facts of the case, nor shall he tamper with prosecution evidence in any manner whatsoever.

(G) Any wilful breach or violation of any of the aforesaid conditions shall render the petitioner liable to appropriate proceedings before the Court below, including cancellation of bail, in accordance with the provisions of the BNSS and other applicable law.

(H) The Investigating Officer is at liberty to proceed in accordance with law in the event of violation of conditions or emergence of subsequent material genuinely necessitating custodial interrogation of the petitioner.

15. It is made clear that any observations made herein are confined solely to the adjudication of the present application for anticipatory bail and shall not be construed as an expression on the merits of the case. Pending miscellaneous applications, if any, shall stand closed.

N.TUKARAMJI, J

Date: 09.09.2026
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