

IN THE HIGH COURT FOR THE STATE OF TELANGANA

AT HYDERABAD

THE HONOURABLE SMT JUSTICE K. SUJANA

CRIMINAL PETITION No.2754 of 2026

16.03.2026

Between:

Pilli Kishan Kumar.

PETITIONER

AND

The State of Telangana,
Rep by Public Prosecutor,
High Court for the State of
Telangana, at Hyderabad.

RESPONDENT

ORDER

This Criminal Petition is filed before this Court for grant of pre-arrest bail to the petitioner who is arrayed as accused No.2 in Crime No.56 of 2026 before the Jagtial Town Police Station, Jagtial District, registered for the offence punishable under Sections 61(2), 316(2), 318(4), 351(2) r/w. 3(5) of BNS, Section 5 of TSPDFEA.

2. The brief facts of the case are that the complainant, Katakam Chandra Shekhar, resident of Angadi Bazar, Jagtial Town, reported on 31.01.2026 that he was induced by Accused No.1, Vemula Mallikarjun, into investing in a crypto-based multi-level marketing scheme called “UBIT™” with promises of tripling returns, referral commissions, and foreign tours. He initially invested Rs.4 lakhs and later larger sums in UBIT, UMT/UBIT, ULTRAVERSE COIN (UVC), and UVCX, as directed by A1 along with A2 – Pilli Kishan and A3 – Shiva Ganga, who conducted meetings and motivated further investments. Initially small returns were shown, but later withdrawal facilities were stopped, coins were renamed, and during the UVCX launch the value crashed from 6 USD to 0.10 USD, causing heavy losses. The complainant was further diverted into another scheme “TRADINGPOOL APP,” which also failed, resulting in a total loss of about Rs.40 lakhs. When questioned, A1 to A3 allegedly threatened him.

3. Heard Sri Chandrasekhar Yadav, learned counsel for petitioner, and Sri Ramachandra Reddy, learned Additional Public Prosecutor appearing on behalf of the respondent - State.

4. Learned counsel for the petitioner submitted that the petitioner has been falsely implicated as Accused No.2 without any specific allegations or transactions linking him to the complainant. He contended that the petitioner is himself a victim of the scheme, having invested prior to the complainant and not receiving returns, and that he was neither part of the management nor operations of UBIT cryptocurrency. He averred that investment in cryptocurrency is a legal business, and mere non-receipt of returns cannot constitute a criminal offence, and that the complaint contains no communication or financial transaction involving the petitioner, and his name was included only under police pressure. Therefore, he prayed the Court to grant pre-arrest bail to the petitioner by allowing this Criminal Petition.

5. Learned Additional Public Prosecutor vehemently opposed the submissions made by learned counsel for petitioner, and contended that the complaint discloses a prima facie case of cheating, misrepresentation, and fraudulent inducement, and that the petitioner along with other accused actively participated in motivating investments, thereby, attracting the offences as alleged. He further

contended that custodial interrogation of the petitioner is necessary to unearth the larger conspiracy, trace the diverted funds, and identify other victims. Therefore, he prayed the Court to dismiss the criminal petition.

6. Having regard to the rival submissions and material on record, it is noted that petitioner is also a victim in the hands of A1 as an amount was invested by him as well. Though there are allegations leveled against him, considering the circumstances of the case in entirety, this Court deems it fit to grant pre-arrest bail to the petitioner subject to the following conditions:

- i. The petitioner shall surrender before the Station House Officer, Jagtial Town Police Station, Jagtial District, within two weeks from today, and on such surrender, the said Station House Officer shall release him on bail on executing a personal bond for Rs.25,000/-, with two sureties, for the like sum each.

- ii. The petitioner shall abide by the other conditions stipulated in Section 482(2) of Bharatiya Nagarik Suraksha Sanhita, 2023 and co-operate with the Investigating Officer in investigating the case.
- iii. The petitioner shall appear before the concerned Investigating Officer on every Monday between 09:00 a.m, and 05:00 p.m., for a period of eight weeks or till the filing of the charge sheet, whichever is earlier, and thereafter, as and when required.

7. Accordingly, this Criminal Petition is allowed.

Miscellaneous applications, if any pending, shall stand closed.

K. SUJANA, J

Date: 16.03.2026
PT

THE HONOURABLE SMT JUSTICE K. SUJANA

CRIMINAL PETITION No.2754 of 2026

Date: 16.03.2026
PT