

IN THE HIGH COURT FOR THE STATE OF TELANGANA

AT HYDERABAD

THE HONOURABLE SMT. JUSTICE K. SUJANA

CRIMINAL PETITION No.3440 of 2026

DATE: 24.03.2026

BETWEEN:

Aluvala Venkateswarlu and another

.....petitioners/accused Nos.1 and 2

And

The State of Telangana,

Rep. by its Public Prosecutor,

High Court for the State of Telangana

at Hyderabad and another.

.....Respondents/complainant

ORDER

This Criminal Petition is filed under Section 482 of Bharatiya Nagarik Suraksha Sanhita, 2023 (for short 'BNSS') for grant of pre-arrest bail to the petitioners, who are arrayed as accused Nos.1 and 2 in Crime No.57 of 2026 before the

Bhadrachalam Town Police Station, Bhadradri Kothagudem District, registered for the offences punishable under Sections 316(2), 316(4), 318(4), 336(3), 338 and 340(2) of BNS.

2. The brief facts of the case are that on 02.03.2026, the complaint lodged by the Branch Manager of LIC, Bhadrachalam, alleging that the petitioners, who are LIC agents, were involved in offences of cheating, criminal breach of trust, and forgery by using fake death certificates of several policyholders and facilitating fraudulent claims amounting to Rs.1,52,25,550/-. It is alleged that by using forged documents as genuine, the accused enabled wrongful claims and caused financial loss to the LIC organization.

3. Heard Sri B.N. Swamiji, learned counsel appearing on behalf of the petitioners as well as Sri M. Ramachander Reddy, learned Additional Public Prosecutor appearing on behalf of the respondents – State.

4. Learned counsel for the petitioners submitted that the petitioners are merely LIC agents whose role is limited to procuring policies and signing as witnesses in claim

applications as per procedure, and they are neither beneficiaries nor recipients of the alleged claim amounts and that the amounts were credited directly into the accounts of nominees/claimants and not to the petitioners, and the sanctioning authority for such claims was the Assistant Administrative Officer, not the petitioners. He contended that the real beneficiaries and concerned officials have not been made accused and that the petitioners have been falsely implicated to shield others. He further contended that Accused No.2, being a sub-agent, had no role at all and has been implicated only due to her relationship with Accused No.1. Therefore, he prayed the Court to grant pre-arrest bail to the petitioner by allowing this Criminal Petition.

5. Learned Additional Public Prosecutor opposes the grant of anticipatory bail, contending that the allegations involve serious economic offences affecting a public financial institution, wherein forged death certificates were used to facilitate fraudulent claims on a large scale and that the petitioners, being LIC agents, played a crucial role in processing and forwarding such claims and their involvement requires thorough investigation. He contended that custodial

interrogation is necessary to uncover the manner in which forged documents were used and to identify other persons involved in the fraud. Therefore, at this stage, granting of pre-arrest bail to the petitioners does not arise. Hence, he prayed the Court to dismiss the criminal petition.

6. In the light of the submissions made by both the learned counsel and upon perusal of the material available on record, it *prima facie* appears that petitioner No.1, who is arrayed as Accused No.1, is alleged to have played an active role in facilitating fraudulent insurance claims by using forged death certificates of policyholders and thereby causing wrongful loss to the LIC organization. The main allegation against petitioner No.1 is that, being an LIC agent, he was instrumental in processing and forwarding such fraudulent claims, which form part of a larger economic offence. As seen from the record, the investigation is still in progress and custodial interrogation of petitioner No.1 appears to be necessary to unearth the full extent of the fraud and involvement of other accused persons. Therefore, at this stage, this Court is not inclined to grant pre-arrest bail to petitioner No.1 and the same is liable to be dismissed.

7. Further, insofar as petitioner No.2, who is arrayed as accused No.2, is concerned, it is alleged that she is a sub-agent and also the wife of petitioner No.1. The material on record, at this stage, does not *prima facie* disclose any specific overt acts attributed to her except her association with petitioner No.1. Having regard to the nature of allegations and her limited role, this Court deems it fit to grant pre-arrest bail to petitioner No.2, subject to the following conditions:

- i. The petitioner No.2 shall surrender before the Station House Officer, Bhadrachalam Town Police Station, Bhadradri Kothagudem District, within two weeks from today, and on such surrender, the said Station House Officer shall release her on bail on executing a personal bond for Rs.25,000/-, each with two sureties, for the like sum each.
- ii. The petitioner No.2 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 No.2 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 (8) weeks or till the filing of the charge sheet, whichever is earlier and thereafter, as and when required.

8. Accordingly, this Criminal Petition is allowed in part. However, the criminal petition filed against petitioner No.1 is dismissed.

Miscellaneous applications, if any pending, shall stand closed.

K. SUJANA, J

Date: 24.03.2026
SAI

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