IN THE HIGH COURT FOR THE STATE OF TELANGANA
AT HYDERABAD

THE HONOURABLE SMT. JUSTICE K. SUJANA

CRIMINAL PETITION No.5451 of 2026

DATE: 20.04.2026

BETWEEN:

Ajay Newatia

….. Petitioner/Accused No.4

And

The State of Telangana,
Through SHO Central Crime Station (DD)
Represented by its through Public Prosecutor,
High Court of Telangana

….. Respondent/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 petitioner, who is arrayed as accused No.4 Crime No.43 of 2026 before the Central Crime Station, Hyderabad, registered for the offences punishable under Sections 316(5), 318(4), 336(3), 340(2) read with 61(2) of BNS.

2. On 28.02.2026, the CCS DD, Hyderabad, registered a case against the petitioner and others in connection with the aforesaid crime. The allegations against the petitioner are that he misused his official position by demanding and accepting illegal gratification from customers, Direct Sourcing Agents (DSAs), and other intermediaries in consideration for processing and sanctioning loan applications. It is further alleged that the petitioner was involved in illegal EMI funding practices by arranging market-based funds through local financiers in order to prevent loan accounts from being classified as Non-Performing Assets (NPAs). These funds were allegedly routed through the bank accounts of the petitioner's brother and brother-in-law before being credited to the respective borrower accounts, with the intention of concealing the true source and nature of the transactions. As a result of these acts, a wrongful loss to the extent of approximately ₹59.94 crores is stated to have been caused to the bank. Hence, the complainant requested the police to take necessary action against the petitioner.

3. Heard Sri Divya Rai, learned counsel appearing on behalf of the petitioner, and Sri M. Ramachandra Reddy, learned Additional Public Prosecutor appearing on behalf of the respondent–State.

4. Learned counsel for the petitioner submitted that the petitioner is innocent and has been falsely implicated in the

present case and that no specific overt acts attributed to the petitioner except stating his designation as Former Senior Regional Head (Business Banking Group) and entrustment with fiduciary duties and that the petitioner was solely engaged in sales leadership and business development, with no role in sanctioning of loans, which was exclusively handled by the Credit team. The petitioner neither participated in the credit committee nor had access to the sanctioning system, and had no supervisory control over Collections, Operations, or Credit teams. He further submitted that the petitioner resigned on 02.07.2025 due to personal and health reasons and was subsequently suspended and terminated following an internal inquiry and that similarly placed co-accused have been granted bail. Therefore, he prayed the Court to grant pre-arrest bail to the petitioner by allowing the criminal petition.

5. On the other hand, learned Additional Public Prosecutor opposed the petition by contending that the allegations against the petitioner are grave and serious in nature and, the material collected during investigation, prima facie disclose the commission of cognizable offences by the petitioner along with other accused and was directly involved in suspicious transactions, misusing his official position to facilitate fraudulent loan dealings for wrongful gain. He further submitted that the petitioner, being a native of

Bihar, poses a risk of absconding and may influence witnesses or tamper with evidence if granted anticipatory bail and that the investigation is still pending and, therefore, granting pre-arrest bail to the petitioner, at this stage, does not arise and prayed the Court to dismiss the criminal petition.

6. In light of the submissions made by both learned counsel and upon perusal of the material available on record, it is the contention of the learned counsel for the petitioner that the petitioner had no role in sanctioning of loans and was only discharging duties relating to sales and business development, and that he was not a member of the credit committee nor had access to the sanctioning system. The allegations against the petitioner are largely based on documentary evidence, which is already in the custody of the investigating agency. Considering the overall facts and circumstances of the case, this Court is of the view that custodial interrogation of the petitioner is not necessary at this stage. Hence, this Court deems it appropriate to grant pre-arrest bail to the petitioner, subject to the following conditions:

i. The petitioner shall surrender before the Station House Officer, Central Crime Station, Hyderabad within two weeks from today, and on such surrender, the said Court 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 Wednesday between 09:00 a.m, and 05:00 p.m. 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.

7. Accordingly, this Criminal Petition is allowed.

Miscellaneous applications, if any pending, shall stand closed.

K. SUJANA, J

Date: 20.04.2026
SS

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