IN THE HIGH COURT FOR THE STATE OF TELANGANA
AT HYDERABAD

THE HONOURABLE SRI JUSTICE N.TUKARAMJI

CRIMINAL PETITION No. 16464 OF 2026

(CNR No. HBHC010691532026)

DATE: 05.11.2026

Between :

Amit Jhunjhunwala

… Petitioner/Accused No.2.

AND

The State of Telangana, Represented by Public Prosecutor, High Court for the State of Telangana, Hyderabad, and another.

… Respondents.

ORDER

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

2. The petitioner is arrayed as Accused No. 2 in Crime No. 466 of 2026 of Madhura Nagar Police Station, Hyderabad, registered for the offences punishable under Sections 316(5), 318(4), 61(2) read with Section 3(5) of the *Bharatiya Nyaya Sanhita, 2023* (for short, "BNS").

3. Heard Mr. E.Uma Maheshwar Rao, learned Senior Counsel for the petitioner and Mr. Syed Yasar Mamoon, learned Additional Public

Prosecutor, appearing for respondent No.1-State and Mr. A. Tulsi Raj Gokul, learned counsel for respondent No.2/de facto complainant.

4. Briefly stated, the relevant case facts are that, respondent No. 2/ de facto complainant had been a registered buyer on the TradeCred platform since June 2018 and had invested a sum of Rs.46,60,748/- in invoice receivables of Smartpaddle Technology Private Limited (Bizongo) through five offers for sale and multiple confirmations of purchase executed between 02.07.2024 and 30.07.2024. Despite the expiry of the agreed repayment period and the issuance of balance liability confirmations and repayment proposals, the amount remained unpaid. Respondent No. 2/ de facto complainant alleged that false and misleading information had been furnished, that the invoices had been discounted multiple times and that the funds had been diverted, thereby causing losses to him and more than 700 other investors. He also referred to alleged audit irregularities and an investigation by the Institute of Chartered Accountants of India concerning the former auditor. He further claimed that the present auditor had allegedly refused to sign the financial statements for the financial year 2024–2025 and referred to criminal proceedings initiated against Bizongo and its associated persons in different States. On the basis of the said complaint, the present crime came to be registered.

5.1. Learned Senior Counsel appearing for the petitioner contends that the petitioner has been falsely implicated in the present case. It is submitted that the petitioner is the Chief Financial Officer of Accel India Management LLP, an investment advisory firm whose functions are confined to investment advisory, due diligence and portfolio monitoring. Learned Senior Counsel submits that Accel Mauritius, which is a separate legal entity, had invested approximately Rs.90 Crore in Bizongo; however, the petitioner was never its Director, employee, key managerial personnel, officer, agent or authorised signatory and had no role in its operations, treasury, invoice discounting, repayment decisions, bank accounts or official records. The petitioner denies having any involvement in on-boarding TradeCred, uploading invoices, managing escrow accounts or controlling the flow of funds. It is further submitted that his knowledge of the arrangement between Bizongo and TradeCred was limited to the information received by him in the ordinary course of his professional duties.

5.2. He further argues that no specific dishonest representation, inducement, entrustment or criminal act has been attributed to the petitioner and that mere non-payment of commercial dues does not constitute a criminal offence. The petitioner attributes the financial difficulties of Bizongo to alleged internal fraud by its employees. He also relies upon the closure of a similar complaint by the Economic Offences Wing, Thane, Maharashtra,

wherein, according to him, no cognizable offence was found and the dispute was treated as commercial and civil in nature.

5.3. It is further submitted that, despite the petitioner having submitted a representation dated 22.07.2026 expressing his willingness to cooperate with the investigation and seeking deletion of his name from the case, there was no appropriate response. It is contended that the case rests primarily on documentary, banking and electronic evidence and, therefore, custodial interrogation of the petitioner is unnecessary. It is further submitted that, although the petitioner was granted transit anticipatory bail by the Bengaluru Sessions Court on 29.07.2026 for a period of fifteen days, his regular anticipatory bail application came to be dismissed by the learned VII Additional Sessions Judge, Hyderabad.

5.4. Placing reliance upon the decisions in *Dinesh Gupta v. State of Uttar Pradesh*, (2024) 11 SCC 758, and *Pradip N. Sharma v. State of Gujarat*, 2025 INSC 291, learned Senior Counsel submits that the petitioner has no criminal antecedents, has a permanent residence and professional establishment, and is willing to cooperate fully with the investigation and abide by any conditions that may be imposed by this Court. On these grounds, he seeks grant of anticipatory bail.

6.1. Learned Additional Public Prosecutor opposes the bail petition, submitting that the de facto complainant had invested substantial amounts in Bizongo's invoice receivables through the TradeCred platform during July 2024, but the amounts remained unpaid even after expiry of the agreed repayment period. It is further submitted that the statement of the de facto complainant recorded before the Investigating Agency reiterates the allegations of non-repayment, furnishing of false and misleading information, double discounting of invoices and diversion of funds.

6.2. The learned Additional Public Prosecutor further submits that the statement of the TradeCred representative, who was working for Ikshavaku Software Ventures India Private Limited, the operator of the TradeCred platform, confirms the outstanding amount and allegedly implicates the petitioner and others. According to the said statement, Bizongo had received approximately Rs.223 Crore from its customers against discounted invoices but transferred only Rs.99 Crore, while allegedly transferring Rs.24 Crore and Rs.71 Crore to two related parties between October 2024 and April 2025. The statement further alleges that the petitioner participated in discussions concerning the utilisation of funds and opposed the use of such funds for repayment to the buyers.

6.3. The prosecution submits that the statements of the de facto complainant and the TradeCred representative have been recorded during

the course of investigation and that the investigation is still in progress to trace the money trail and ascertain the respective roles of the accused. The learned Additional Public Prosecutor also refers to certain criminal cases allegedly registered against the petitioner in different States and apprehends that, if granted anticipatory bail, the petitioner may threaten witnesses, tamper with evidence or otherwise obstruct the investigation. Accordingly, he seeks dismissal of the criminal petition.

7.1. Learned counsel appearing for respondent No. 2/de facto complainant has filed a counter-affidavit opposing the grant of anticipatory bail. He reiterates that an amount of Rs.46,60,748/- remains unpaid despite repeated confirmations of liability and repayment assurances. He submits that the suspected double discounting of invoices, diversion of customer collections and other alleged financial irregularities require a detailed examination of the invoices, bank statements, financial records and electronic communications. Disputing the petitioner's denial of involvement, learned counsel relies upon the petitioner's alleged investment-monitoring responsibilities, communications concerning repayment decisions and knowledge of the utilisation of funds. He further refers to similar FIRs allegedly registered in different States and contends that custodial interrogation of the petitioner may be necessary to trace the money trail, confront him with the relevant records and ascertain the respective roles of the persons involved. He also expresses apprehension that the petitioner may tamper with evidence or

influence witnesses and relies upon the dismissal of the petitioner's earlier anticipatory bail application by the learned trial Court.

7.2. Learned counsel for respondent No. 2/de facto complainant, placing reliance upon the decisions in *P. Chidambaram v. Directorate of Enforcement*, (2019) 9 SCC 24; *Sushila Aggarwal v. State (NCT of Delhi)*, (2020) 5 SCC 1; *J.K. International v. State (Govt. of NCT of Delhi)*, (2001) 3 SCC 462; and *Jagjeet Singh v. Ashish Mishra*, (2022) 9 SCC 321, submits that the requirement of an effective investigation warrants consideration while deciding the petition for anticipatory bail. On these grounds, he prays for dismissal of the petition.

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

9. The allegations in the present case arise out of invoice receivable transactions undertaken through the TradeCred platform, in respect of which respondent No.2/de facto complainant claims to have suffered a loss of Rs.46,60,748/-. The allegations of double discounting of invoices, diversion of funds and non-repayment are undoubtedly serious and warrant thorough investigation. The specific role attributed to the petitioner, the material collected against him, the necessity for custodial interrogation and the likelihood of his interfering with the investigation are equally relevant

considerations. The petitioner contends that he is the Chief Financial Officer of Accel India Management LLP and neither a Director nor an employee of Smartpaddle Technology Private Limited (Bizongo), and had no direct control over its operations, bank accounts, treasury or financial transactions. Though these contentions require investigation, his precise association with the alleged transactions and the extent of his authority are relevant in assessing the necessity of his arrest. Mere association with an investment advisory entity which had invested in Bizongo does not, by itself, establish his involvement in the alleged offences.

10. The prosecution principally relies upon the statement of the TradeCred representative, who allegedly attributed to the petitioner participation in discussions concerning the utilisation of funds and repayment to investors. While this allegation requires investigation, the petitioner's precise role, decision-making authority and involvement in the alleged diversion of funds remain matters for further examination. The material presently placed before this Court does not establish that custodial interrogation is indispensable for the progress of the investigation. The investigation substantially concerns invoices, bank statements, financial records and electronic communications, which can ordinarily be secured and examined by the Investigating Agency, while requiring the petitioner to furnish relevant information and remain available for interrogation. Nevertheless, the documentary nature of the evidence does not, by itself,

exclude the necessity of custodial interrogation, which must be assessed in the light of the specific investigative requirements.

11. Further, though the prosecution apprehends that the petitioner may influence witnesses or tamper with evidence, no material indicating interference with the investigation, threaten witnesses or destroy or conceal evidence has been brought to the notice of this Court. Such apprehensions can be addressed by imposing appropriate conditions. The petitioner claims to have no criminal antecedents, a permanent residence and professional establishment, and expresses willingness to cooperate with the investigation. The other criminal cases allegedly registered against him in different States may be relevant to the assessment of his antecedents; however, their mere registration, without examining their nature, status and outcome, cannot by itself establish his involvement in the present offence.

12. In *Gurbaksh Singh Sibbia v. State of Punjab*, (1980) 2 SCC 565, the Constitution Bench of the Hon'ble Supreme Court held that the power to grant anticipatory bail must be exercised judiciously, having regard to the facts and circumstances of each case, and cautioned against imposing rigid or inflexible restrictions on the exercise of such discretion. The nature and gravity of the accusation, therefore, must be considered along with the specific role attributed to the applicant, the possibility of absconding, the

likelihood of interference with the investigation and the necessity of custodial interrogation.

13. Having regard to the aforesaid principles, this Court is required to balance the petitioner's right to personal liberty against the legitimate requirements of an effective investigation. Considering the nature of the allegations, the specific role attributed to the petitioner, the material presently available, the documentary and electronic nature of the evidence, his willingness to cooperate and the absence of specific material demonstrating any attempt to interfere with the investigation, this Court is of the considered view that the prosecution has not established any compelling necessity for his custodial interrogation at this stage. The apprehensions regarding possible interference with witnesses or evidence can adequately be addressed by imposing appropriate conditions.

14. Accordingly, the Criminal Petition is allowed. The petitioner/Accused No. 2 shall be enlarged on anticipatory bail, subject to the following conditions:

(A) The petitioner/Accused No.2 shall surrender before the Station House Officer, Madhura Nagar Police Station, Hyderabad, on or before 20.11.2026. Upon such surrender or in the event of arrest, the Station House Officer shall release the petitioner 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 shall appear before the Investigating Officer on every Saturday between 10:00 AM to 03:00 PM, for a period of eight (8) weeks from the date of his release on bail or until filing of the final result, whichever is earlier.

(C) The petitioner 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 shall strictly comply with all the conditions contemplated under Section 482(2) of the BNSS.

(E) The petitioner shall furnish his complete residential address, mobile number and other contact particulars to the Investigating Officer and shall promptly intimate any change(s) therein.

(F) The petitioner 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.

14. 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: 05.11.2026
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