

IN THE HIGH COURT FOR THE STATE OF TELANGANA

AT HYDERABAD

THE HONOURABLE SMT JUSTICE K. SUJANA

CRIMINAL PETITION No.17546 OF 2025

05.01.2026

Between:

Varala Lokeshwar Rao

....Petitioner/A.1

The State of Telangana,
Rep., by its Public Prosecutor
High Court for the State of Telangana,
High Court Buildings, Hyderabad,
Through the Station House Officer,
Police Station Kodimia, Jagtial District

....Respondent

:ORDER:

This Criminal Petition is filed under Section 480 & 483 of Bharatiya Nagarik Suraksha Sanhita, 2023 seeking grant of regular bail to the petitioner who is arrayed as accused No.1 in FIR No.200 of 2025 of Kodimial Police Station, Jagtial District, registered for the offences punishable under Section 318(4), 316(2) r/w 3(5) of the Bharatiya Nyaya Sanhita (for

short 'BNS'), Section 5 of Telangana Protection of Depositors of Financial Establishments Act, 1999 and Sections 3 and 4 of Prize Chits and Money Circulation Scheme (Banning) Act 1978.

2. The brief facts of the case are that on 08.10.2025, the *de facto* complainant lodged a report with the police stating that accused Nos.1 to 3, had induced the victims to invest in a chain marketing scheme called Meta Mask-Crypto Wallet. Believing the words of the accused, the victims invested their money but did not receive any returns and that the petitioner, along with other accused, conducted meetings and persuaded the victims to invest the amount. But none of them received the promised returns or the invested amount. Hence, she requested to take necessary action against the accused. Basing on the said complaint, police registered a case against the accused for the above said offences.

3. Heard Sri Madas Bharath Chandra, learned counsel appearing on behalf of the petitioner as well as Sri Arun Kumar Doddla, learned Additional Public Prosecutor for respondent.

4. Learned counsel for the petitioner submitted that the petitioner is innocent of the allegations and has been in judicial custody since 15.10.2025. The allegations made in the PT Warrant are vague, and lack specific details to establish the direct involvement of petitioner in the commission of offences. The ingredients of Sections 318 (4), 316(2) r/w.3(5) of BNS are not made out as there is no material to show that petitioner had directly involved in any act of cheating or criminal breach of trust or that he was a direct beneficiary of the alleged fraudulent scheme. Further there is also no evidence to show that the petitioner is a promoter, partner or director of the alleged establishment. The other accused in this case were already granted bail by this Court. Hence, prayed this Court to grant bail to the petitioner.

5. On the other hand, the learned Additional Public Prosecutor opposed the submissions made by the learned counsel for the petitioner, contending that the petitioner was instrumental in inducing the victims to invest money. Believing the words of the petitioner, the innocent victims invested in the chain scheme and lost their hard-earned

money. Hence, the petitioner is not entitled to regular bail, and prayed the Court to dismiss the criminal petition.

6. Considering the submissions made by both the learned counsel and upon perusal of the material available on record, it appears that the petitioner has been in judicial custody since 15.10.2025. In view of the facts and circumstances of the case and the period of incarceration of petitioner in jail, this Court finds it appropriate to grant bail to the petitioner/accused No.1, subject to the following conditions:

- i. The petitioner/accused No.1 shall execute a personal bond for a sum of Rs.25,000/- (Rupees Twenty Five Thousand only), with two sureties for a like sum each to the satisfaction of the learned II-Additional Judicial Magistrate of First Class at Jagtial.
- ii. The petitioner/accused No.1 shall appear before the concerned SHO at 11:00 a.m., on every Monday 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.
- iii. The petitioner/accused No.1 shall abide by the conditions stipulated under Section 480 (3) of the BNSS.

7. Accordingly, the Criminal Petition is allowed.

Miscellaneous applications, if any pending, shall stand closed.

Date: 05.01.2026

Rds

K. SUJANA, J

THE HONOURABLE SMT JUSTICE K. SUJANA

CRIMINAL PETITION No.17546 OF 2025

Date: 05.01.2026

Rds