APHC010216862019

IN THE HIGH COURT OF ANDHRA PRADESH
AT AMARAVATI **[3521]**
(Special Original Jurisdiction)

FRIDAY, THE 7th DAY OF AUGUST 2026

PRESENT

THE HONOURABLE DR JUSTICE Y. LAKSHMANA RAO

CRIMINAL REVISION CASE NO: 801/2019

Between:

1. SCIENTIFIC SECURITY MANAGEMENT SERVICES PRIVATE LTD.,, PLOT NO 27, BALAMRAI HOUSING SOCIETY, MAHENDRA HILLS, EAST MAREDUPALLI, SECUNDERABAD.

...PETITIONER

AND

1. THE STATE OF ANDHRA PRADESH, REPRESENTED BY ITS PUBLIC PROSECUTOR, HIGH COURT OF ANDHRA PRADESH AT AMARAVATHI.
2. GUJJU SRIDAR REDDY, S/O. RAMA RAO, HINDU, AGED 39 YEARS, D.NO.2-118/10, MADHURANAGAR, KAKINADA
3. SEARAPU SREENIVAS REDDY, , S/O. GURUBABU, HINDU, AGED 27 YEARS, D.NO.20-8-51, KOTAYYA REDDI STREET, CINEMA ROAD, NEAR MAYURI THEATER, KAKINADA.
4. KADALI NAGA VEERA VENKATESWARA RAO, , S/O. SATYANARAYANA, HINDU, AGED 40 YEARS, NANCY STREET, VIDYUTH NAGAR, KAKINADA.
5. GUJJU KURMAREDDY, ,S/O. GOPALAKRISHNA REDDY, HINDU, AGED 31 YEARS, CINEMA ROAD, NEAR LAKSHMINARAYANA COMPANY, KAKINADA
6. KURIMELLA RAJESH KUMAR, , S/O. SAI PRASAD, HINDU, AGED 27 YEARS, D.NO.17/49, MUSLIM STREET, PAYAKARAOPETA, VIZAG DISTRICT.

7. GUJJU SAI PRASAD REDDY, , S/O. MADAN MOHAN REDDY, HINDU, AGED 32 YEARS, D.NO.2-11-26, GONDESIVARI STREET, A.C.GARDENS, RAJAHMUNDRY.
8. PILAKA DELIP REDDY, S/O. RAMU, HINDU, AGED 25 YEARS, D.NO.2-161, KOTHAPETA, DOWLAISWARAM, RAJAHMUNDRY RURAL
9. NANDIKA JAGADEESH KUMAR, , S/O. GANDHI, HINDU, AGED 24 YEARS, BY-PASS ROAD DOWN, THADI THOTA JUNCTION, OPP. SAI KRISHNA MESS, RAJAHMUNDRY
10. DAVARSING LAKSHMAN KUMAR, S/O. BUCHIYYA, HINDU, AGED 25 YEARS, D.NO.69-6-55/A, RAJENDRANAGAR, GAIGOLUPADU, KAKINADA
11. BATHULA HEMA NAGARAJU, , S/O. KONDALA RAO, HINDU, AGED 32 YEARS, D.NO.69-6-55/A, RAJENDRANAGAR, NEW GAIGOLUPADU, KAKINADA
12. DASARI SATYANARAYANA MURTHY, , S/O. KANNARAO, HINDU, AGED 27 YEARS, D.NO.61-8-11/1, SARANGADHARA METTA, P T COLONY, RAJAHMUNDRY

...RESPONDENT(S):

Counsel for the Petitioner:

1. ARUN SHOWRI GORREMUCHU

Counsel for the Respondent(S):

1. K S MURTHY
2. T S N MURTHY
3. Y SUDHAKAR
4. PUBLIC PROSECUTOR (AP)

The Court made the following:

ORDER:

The Criminal Revision Case has been preferred under Sections 397 and 401 of Code of Criminal Procedure, 1973 (for brevity ‘the Cr.P.C.,’) challenging

the order dated 28.05.2018 passed by the learned Special Judge for Trial of Cases under SCs & STs (POA) Act-cum-X Additional District & Sessions Judge, East Godavari at Rajamahendravaram in Crl.M.P.No.219 of 2019 in Cr.No.122 of 2018 on the file of II Town (L & O) Police Station, Rajahmundry.

2. Heard the learned Counsel for the Petitioner and the learned Assistant Public Prosecutor.

3. Sri G.Arun Showri, learned Counsel for the Petitioner submits that the Petitioner, a contractor entrusted with the operation of ATMs under a service agreement with Tata Communications Payment Solutions Ltd., was compelled to indemnify losses amounting to Rs.7.31 crores consequent upon the criminal conspiracy and misappropriation committed by Respondent Nos.2 to 12. During investigation, the Station House Officer, II Town Police Station, Rajamahendravaram, recovered cash of Rs.77,36,000/-, besides gold ornaments, vehicles, and immovable properties acquired by the accused with the Petitioner’s funds.

4. Learned Counsel for the Petitioner further submits that out of the recovered cash, Rs.53,61,000/- was already released to the Petitioner pursuant to the order of the V Additional District and Sessions Judge, Rajahmundry in C.R.P.No.39 of 2014. The Petitioner now seeks interim custody of the balance sum of Rs.18,75,000/-.

5. Learned Counsel for the Petitioner further urged that the reasoning that the cash must be marked during trial is wholly untenable, inasmuch as the

recovered currency was invested in fixed deposits after demonetization, and hence no physical cash exists for production. The evidentiary requirement can be satisfied by deposit receipts and bank records. It is further contended that the earlier order of the learned V Additional District and Sessions Judge, Rajahmundry, releasing Rs.53,61,000/- to the Petitioner, squarely applies to the present claim. Denial of parity in respect of the balance sum of Rs.18,75,000/- would amount to discriminatory treatment and perpetuation of hardship upon the Petitioner, who has already suffered colossal financial loss and urged to allow the Criminal Revision Case.

6. The Hon'ble Apex Court in **Sunderbhai Ambalal Desai v. State of Gujarat**[1], gave certain guidelines regarding the granting of temporary custody of property to claimants, wherein at paragraph Nos.11, 12, 13 and 14 as under:

> *"Valuable articles and currency notes*
> *11. With regard to valuable articles, such as, golden or silver ornaments or articles studded with precious stones, it is submitted that it is of no use to keep such articles in police custody for years till the trial is over. In our view, this submission requires to be accepted. In such cases, the Magistrate should pass appropriate orders as contemplated under Section 451 CrPC at the earliest.*
> *12. For this purpose, if material on record indicates that such articles belong to the complainant at whose house theft, robbery or dacoity has taken place, then seized articles be handed over to the complainant after:*
> *(1) preparing detailed proper panchnama of such articles;*
> *(2) taking photographs of such articles and a bond that such articles would be produced if required at the time of trial; and*
> *(3) after taking proper security.*
> *13. For this purpose, the court may follow the procedure of recording such evidence, as it thinks necessary, as provided under Section 451 CrPC. The bond and security should be taken so as to prevent the evidence being lost, altered or destroyed. The court should see that photographs of such articles are attested or countersigned by the complainant, accused as well as by the person to whom the custody is handed over. Still however, it*

[1](2002) 10 SCC 283

would be the function of the court under Section 451 CrPC to impose any other appropriate condition.
14. In case, where such articles are not handed over either to the complainant or to the person from whom such articles are seized or to its claimant, then the court may direct that such articles be kept in bank lockers. Similarly, if articles are required to be kept in police custody, it would be open to the SHO after preparing proper panchnama to keep such articles in a bank locker. In any case, such articles should be produced before the Magistrate within a week of their seizure. If required, the court may direct that such articles be handed back to the investigating officer for further investigation and identification. However, in no set of circumstances, the investigating officer should keep such articles in custody for a longer period for the purposes of investigation and identification. For currency notes, similar procedure can be followed."

7. Learned Counsel for the Petitioner further submits that in view of demonetization, the recovered currency was converted, and hence there is no need for marking the money. The evidentiary requirement can be satisfied by documentary proof, and the question of marking physical cash does not arise.

8. The Petitioner has already indemnified losses of Rs.7.31 crores and has suffered colossal financial hardship. Denial of interim custody of the balance cash would aggravate his hardship and amount to unjust enrichment of the State at the expense of the Petitioner.

9. The contention of the prosecution that the cash must remain in judicial custody until trial is misconceived, as the evidentiary value can be preserved by receipts and bank records. The physical custody of the cash is not indispensable for the purpose of trial.

10. In view of the facts and circumstances of the case, this Court is satisfied that the Petitioner has established clear entitlement to interim custody of the balance sum of Rs.18,75,000/-. The impugned order of the lower court is therefore set aside.

11. Accordingly, the Criminal Revision Case is allowed. The Petitioner is entitled to interim custody of the balance sum of Rs.18,75,000/-. The learned Trial Court is directed to release the said amount to the Petitioner forthwith, subject to sufficient sureties to the satisfaction of the learned Trial Court.

As a sequel, interlocutory applications, if any pending, shall stand closed.

Dr. Y. LAKSHMANA RAO, J

Dt: 07.08.2026
VTS