

**IN THE HIGH COURT FOR THE STATE OF
TELANGANA AT HYDERABAD**

**THE HON'BLE JUSTICE B.R.MADHUSUDHAN RAO
Crl.P.Nos. 13930 and 13936 of 2026**

(CNR No. HBHC010584172026 (Crl.P.No.13930 of 2026))

(CNR No.HBHC010584152026 (Crl.P.No.13936 of 2026))

DATED: 10th SEPTEMBER, 2026

Crl.P.Nos.13930 of 2026

Between:

1. Vatti Mukesh
2. Md. Abdul Majid

... Petitioners-Accused Nos.4 & 5

And

The State of Telangana

... Respondent-complainant

Crl.P.Nos.13936 of 2026

Between:

3. Vatti Sai Ganesh

... Petitioner-Accused No.3

And

The State of Telangana

... Respondent-complainant

COMMON ORDER

1. These Criminal Petitions are filed under Sections 480 and 483 of the Bharatiya Nagarik Suraksha Sanhita, 2023 (BNSS) praying this Court to enlarge the petitioners on bail who are arrayed as accused Nos.3 to 5 in connection with Crime No.243 of 2026 of P.S. Suryapet Rural, Suryapet

District. The offences alleged against the petitioners-A4 and A5 are punishable under Sec.316(2), 316(4), 316(5), 318(3), 318(4) r/w Sec.3(5) and 61 of the Bharatiya Nyaya Sanhita, 2023 (for short 'BNS Act') and Sec.7 of the Essential Commodities Act, 1955 (for short 'EC Act') and the offences alleged against the petitioner-A3 are punishable under Sec.316(2), 316(5), 318(3), 318(4) r/w Sec.3(5) of the BNS Act and Sec.7 of the EC Act.

2. Heard Sri Chalakani Venkat Yadav, learned counsel for petitioners-A4, A5 and A3 and Sri Pale Nageshwar Rao, learned Public Prosecutor for respondent - State.

3. Learned counsel for the petitioners submits that the Telangana State Civil Supplies Corporation Limited had entrusted Government paddy to M/s.Vajra Vikas Rice Mart represented by accused Nos.1 to 3 as Managing Partners along with co-accused under duly executed Custom Milling Agreements. Prosecution relies entirely upon the alleged confessional statement of accused No.5 who is stated to have disclosed that he was working as Manager of Vajra Rice Industries and Vajra Vikas Rice Mart. Accused Nos.1 and 2 are husband and wife associated with the Rice Mill. Petitioner No.3-A3 was arrested by the police on 25.07.2026 and

thereafter produced before the concerned Magistrate on 12.08.2026 pursuant to execution of P.T. warrant. Petitioner No.1 - A4 is a Doctor by profession and petitioner No.2-A5 is working as a Manager in the said Rice Mill. No specific overt acts are attributed against them. The case is predominantly documentary in nature. Petitioner Nos.1 and 2 - A4 and A5 were produced before the concerned Court on 12.08.2026 pursuant to execution of P.T. warrant and are in judicial custody since 30.07.2026. Accused Nos.1 and 2 approached the High Court seeking anticipatory bail *vide* Crl.M.P.No. 12032 of 2026 in which this Court has directed the respondent not to take coercive steps pending consideration of the bail. Investigation is completed and prayed to enlarge the petitioners – A4, A5 and A3 on bail.

4. Learned Public Prosecutor has filed counter stating that there are five accused in the case. Even according to the confession given by the petitioner No.2-A5 in Crime No.244 of 2026, he clearly confessed about the involvement of all the accused persons and misappropriation of CMR Paddy. Seven witnesses have been examined by the investigating officer. There are specific allegations levelled against the Rice Mill

owners who have diverted CMR Paddy entrusted by the Corporation and prayed to dismiss the same.

5. V.Sreedhar Reddy has lodged the complaint before P.S. Suryapet, Rural on 23.07.2026 stating that Government has entrusted Paddy to M/s. Vajra Rice Industries and the partners are V.Janaiah Yadav, Smt. V.Renuka, Agents of TGSCSCL under the agreement and holds the Government paddy. The ownership of the paddy always rests with TGSCSCL. On inspection there was a shortage of 11073.054 metric tons (Preliminary Inspection Report) which is valued approximately Rs.30 Crores. Basing on the said complaint, FIR came to be registered against A1 and A2 only. The names of the petitioners - A4, A5 and A3 does not find place in the FIR.

6. Petitioner No.3-A3 is arrested on 25.07.2026 and thereafter produced before the concerned Magistrate on 12.08.2026 pursuant to the execution of P.T. warrant. Petitioner Nos.1 and 2 - A4 and A5 were produced before the concerned Court on 12.08.2026 pursuant to execution of P.T. warrant and they are in judicial custody since 30.07.2026.

7. Petitioner No.3 – A3 has filed Crl.M.P.No.359 of 2026 in Crime No.243 of 2026 for grant of bail before the learned trial

Court. Petitioner Nos.1 and 2 – A4 and A5 have also filed Crl.MP.No.360 of 2026 for grant of bail. Both the applications came to be dismissed by the learned trial Court on 19.08.2026 observing that there is alleged involvement of substantial Government Property.

8. The counter filed by the respondent-State goes to show that they have examined LW's.1 to 7 and panchanama is also conducted by the I.O. on 23.07.2026 at the Rice Mill. As stated supra, names of the petitioners- A4, A5 and A3 does not find place in the FIR and major portion of the investigation is completed, if strict conditions are imposed while enlarging the petitioners - A4, A5 and A3 on bail will meet the ends of justice.

9. In the result, petitions are allowed against petitioners – A3 to A5 subject to the following conditions:

- i. The petitioners- A4, A5 and A3 shall execute a personal bond for a sum of Rs.20,000/- (Rupees Twenty Thousand only) each, with two sureties for a like sum each to the satisfaction of the I Addl. Junior Civil Judge cum I Addl. Judicial Magistrate of First Class, at Suryapet.
- ii. The petitioners- A4, A5 and A3 shall appear before the concerned SHO

between 10:00 a.m. to 5:00 p.m., on every Sunday and Wednesday 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 petitioners- A4, A5 and A3 shall abide by the conditions stipulated in Section 437(3) of Cr.P.C. (presently, Section 480(3) of the BNSS).
- iv. The petitioners- A4, A5 and A3 shall not directly or indirectly influence, threaten, or induce any of the prosecution witnesses.
- v. In the event of violation of any of the above conditions, the prosecution is at liberty to file an application for cancellation of bail.

Miscellaneous applications, if any pending, shall stand closed.

10th September, 2026
PLV

B.R.MADHUSUDHAN RAO, J

THE HON'BLE JUSTICE B.R.MADHUSUDHAN RAO

Crl.P.Nos.13930 and 13936 of 2026

(CNR No. HBHC010584172026 (Crl.P.No.13930 of 2026))

(CNR No.HBHC010584152026 (Crl.P.No.13936 of 2026))

DATED: 10.09.2026

PLV