IN THE HIGH COURT OF ANDHRA PRADESH :: AMARAVATI

THURSDAY ,THE THIRD DAY OF APRIL
TWO THOUSAND AND TWENTY FIVE

PRESENT

THE HON'BLE SRI JUSTICE T MALLIKARJUNA RAO

CRIMINAL PETITION NO: 2904 OF 2025

Between:

P V Midhun Reddy @ Peddireddi Venkata Midhun Reddy, S/o P.Ramachandra Reddy, Aged about 47 years, Occ: Members of Parliament, Resident of D.No.1-97, Errathivaripalli, Sodum Mandal, Chittoor District

...Petitioner

AND

The State of Andhra Pradesh, Through SHO, CID Police Station, Managalgiri Rep. By Public Prosecutor High Court of Andhra Pradesh at Amaravathi.

...Respondent

Petition under Section 482 of B.N.S.S, 2023 praying that in the circumstances stated in the Memorandum of Grounds of Criminal Petition, the High Court may be pleased to direct the release of the Petitioner on bail in the event of his arrest in connection with Crime.No.21 of 2024 of CID Police Station, Mangalagiri, Guntur District.

I.A. NO: 1 OF 2025

Petition under Section 482 of Cr.P.C praying that in the circumstances stated in the Memorandum of Grounds of Criminal Petition, the High Court may be pleased to grant interim anticipatory bail to petitioner in Crime No.21 of 2024 of CID Police Station, Mangalgiri, Guntur District.

This Petition coming on for hearing, upon perusing the Memorandum of Grounds of Criminal Petition and upon hearing the arguments of Sri T. Niranjan Reddy, Senior Counsel representing Sri Kalla Guna Sekhar, Advocate for the Petitioner and Sidharth Luthra, Senior Counsel on behalf of the Respondent-State.

The Court made the following Order:

APHC010135872025

IN THE HIGH COURT OF ANDHRA PRADESH
AT AMARAVATI [3369]
(Special Original Jurisdiction)

THURSDAY, THE THIRD DAY OF APRIL
TWO THOUSAND AND TWENTY-FIVE

PRESENT

THE HONOURABLE SRI JUSTICE T. MALLIKARJUNA RAO

CRIMINAL PETITION NO: 2904/2025

Between:

P V Mudhun Reddy @ Peddireddi Venkata Midhun Reddy ...**PETITIONER**

AND

The State Of Andhra Pradesh ...**RESPONDENT/COMPLAINANT**

Counsel for the Petitioner/accused:

1. KALLA GUNA SEKHAR

Counsel for the Respondent/complainant:

1. PUBLIC PROSECUTOR

The court made the following ORDER:

1. The petitioner has filed the Criminal Petition by invoking the provisions of Section 482 of Bharatiya Nagarik Suraksha Sanhita, 2023 [for short, "BNSS') seeking pre-arrest bail in the event of his arrest in connection with Crime No.21 of 2024 involving offences punishable under Sections 420, 409, and 120-B of the Indian Penal Code, 1860 (referred to as the 'I.P.C.'), registered at the C.I.D., Police Station, Andhra Pradesh, Mangalagiri.

2. The prosecution's case, as outlined in the report dated 23.09.2024, is as follows:

i. On 23.09.2024 at 22:00 hrs, a report was received from Sri Mukesh Kumar Meena, Principal Secretary to the Government of Andhra Pradesh, via Memo No. Rev-01/CPE/20/2024-VIG-IV, dated 20.09.2024. The complainant outlined concerns regarding irregularities and corruption in APSBCL from October 2019 to March 2024. The report referenced multiple communications, including the Government Memo No. Rev-01/P&E/Complaints/2024, dated 09.09.2024, and a letter from the MD, APSBCL (Lr.No.APSBCL/OFS/2024-25, dated 18.09.2024), along with its enclosures.

ii. One Y. Venkateswara Rao Srinivas made a representation alleging irregularities in the Andhra Pradesh State Beverages Corporation Limited (APSBCL) between October 2019 and March 2024. This was forwarded to the MD, APSBCL, for investigation, and a detailed report was provided per the second reference.

iii. After reviewing the records, the Committee found the irregularities, which are as follows:

(1) Suppression of established popular brands and unfair discrimination in the allocation of OFS (Order for Supply) over a period of time led to the almost complete disappearance of some brands from the market.

(2) Favorable and preferential allocation of orders to certain new brands in violation of the existing norms giving them undue market share and competitive advantage.

(3) The procurement system was shifted to a manual process, giving scope for manipulation in OFS against the previous automated OFS system, compromising the process's integrity.

iv. The MD, APSBCL, reported that the Committee examined the OFS (Order for Supply) data from 2018 onwards, as detailed in the annexures. However, they could not determine the motive behind the discrimination and manipulations observed in the records and data related to the procurement process and other issues raised in the petition. The

Committee recommended that an external specialized investigation agency be appointed to take further action; based on the Committee's report, the MD, APSBCL, suggested that the matter be referred to a specialized agency for further investigation.

v. The report has been examined, and considering the seriousness of the matter, as outlined in the Internal Committee's enquiry report, which mentions suppression of brands, unfair discrimination, preferential allocation, and other violations, further action is deemed necessary.

3. The case of the petitioner, in brief, is that:

(a) The petitioner asserts Mr Satyaprasad's statement, recorded by the C.I.D., under section 164 of Cr.P.C., is vague and unreliable. The allegations against the petitioner are false, posing a risk of arrest. Despite attempts, the petitioner has not received the memo or evidence linking him to the case, asserting that the events are fabricated to falsely implicate individuals. He questions the credibility of Section 164 Cr.P.C., and Section 161 of Cr.P.C., statements, suggesting they are used to intimidate and falsely accuse. The petitioner maintains his innocence, alleging a politically motivated prosecution; after the YSRCP came to power, no new distillery licenses were granted, and rates set before 2019 remained; the excise policy must be approved by the Cabinet, with the relevant minister and official machinery responsible for its implementation, and as an MP, he had no involvement in this. The prosecution's case relies on kickback allegations but lacks evidence of any loss to the state. Financial verification shows the state earned more revenue from 2019-2024 than in the prior term, indicating a politically motivated case; even if confessions are taken at face value, none of the charges apply to him, as there was no entrusted property or inducement. Regarding Section 120B IPC, the petitioner was not involved in the Excise Department or APSBCL.

(b) Additionally, the petitioner asserts that in the upcoming Lok Sabha session, which requires his presence for the nation and state, the accusations are intended to harass and harm his family, who have a significant presence in the Chief Minister's home district. The petitioner is provided with adequate security, and custodial interrogation is unnecessary, as there is no risk of hindering the investigation or intimidating witnesses. His presence in Parliament is vital, as he is the floor leader of the YSRCP.

4. The other contentions which have been mainly stressed will be referred to and considered in the following part of the order. Admittedly, the petitioner is a Member of Parliament representing the Rajampet constituency and has been elected twice to this position. The petitioner's father is a member of the Legislative Assembly (MLA) and a former minister. The petitioner and his father are prominent leaders in the YSR Congress Party (YSRCP). Furthermore, it is acknowledged that a criminal case was filed against the current Chief Minister and others in the previous regime based on similar allegations.

5. I have heard Sri T. Niranjan Reddy, learned Senior Counsel for the petitioner and Sri Sidharth Luthra, learned Senior Counsel, representing the Respondent-State and perused the written submissions filed in support of their contentions. Both sides reiterated their submissions on par with the contentions presented in the petition and written submissions. Consequently, the contentions raised by learned counsel need not be reproduced.

6. Sri T. Niranjan Reddy, learned Senior Counsel for the petitioner, reiterates all the contentions that are raised in the bail petition. He argues that the current government is intent on fabricating criminal cases against YSRCP leaders, including the petitioner, and laying the groundwork for his arrest while ensuring that no material has been placed before this court. In a calculated manner, the prosecution asserts that there is no material against the petitioner

and argues that the current petition is premature, thus warranting its dismissal. He further contends that the investigating officer misled the court by withholding facts and requesting contempt proceedings against the Investigating Officer. He further argues that Section 482 of the BNSS is a replica of the original, pre-amended Section 438 of the Cr.P.C., Consequently, the legislature, in its wisdom, has excluded 'the nature and gravity of the offence, antecedents, and other relevant circumstances. In light of this, the discretion vested with this court is very wide.

7. Sri Sidharth Luthra, learned Senior Counsel appearing for the Respondent/State, argues that the petitioner is neither named in the complaint nor shown as an accused in Cr.No.21 of 2024, dated 23.09.2024, registered at C.I.D., P.S., Mangalagiri, Andhra Pradesh. Furthermore, the petitioner has not been summoned by the Investigating Officer to join the investigation to date, and no notice has been prepared or issued under Section 160 of the Cr.P.C., (corresponding to Section 179 of the BNSS) or Section 41A of the Cr.P.C., (corresponding to Section 35 of the BNSS) to the petitioner. He further asserts that the anticipatory bail petition was premature, and the Investigating Officer has discretion over whom to arrest or include as an accused. He highlights the scale of the liquor scam, involving Rs.4,000/- Crores, and contends that anticipatory bail petitions must be based on reasonable grounds, not mere fear of arrest.

8. In support of his contentions, the learned Senior counsel for the petitioner further places reliance on the decision in ***Gurubaksh Singh Sibbia V. State of Punjab***[1], wherein the Hon'ble Supreme Court held in paragraph No.37 as follows:

> *"37. Thirdly, the filing of a first information report is not a condition precedent to the exercise of the power under section 438 of Cr.P.C. The imminence of a likely arrest founded on a reasonable belief can be shown to exist even if an F.I.R. is not yet filed."*

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[1] (1980) 2 SCC 565

9. Furthermore, he contends that subsequently, the same was followed by the Hon'ble Apex Court in ***Siddharam Satlingappa Mhetre V. State of Maharashtra.***[2].

10. The learned Senior counsel representing the Respondent-State has placed reliance on the decision in ***Gurubaksh Singh Sibbia's case*** (cited supra) in support of his contention, wherein the Hon'ble Supreme Court held that:

> *35. Section 438(1) of the Code lays down a condition which has to be satisfied before anticipatory bail can be granted. The applicant must show that he has "reason to believe" that he may be arrested for a non-bailable offence. The use of the expression "reason to believe" shows that the belief that the applicant may be so arrested must be founded on reasonable grounds. Mere 'fear' is not 'belief', for which reason it is not enough for the applicant to show that he has some vague apprehension that someone is going to accuse him, in pursuance of which he may be arrested. The grounds on which the belief of the applicant is based that he may be arrested for a non-bailable offence must be capable of being examined by the court objectively because it is then alone that the court can determine whether the applicant has reason to believe that he may be so arrested. Therefore, section 438(1) cannot be invoked based on vague and general allegations, as if to arm oneself in perpetuity against a possible arrest. Otherwise, the number of applications for anticipatory bail will be as large as, at any rate, the adult populace. Anticipatory bail is a device to secure an individual's liberty; it is neither a passport to the commission of crimes nor a shield against any and all kinds of accusations, likely or unlikely*

11. On the other hand, the learned Senior Counsel for the Respondent-State contends that the decision reported in ***Siddharam Satlingappa Mhetre V. State of Maharashtra*** (cited supra) has been partly overruled in ***Sushila Agarwal V. State (NCT) of Delhi.***[3].

12. In ***Sushila Aggarwal and Ors. V. State (NCT of Delhi) and Ors.*** (cited supra), the Hon'ble Supreme Court held that:

> *85. With regard to the above discussion, it is clarified that the court should keep the following points as guiding principles in dealing with applications Under Section 438, Code of Criminal Procedure:*

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[2] (2011) 1 SCC 694
[3] (2020) 5 SCC 1

(a) As held in Sibbia, when a person apprehends arrest and approaches a court for anticipatory bail, his apprehension (of arrest) has to be based on concrete facts (and not vague or general allegations) relatable to a specific offence or particular of offences. Applications for anticipatory bail should contain clear and essential facts relating to the offence, why the applicant reasonably apprehends their arrest, and his version of the facts. These are important for the court, which considers the application, the extent and reasonableness of the threat or apprehension, its gravity or seriousness and the appropriateness of any condition that may have to be imposed. It is not a necessary condition that an application should be moved only after an F.I.R. is filed: it can be moved earlier, so long as the facts are clear and there is a reasonable basis for apprehending arrest.

91. This Court, in the light of the above discussion in the two judgments and the light of the answers to the reference, hereby clarifies that the following need to be kept in mind by courts dealing with applications Under Section 438, Code of Criminal Procedure:

(1) Consistent with the judgment in Shri Gurbaksh Singh Sibbia and Ors. v. State of Punjab MANU/SC/0215/1980, when a person complains of apprehension of arrest and approaches for order, the application should be based on concrete facts (and not vague or general allegations) relatable to one or other specific offence. The application seeking anticipatory bail should contain bare essential facts relating to the offence, why the applicant reasonably apprehends arrest, and his side of the story. These are essential for the court, which should consider his application, to evaluate the threat or apprehension, its gravity or seriousness and the appropriateness of any condition that may have to be imposed. An application doesn't have to be moved only after an F.I.R. is filed; it can be moved earlier, so long as the facts are clear and there is a reasonable basis for apprehending arrest.

13. After carefully reading the judgments cited, this court finds merit in the petitioner's argument that the overruling of a portion of ***Siddharam Satlingappa Mhetre's*** case (cited supra) was limited to the aspect of holding that no restrictive conditions can be imposed while granting anticipatory bail. The remaining observations and holdings in the ***Siddharam Satlingappa Mhetre*** case (cited supra) remain good law.

14. Upon reading the decisions cited, this court views that while filing a First Information Report is not a prerequisite for exercising power under Section 438 of the Cr.P.C., the imminence of a likely arrest, based on a reasonable belief, must be demonstrated. Moreover, the apprehension of arrest must be

grounded in concrete facts rather than vague or general allegations and be linked to a specific offence.

15. The petitioner has contended that he has required material to support his belief and genuine apprehension of being named as an accused in Cr.No.21 of 2024, as outlined below:

i. The statement of one Mr Satyaprasad, who was a Special Officer in an earlier regime, is recorded under section 164 of Cr.P.C.

ii. The statement of one Mr Vasudeva Reddy, who was MD of APSBCL in the earlier regime, was recorded under section 161 of Cr.P.C.

iii. Notice, dated 18.03.2025, issued by Additional Superintendent of Police, SIT, Vijayawada, to Bank of Maharashtra asking for the bank statements of the PLR Projects Pvt Ltd., concerning the present crime in which petitioner's mother and wife are major stakeholders.

16. The petitioner contends that the Section 164 Cr.P.C., statement of Mr Satya Prasad and the Section 161 Cr.P.C., statement of Mr M. Vasudeva Reddy were made available in the public domain, apparently by the investigating agency. Despite knowing the above material, the investigating agency deliberately suppressed these documents and failed to produce any of them. The petitioner's counsel has placed on record the purported copy of the statement of Section 161 Cr.P.C., of Mr. Vasudeva Reddy.

17. The learned senior counsel for the petitioner contends that once statements are recorded under Section 164 of the Cr.P.C., a copy of the statement should immediately be handed over to the Station House Officer, with a specific direction that the contents of such statements should not be disclosed to any person until the charge sheet is filed under Section 173 of the Cr.P.C. He places reliance on the judgment of the Hon'ble Supreme Court in ***the State of Karnataka V. Shivanna.***[1]. Further, he argues that the accused is entitled to such copies only after the court has taken cognisance and issued

[1] (2014) 8 SCC 913

process in accordance with Sections 207 and 208 of the Cr.P.C., citing the decision in ***A V. State of UP***[5]. He further contends that in the present case, the issue of producing certified copies of the statements by the petitioner does not arise. The prosecution was duty-bound to produce the same but intentionally suppressed them, thereby creating a false narrative against the petitioner.

18. The learned Senior Counsel appearing for the Respondent-State contends that the petitioner has approached this court through this petition seeking anticipatory bail based on vague averments, with the sole basis of the petitioner's apprehension being purported reports in the print and electronic media. It is apparent that the present petition filed by the petitioner is a fishing expedition aimed at extracting details of the investigation in Cr.No.21 of 2024.

19. He further contends that merely because the police have recorded statements from some witnesses and some stray sentences have been made against the petitioner, it cannot be concluded that the petitioner has made out a case for anticipatory bail.

20. The learned Senior Counsel appearing for the prosecution relied on Section 41(b) of the Cr.P.C., (corresponding to Section 36 of the BNSS), which outlines the powers of the police to arrest any person under certain conditions. He also referred to the Andhra Pradesh Police Manual, specifically Chapter 25, Standing Order 450, issued under Section 12 of the Police Act, 1861, which empowers the Inspector General of Police, with the approval of the State Government, to frame rules and orders for the efficient functioning of the police force. Standing Order 450 stipulates that arrests should not be made routinely and only occurs when justified. Police officers may monitor a person without making an arrest. This standing order aligns with the Code of Criminal Procedure, 1973 provisions and is consistent with the Supreme Court's ruling in ***Joginder Kumar V. State of Bihar.***[6]. The discretion to form an opinion as

[5] (2020) 10 SCC 505
[6] (1994) 4 SCC 260 (paras 13 - 22)

to whether an arrest is warranted rests with the investigating agency, as held by the Hon'ble Apex Court in ***Hemant Dhasmana V. CBI***[7].

21. He also placed reliance on the decision of the Privy Council in ***Shaaban Bin Hussien and others, V. Chong Fook Kam and another.***[8], wherein it is held that:

> *7. The test of reasonable suspicion prescribed by the code is one that has existed in the common law for many years. The law is thus stated in Stxllen and Leake, Precedents of Pleadings (3rd Edn.), p. 795, the "golden" edition of 1868:*
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> *"A constable is justified in arresting a person without a warrant, upon a reasonable suspicion of a felony having been committed and of the person being guilty of it."*
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> *8. Their Lordships have not found any English authority in which reasonable suspicion has been equated with prima facie proof. In* ***Dumbell v. Roberts (1944) 1 All E.R. 326*** *at p. 329, Scott, L.J., said:*
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> *"The protection of the public is safeguarded by the requirement, alike of the common law and, so far as I know, of all statutes, that the constable shall before arresting satisfy himself that there do in fact exist reasonable grounds for suspicion of guilt. That requirement is very limited. The police are not called on before acting to have anything like a prima facie case for conviction ..."*
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> *9. There is another distinction between reasonable suspicion and prima facie proof. Prima facie consists of admissible evidence. Suspicion can take into account matters that could not be put in evidence at all. There is a discussion about the relevance of previous convictions in the judgment of Lord Wright in* ***Mc Ardle v. Egan (1933) All E.R. Rep. 611; 150 L.T. 412****. Suspicion can take into account also matters which, though admissible could not form part of a prima facie case. Thus, the fact that the accused has given a false alibi does not obviate the need for prima facie proof of his presence at the scene of the crime; it will become of considerable importance in the trial when such proof as there is being weighed perhaps against a second alibi; it would undoubtedly be a very suspicious circumstance.*

22. The learned senior counsel appearing for the Respondent-State further relied on the decision in ***Subodh Chandra Roy Chowdhry V. Emperor***[9], wherein the Calcutta High Court held that:

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[7] (2001) 7 SCC 536
[8] (1970) AC 942
[9] 1924 0 Supreme(Cal) 39

> *"What is a reasonable complaint or suspicion must depend on the circumstances of each particular case, but it must be at least founded on some definite fact tending to throw suspicion on the person arrested, and not on mere vague surmise or information. A general definition of what constitutes reasonableness in a complaint or suspicion or credibility of information cannot be given; both must depend upon the existence of some tangible proof within the cognisance of the arresting police officer, and he must judge whether it is sufficient to establish the reasonableness or credibility of the charge, information or suspicion."*

23. Learned Senior Counsel for the petitioner placed reliance on ***Charu Ch. Mazumdar***[10], the Calcutta High Court held that:

> *"A Magistrate's power to take cognisance of an offence under section 190(2)(c) of the Code of Criminal Procedure is guarded by the words "upon his own knowledge or suspicion," and I do not think that larger powers were intended to be given to a police officer. It is necessary in exercising such large powers to be cautious and circumspect, and I hold that "reasonable suspicion" and "credible information" in section 54 must be based upon definite facts which the Police officer must consider for himself before he acts under the section".*

24. As of the date of concluding arguments, the learned Senior Counsel appearing for the prosecution contends that the Investigating Officer has concluded that the material collected as of the date is insufficient to array the petitioner as an accused and that there are no grounds for the petitioner's arrest. In light of this view held by the Investigating Officer, it is perplexing how the petitioner contends that the Investigating Officer has collected material against him that could form the basis for his arrest.

25. While refuting the contentions raised on behalf of the petitioner, the learned senior counsel appearing for the Respondent-State contends that the petitioner furnished a copy of an unsigned statement attributed to Sri B.Vasudeva Reddy, purportedly recorded by the investigating officer, but despite the objection, the petitioner neither filed it with affidavit nor disclosed the source and/or means adopted to procure it.

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[10] 1916 SCC OnLine Cal 160

26. He further contends that although they applied for a certified copy of the Section 164 Cr.P.C., statement on 26.03.2025, they have yet to receive it; the petitioner has failed to explain how they were able to obtain the Section 161 Cr.P.C., statement. Moreover, the petitioner has not had the opportunity to go through the witness's Section 164 Cr.P.C., statement, as a copy has not been provided to the investigation agency.

27. The learned counsel for the petitioner places reliance on the decision reported in ***Umesh Kumar V. State of Andhra Pradesh and another***[11], wherein the Hon'ble Supreme Court held that:

> *"35. It is a settled legal proposition that even if a document is procured by improper or illegal means, there is no bar to its admissibility if it is relevant and its genuineness is proved. If the evidence is admissible, it does not matter how it has been obtained. However, as a matter of caution, the court in exercise of its discretion may disallow certain evidence in a criminal case if the strict rules of admissibility would operate unfairly against the accused. More so, the court must conclude that it is genuine and free from tampering or mutilation. This court repelled the contention that obtaining evidence illegally by using tape recordings or photographs offends Articles 20(3) and 21 of the Constitution of India, as acquiring the evidence by such methods was not the procedure established by law. [Vide Yusufalli Esmail Nagree v. State of Maharashtra [AIR 1968 SC 147], Magraj Patodia v. R.K. Birla [(1970) 2 SCC 888], R.M. Malkani v. State of Maharashtra [(1973) 1 SCC 471], Pooran Mal v. Director of Inspection (Investigation) [(1974) 1 SCC 345] and State (NCT of Delhi) v. Navjot Sandhu [(2005) 11 SCC 600].*

28. In light of the observations made in the above decision, instead of probing into the aspect of how the petitioner was able to secure the copy, I have gone through section 161 of the Cr.P.C., statement. It is evident that it does not provide details regarding the petitioner's involvement in the commission of the offence, aside from a single, isolated sentence.

29. The petitioner argues that the statements made under Section 161 of the Criminal Procedure Code (Cr.P.C.,) and Section 164 of the Cr.P.C., are in the public domain. This court views that while the investigation agency claims to be investigating an allegedly major liquor scam involving thousands of

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[11] (2013) 10 SCC 591

crores of rupees, keeping the details about the investigation in the public domain raises serious concerns. It isn't easy to reconcile how such sensitive particulars of information could be made public at this initial stage of the investigation. The premature disclosure could significantly hinder the progress of the investigation, as it may alert those involved in the scam, allowing them to cover their tracks or alter their actions in response to the information.

30. This court views that if the particulars of the investigation, those revealed during the early stages, are not adequately substantiated or are based on incomplete or inaccurate information, it could severely damage the reputations of the individuals who have been named, and they may be portrayed as being involved in the scam, even though the investigation is still in its preliminary phase, and no conclusive material has been established against them. This court views that the Investigating Officer, tasked with investigating matters involving public funds, should ensure that investigation details are not disclosed unless necessary for the investigation or for the public interest at large or in society.

31. At this stage, it is profitable to refer to the observations made in ***Sidharth v. State of Bihar***[12], *it was noted as follows:*

> *"**27.** ..... The police officer who is conducting the investigation may come across a series of information which cannot be divulged to the accused. He is bound to record such facts in the case diary. But if the entire case diary is made available to the accused, it may cause serious prejudice to others and even affect the safety and security of those who may have given statements to the police. The confidentiality is always kept in the matter of criminal investigation and it is not desirable to make available the entire case diary to the accused. ....."*

32. As already observed, the petitioner also relied on news reports which were not placed before the court; it is pertinent to refer to the observations

[12] (2005) 12 SCC 545,

made in the decision in ***Ghanshyam Upadhyay V. State of U.P.***[13], the Hon'ble Supreme Court held that:

> **6.** *As noted, the entire basis for making the allegations as contained in the miscellaneous petition is an article relied on by the petitioner said to have been published in the newspaper. There is no other material on record to confirm the truth or otherwise of the statement made in the newspaper. In our view, this court will have to be very circumspect while accepting such contentions based only on certain newspaper reports. This court, in a series of decisions, has repeatedly hold that the newspaper item, without any further proof, is of no evidentiary value. The said principle laid down has thereafter been taken note in several public interest litigations to reject the allegations contained in the petition supported by newspaper reports.*

33. In light of the observations made, this court finds that news reports allegedly published cannot be considered at this stage to grant anticipatory bail.

34. The learned senior counsel appearing for the petitioner contends that the Additional Superintendent of Police (S.I.T.) issued a notice dated 18.03.2025 to the Bank of Maharashtra, requesting the bank statements of PLR Projects Private Limited concerning the present crime, in which the petitioner's mother and wife are major stakeholders. In reply, the learned senior counsel for the Respondent-State submits that the notice was issued to the Bank of Maharashtra, not PLR Projects Private Limited. Furthermore, it is asserted that the petitioner is not shown as a director of PLR Projects Private Limited, as per the website, and a copy of the website is provided. Given that the petitioner is not the director of the said company, the issuance of the notice to the bank for details of PLR Projects cannot serve as grounds for granting anticipatory bail.

35. The learned senior counsel for the petitioner submits that the aggrieved parties already raised the allegations, forming the basis for lodging the F.I.R., before the Competition Commission of India in Case No.45 of 2021. However, the Hon'ble Competition Commission of India concluded that the Prohibition

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[13] (2020) 18 SCC 811

and Excise Department or APSBCL committed no arbitrary or discriminatory act. At this stage, the contention raised by the petitioner need not be considered, as such attributions have not been made against the petitioner.

36. The learned senior counsel for the petitioner argues that in Cr.No.18 of 2023 in Crl.P.No.8490 of 2023 and batch, this court granted anticipatory bail to Sri Nara Chandra Babu Naidu by order dated 10.01.2024 and further contends that the allegations in this case and those against the petitioner in Crl.P.No.8490 of 2023 are nearly identical. To evaluate this contention, I have gone through the orders I passed in Crl.P.No.8490 of 2023. It is unclear how the petitioner presumes he will be implicated in this case, given the same accusations made in Cr.No.18 of 2023. A perusal of the order in Crl.P.No.8490 of 2023 reveals that the allegations against the petitioner therein and others were centered around the lack of discussion or reference to the withdrawal of the privilege fee in the excise policy, which led to a loss of Rs.2,984/- crores in government revenue. Additional accusations included the government's decision to grant an installment option to pay enhanced license fees. At this stage, the court explicitly notes that no such allegations have been made against the petitioner. Even according to the petitioner, as a Member of Parliament, he is not supposed to be involved in the excise policy or its implementation.

37. The learned senior counsel for the petitioner contends that Sri Nara Lokesh, the son of the current Chief Minister, was granted protection by the High Court, even though he was not an accused in the case filed by the previous government. The petitioner, a Member of Parliament, argues that similar protection should be extended to him.

38. The petitioner references Crl.P.No.7490 of 2023 in Cr.No.29 of 2021 (C.I.D., Mangalagiri), dated 12.10.2023, where this court issued a Section 41(a) Cr.P.C., notice to the petitioner, a minister and son of the Chief Minister, without adding him as an accused. Similarly, in Crl.P.No.7558 of 2023 in

Cr.No.24 of 2021, a Section 41(a) of Cr.P.C., notice was issued to the petitioner, but he was not made an accused. Based on these orders, the learned senior counsel for the petitioner requests the same relief. However, the orders in the cited case do not clarify whether specific accusations were made against the petitioner therein.

39. The petitioner has submitted a copy of the order in Crl.P.No.7468 of 2024, dated 29.09.2023, in which this court directed the issuance of a notice under Section 41(a) of the Cr.P.C., to the petitioner therein, a Minister and the son of the current Chief Minister. The order was based on the submission made by the learned Advocate General, who, relying on written instructions, stated that they intended to follow the procedure prescribed under Section 41(a) of the Cr.P.C. A perusal of the order reveals that on 26.09.2022, before the court below, a memo was filed which included the name of the petitioner therein as A.14. As the petitioner therein is shown as accused, the order passed by the court will not help to the case of the petitioner.

40. The petitioner has placed reliance on Crl.P.Nos.4659 and 4693 of 2023, dated 23.07.2024, wherein this court observed as follows:

> *"ii) considering the peculiar circumstances that are involved in these cases, it is made clear that, if the process of law makes it necessary for the state on any subsequent occasion to add these petitioners as accused in this crime for those offences, reasonable opportunity shall be given in advance to the petitioners, enabling them to take recourse to law and justice. The reasonable time is five (5) days".*

41. The order in Crl.P.Nos.4659 and 4693 of 2023 indicates that though the petitioner therein is not made as an accused on that day, this court had provided relief to the petitioner therein. Given that the order was passed under the case's specific circumstances, the learned senior counsel for the petitioner is not justified in requesting that the said order be considered.

42. In contrast, the learned senior counsel for the Respondent/State placed reliance on the order passed by this Court in Crl.P.No.9662 of 2024, dated 30.01.2025, wherein it is observed as follows:

> *"The petitioners are Directors of M/s--Knitvyap Technologies Private Limited, which has been arrayed as accused No.3 in the crime mentioned above. Admittedly, the names of the petitioners are not figured as being charged with the subject crime. The learned Advocate General appearing for respondent-State also confirmed that the petitioners' names are not arrayed as accused in the subject crime. In the absence of the petitioners being arrayed as accused in the subject crime, the question of entertaining the present petition for anticipatory bail does not arise and is not maintainable at this stage."*

43. I have passed the order in anticipatory bail application in Crl.P.No.7601 of 2023, dated 15.12.2023, which is clearly applicable to the present case, wherein it is observed as follows:

> *"..... The petition lacks reasonable grounds for the apprehension of arrest in a non-bailable offence. The petitioner approached this court relying on vague and unclear News reports. This court is not supposed to pass a blanket order of anticipatory bail simply because A.22 in Cr.No.29 of 2021 was arrested without calling him for investigation; it cannot be a reason to file this petition that he may also be arrested in the AP TIDCO scam, even without calling for an investigation. The Respondent/State contends that there is no case as described by the petitioner regarding alleged misappropriation in the AP TIDCO scam; this court is not supposed to grant anticipatory bail to the petitioner, as it is settled law that the apprehension of the applicant, who seeks anticipatory bail should be based on reasonable grounds. The anticipatory bail is not to be granted as a matter of routine, and it has to be granted when the court is convinced that exceptional circumstances exist to resort to that extraordinary remedy. To consider an anticipatory bail application, the exact role of the Accused must be properly apprehended. The petitioner's fears are not rooted in objective facts. No material capable of examination and evaluation by the court regarding the alleged AP TIDCO scam is placed. The court cannot grant anticipatory bail without proper material and an understanding of the petitioner's role. There is no material available before the court regarding the AP TIDCO scam."*

44. In ***Union of India V. Padam Narain Aggarwal***[14], the Hon'ble Supreme Court held that:

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[14] (2008) 13 SCC 305

"33. The court proceeded to state that the High Court or the Court of Session must apply its own mind to the question and decide whether a case has been made out for the grant of such relief. If the condition precedent laid down in sub-section (1) of Section 438 is not satisfied and there is no reason to believe that the applicant is likely to be arrested for the commission of a non-bailable offence, the court has no power to grant anticipatory bail. This court, however, held that the High Court was wholly right so far as proposition (2) was concerned. The High Court in Proposition (2) said : (Gurbaksh Singh case [(1980) 2 SCC 565: 1980 SCC (Cri) 465], SCC p. 576, para 11)

"(2) Neither Section 438 nor any other provision of the Code authorises the grant of blanket anticipatory bail for offences not yet committed or with regard to accusations not so far levelled."

Agreeing with the said proposition, this court stated : (Gurbaksh Singh case [(1980) 2 SCC 565: 1980 SCC (Cri) 465], SCC p. 590, para 40)

"40. ... We agree that a 'blanket order' of anticipatory bail should not generally be passed. This flows from the very language of the section which, as discussed above, requires the applicant to show that he has 'reason to believe' that he may be arrested. A belief can be said to be founded on reasonable grounds only if there is something tangible to go by on the basis of which it can be said that the applicant's apprehension that he may be arrested is genuine. That is why, normally, a direction should not issue under Section 438(1) to the effect that the applicant shall be released on bail 'whenever arrested for whichever offence whatsoever'. That is what is meant by a 'blanket order' of anticipatory bail, an order which serves as a blanket to cover or protect any and every kind of allegedly unlawful activity, in fact any eventuality, likely or unlikely regarding which, no concrete information can possibly be had. The rationale of a direction under Section 438(1) is the belief of the applicant founded on reasonable grounds that he may be arrested for a non-bailable offence. It is unrealistic to expect the applicant to draw up his application with the meticulousness of a pleading in a civil case and such is not requirement of the section. But specific events, and facts must be disclosed by the applicant in order to enable the court to judge of the reasonableness of his belief, the existence of which is the sine qua non of the exercise of power conferred by the section."

45. The learned senior counsel for the petitioner contends that there is, admittedly, no allegation regarding the loss of revenue, and the allegations are focused on brand killing and brand promotion. In contrast, the learned senior counsel for the Respondent-State submits that the exchequer has been subjected to a loss of several thousand crores of rupees, and the investigating officer is making all efforts to identify the beneficiaries by analysing the material gathered so far during the investigation.

46. In light of the observations above and as noted in ***Gurubaksh Singh's*** case, the power under Section 438(1) of the Cr.P.C., cannot be invoked based on vague and general allegations, as doing so would lead to a surge in anticipatory bail applications. As no specific accusations have been made against the petitioner and the petitioner has not been named as an accused, he is not entitled to the anticipatory bail sought.

47. The learned senior counsel for the petitioner contends that, in the event of not considering the anticipatory bail petition, the prosecution should be directed to provide a seven-day notice in advance to the petitioner, should the petitioner be named as an accused, allowing the petitioner an opportunity to approach this court again.

48. In ***the Union of India's case*** (cited supra), the Hon'ble Apex Court observed as follows:

> *"**44.** In the case on hand, the respondents were only summoned under Section 108 of the Act for recording their statements. The High Court was conscious and mindful of that fact. It, therefore, held that the applications for anticipatory bail, in the circumstances, were premature. They were, accordingly, disposed of by directing the respondents to appear before the Customs Authorities. The court, however, did not stop there. It stated that even if the Customs Authorities find any non-bailable offence against the applicants (the respondents herein), they shall not be arrested without ten days' prior notice to them.*
>
> ***45.** In our judgment, on the facts and in the circumstances of the present case, neither of the above directions can be said to be legal, valid or in consonance with law. Firstly, the order passed by the High Court is a blanket one as held by the Constitution Bench of this Court in Gurbaksh Singh [1980 SCC (Cri) 465] and seeks to grant protection to the respondents in respect of any non-bailable offence. Secondly, it illegally obstructs, interferes and curtails the authority of the Customs Officers from exercising the statutory power of arrest of a person said to have committed a non-bailable offence by imposing a condition of giving ten days' prior notice, a condition not warranted by law. The order passed by the High Court to the extent of directions issued to the Customs Authorities is, therefore, liable to be set aside and is hereby set aside."*

49. In ***Vijaykumar Gopichand Ramchandani V. Amar Sadhuram Mulchandani and Others*** [15], the Hon'ble Supreme Court observed that:

> *"2. The direction issued by the High Court to the effect that 72 hours notice should be given to the first Respondent in the event that the state finds it necessary to arrest him in connection with any complaint pertaining to a cognisable offence at the behest of the Joint Registrar (Audit) is manifestly incorrect in law. (See in this context, Union of India v. Padam Narain Aggarwal (2008) 13 SCC 305). Such a direction could not have been issued by the High Court.*

50. In light of the observations made, this court finds that the request for such a direction to the Respondent to provide a notice in advance to the petitioner cannot be given.

51. As evident from the record, although no accusations have been made against the petitioner at this stage, it is clear that an investigation is underway in Cr.No.21 of 2024 based on the allegation that the exchequer has suffered a loss of several thousand crores of rupees. This court views that the petition is not maintainable as the investigation is still at a nascent stage, the investigation officer has yet to verify the credibility of the information, and there is no apprehension of arrest at present.

52. Accordingly, the Criminal Petition is ***dismissed***. However, it is clarified that the petitioner is entitled to pursue legal remedies available to him should he be aggrieved by any action taken against him by the Respondent-State.

Miscellaneous applications, pending if any, in this petition shall stand closed.

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[15] 2022 SCC OnLine SC 1861

Sd/- SHAIK MOHD. RAFI
ASSISTANT REGISTRAR

//TRUE COPY//

SECTION OFFICER

To,

1. The Station House Officer, CID Police Station, Managalgiri, Guntur District.

2. One CC to Sri. Kalla Guna Sekhar Advocate [OPUC]
3. One CC to Sri Sidharth Luthra Advocate [OPUC]
4. Two CCs to the Public Prosecutor, High Court of Andhra Pradesh at Amaravathi [OUT]
5. **Three CD Copies**

Stu

vna

HIGH COURT

DATED:03/04/2025

ORDER

CRLP.No.2904 of 2025



DISMISSING THE CRIMINAL PETITION