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

TUESDAY, THE TWENTY THIRD DAY OF DECEMBER
TWO THOUSAND AND TWENTY FIVE

PRESENT

THE HONOURABLE SMT JUSTICE JUVVADI SRIDEVI

CRIMINAL PETITION NO: 14645 OF 2024

Between:

1. V.Narsimha, Son of Late Raja Mallaiah, Age. 67 years, Occ. Authorized Fair Price Shop Dealer, R/o 8-3-755/2, Yellareddyguda, Hyderabad.
2. G.Satyanarayana, Son of Late G.Sathaiah, Age. 66 years, Occ. F.P.S. Dealer B. No.B1/807/DCSO/2017, R/o H.No.8-3-169/1045, Habeeb Fathima Nagar, Borabanda, Hyderabad.

...Petitioner/Accused- 2&3

AND

1. The State of Telangana, Rep by its Public Prosecutor, High Court for the State of Telangana at Hyderabad. **...Respondent**
2. C.Sainath Reddy, S/o. not known to the petitioners, Age about 40 years, Occ. S.I. of Police, R/o. P.S. Madhura Nagar, Hyderabad District.

...Respondent/Defacto Complainant

Petition under Section 528 of BNSS Act, praying that in the circumstances stated in the Memorandum of Grounds of Criminal Petition, the High Court may be pleased to **Quash** the F.I.R. No.805 of 2024 On the file of the XIVth. Addl. Chief Judicial Magistrate, Nampally, Hyderabad against the petitioners/Accused No.2 & 3

I.A. NO: 1 OF 2024

Petition under Section 528 of BNSS Act, praying that in the circumstances stated in the Memorandum of Grounds of Criminal Petition, the High Court may be pleased to grant **Stay** of all further proceedings including appearance of the Petitioners/Accused No.2 & 3 in F.I.R. No.805 of 2024 On the file of the XIVth. Addl. Chief Judicial Magistrate, Nampally, Hyderabad, pending disposal of the Petition.

This Petition coming on for hearing, upon perusing the Memorandum of Grounds of Criminal Petition and upon hearing the arguments of Mr P VAMSHEEDHAR REDDY, Advocate representing Mr SOMAVARAPU SATYANARAYANA, Advocate for the Petitioners and Mr M. RAMACHANDRA REDDY, the Additional Public Prosecutor on behalf of the Respondent No. 1 & 2

The Court made the following: ORDER

IN THE HIGH COURT FOR THE STATE OF TELANGANA
AT HYDERABAD
THE HONOURABLE SMT. JUSTICE JUVVADI SRIDEVI

CRIMINAL PETITION No.14645 of 2024

23 DECEMBER, 2025

Between:

V.Narsimha and another ... Petitioners

AND

The State of Telangana
Rep. by its Public Prosecutor and another ...Respondents

: O R D E R :

This Criminal Petition is filed under Section 523 of Bharatiya Nagarik Suraksha Sanhitha, 2023 (for short 'BNSS'), by the petitioners-accused Nos.2 and 3 seeking to quash the proceedings against them in F.I.R.No.805 of 2024 of P.S. Machhura Nagar, registered for the offences punishable under Sections 61(2) and 316(5) of the Bharatiya Nyaya Sanhita, 2023 and Section 7(1) of the Essential Commodities Act, 1955 (for short the 'Act').

2. Heard Mr. P.Vamsheedhar Reddy, learned counsel representing Mr. Somavarapu Satyanarayana, learned counsel for the petitioners and Mr. M.Ramachandra Reddy, learned Additional Public Prosecutor appearing for respondent Nos.1 and 2-State and perused the record.

3. The allegation against the petitioners is that they are Fair Price Shop Dealers and they have unlawfully diverted and sold PDS

rice to accused No.1, who in turn sold the said rice to accused No.5, thereby facilitating illegal trade in essential commodities, which are meant for public distribution.

4. Learned counsel for the petitioners submits that the petitioners are Fair Price Shop Dealers and are innocent of the offences alleged against them. They have been falsely implicated in the present case solely on the basis of confession of accused No.1. Nothing was recovered from the possession of the petitioners. There is no material to establish that accused No.1 had purchased PDS rice from the petitioners. Further, no samples of rice or wheat were lifted for analysis to ascertain as to whether the seized commodity was PDS rice or not. In the absence of any cogent evidence, continuation of the proceedings against the petitioners is an abuse of process of the Court, and therefore, learned counsel prayed to quash the proceedings against the petitioners.

5. On the other hand, learned Additional Public Prosecutor opposed the petition stating that specific allegations are levelled against the petitioners and the truth or otherwise of the allegations levelled against the petitioners can only be known after conducting full-fledged investigation and trial. Hence, he prayed to dismiss the petition.

6. Having heard the submissions of the learned counsel appearing on both sides and upon perusal of the material available on record, it is evident that the petitioners are Fair Price Shop Dealers. They were arrayed as accused in the crime solely on the basis of confession statement of accused No.1 made before the Police which is inadmissible in evidence.

7. To attract an offence under Section 316(5) of BNS (previously Section 409 of IPC), the prosecution must establish that the accused, acting in the capacity of a public servant, was entrusted with the property and pursuant to such entrustment, the property was dishonestly misappropriated or converted for personal use.

8. Even assuming that PDS rice was entrusted to the petitioners in the capacity of public servants, for distribution to the beneficiaries, there is absolutely no material to establish that the said rice was diverted to the black market without distributing to the beneficiaries and thereby the beneficiaries have made a complaint that they were denied the benefit of getting the PDS rice. Significantly, no analysis was conducted to establish that the rice seized from accused No.1 was PDS rice. Further, the Inspection Reports reveals that the variations found were within the permissible limits, thereby negating the allegation of misappropriation. These vital aspects were neither

disputed nor controverted by the learned Additional Public Prosecutor. In the absence of any evidence proving dishonest misappropriation of entrusted property by the petitioners, or even confirming that the seized rice was PDS rice, the essential ingredients of the offence under Section 316(5) of BNS (previously Section 409 of IPC) are not made out.

9. With regard to the offence under Section 7 of the Essential Commodities Act, it is well settled that the said provision is purely penal in nature and can be invoked only upon proof of contravention of a Control Order issued under Section 3 of the Act, which is a *sine qua non* for attracting the said offence. In the present case, the prosecution has failed to specify or establish that the petitioners have violated the statutory Control Order governing the storage, distribution, or sale of essential commodities. Since the petitioners herein are Fair Price Shop Dealers and the prosecution has neither alleged nor established any specific contravention of the applicable Control Order, Section 7 of the Act is not applicable to them.

10. Insofar as the offence under Section 61(2) of BNS (previously 120-B of IPC) is concerned, the prosecution has failed to place any material to prove the existence of an agreement or meeting of minds between the petitioners and the co-accused to commit any illegal

act. In the absence of proof of the principal offence, he charge of criminal conspiracy cannot be sustained independently

11. In view of the foregoing discussion, this Co irt is of the considered view that the continuation of proceedings against the petitioners herein amounts to abuse of process of law and the same are liable to be quashed.

12. This Criminal Petition is accordingly allowed and the proceedings against the petitioners-accused Nos. 2 and 3 in F.I.R.No.805 of 2024 of P.S. Madhura Nagar, are hereby quashed.

Pending miscellaneous petitions, if any shall stand closed.

Sd/- N. SRIHARI
DEPUTY REGISTRAR

//TRUE COPY//

SECTION OFFICER

To,

1. The XIV Addl. Chief Judicial Magistrate at Nampally, Hyderabad.
2. The Station House Officer, Madhura Nagar Police Station, Hyderabad.
3. Two CCs to the Public Prosecutor, High Court for the State of Telangana, at Hyderabad. [OUT]
4. One CC to Mr. P VAMSHEEDHAR REDDY Advocate, representing Mr SOMAVARAPU SATYANARAYANA, Advocate [OPUC]
5. Two CD Copies

RC/Sa JKS

HIGH COURT

DATED: 23/12/2025



ORDER

CRLP.No.14645 of 2024

Accordingly, this Criminal Petition is Al owed.

(8) JKS
12/1/26