APHC010041902021

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

WEDNESDAY, THE 28th DAY OF OCTOBER 2026

PRESENT

THE HONOURABLE DR JUSTICE Y. LAKSHMANA RAO

CRIMINAL REVISION CASE NO: 122/2021

Between:

1. KADIYALA RAMACHANDRA RAO, S/O EASWAR GUPTA, AGED 48 YEARS, PROPRIETOR, M/S. SRI RAMACHANDRA ENTERPRISES, BHIMADOLE VILLAGE AND MANDAL, WEST GODAVARI DISTRICT.

...PETITIONER

AND

1. THE STATE OF ANDHRA PRADESH, THROUGH ITS PUBLIC PROSECUTOR, HIGH COURT OF ANDHRA PRADESH AT AMARAVATHI.
2. THE DISTRICT COLLECTOR, WEST GODAVARI DISTRICT AT ELURU.

...RESPONDENT(S):

Counsel for the Petitioner:

1. SUDEEPTHI POTLURI

Counsel for the Respondent(S):

1. PUBLIC PROSECUTOR (AP)

The Court made the following:

ORDER:

The Criminal Revision Case has been filed under Sections 397 and 401 of the Code of Criminal Procedure, 1973 (for brevity, 'the I.P.C'), challenging the Judgment dated 07.09.2020 in E.C.CM.A.No.22 of 2018 on the file of Principal District Judge (Special Judge for Essential Commodities Act Cases) West Godavari District at Eluru whereby and whereunder the order passed by the learned District Collector, West Godavari District at Eluru on 17.06.2018 in ROC.No.CS-1/133/ECA-22/2018, reduced the confiscation from 100% to 50%.

2. Heard the learned counsel for the petitioner and the learned Assistant Public Prosecutor.

3. Smt. P. Sudeepthi, learned counsel for the petitioner by relying on the Judgments of this Court in **Kyasa Narayna v. State of Andhra Pradesh**[1] and **Dilip Kumar v. State**[2] submits that in the absence of any finding about clandestine business, there is no justification on the part of the learned District Collector to confiscate the entire stock. It is further submitted that the confiscation is permissible only to the extent of variation, but not the whole stock seized.

4. Mr. A. Sai Rohit, the learned Assistant Public Prosecutor urges to pass appropriate orders in accordance with law.

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[1] 2013 (2) ALD (Crl.) 358 (AP)
[2] 2004 (1) ALD (Crl.) 360 (AP)

5. On a bare perusal of the impugned order passed by the learned District Collector, as referred to supra, it is evident that there is no finding with regard to the clandestine business allegedly carried on by the petitioner. The impugned order merely extracts the submissions made by both sides without recording any specific finding on this aspect.

6. In the absence of a clear finding that the petitioner was engaged in clandestine business, the order of the learned District Collector directing confiscation of 100% of the seized stock, as well as the judgment of the learned Sessions Judge reducing the extent of confiscation from 100% to 50% cannot be sustained.

7. This Court, in **Kyasa Narayana** *supra* held that a mere variation between the book balance and the actual stock, in the absence of proof by the prosecution that the petitioner therein was engaged in clandestine business, would not justify an order of confiscation. Similarly, in **Dilip Kumar** *supra* this Court held that, in the absence of a finding that the petitioner was engaged in clandestine business, an order of confiscation would be unsustainable.

8. As mentioned *supra*, the learned District Collector has not recorded any finding that the petitioner was engaged in clandestine business. That apart, ordering of whole seized stock for confiscation is also unsustainable.

09. Having regard to the facts and circumstances of the case and reasons mentioned above, the judgment dated 07.09.2020 passed in E.C.CM.A.No.22 of 2018 on the file of Principal District Judge (Special Judge for Essential

Commodities Act Cases) West Godavari District at Eluru reducing the confiscation of the value of the seized stock from 100% to 50% is set aside. Consequently, the order of confiscation of 100% of the seized stock dated 17.06.2018 in ROC.No.CS-1/133/ECA-22/2018 by the learned District Collector, West Godavari District at Eluru is also set aside. The value of the seized stock shall be handed over to the petitioner forthwith after receipt of the copy of this order.

10. Accordingly, the Criminal Revision Case is allowed. There shall be no order as to costs.

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

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DR. Y. LAKSHMANA RAO, J

Date: 28.10.2026
VMM

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