

IN THE HIGH COURT FOR THE STATE OF TELANGANA

AT HYDERABAD

THE HONOURABLE SMT. JUSTICE K. SUJANA

CRIMINAL PETITION No.6570 of 2026

DATE: 05.05.2026

BETWEEN:

Sanjeet Kumar Sharma

.....petitioner/accused No.2

And

The State of Telangana,
Rep. by its Public Prosecutor,
High Court for the State of Telangana
at Hyderabad and another

.....Respondent/complainant

ORDER

This Criminal Petition is filed under Section 482 of Bharatiya Nagarik Suraksha Sanhita, 2023 (for short 'BNSS') for grant of pre-arrest bail to the petitioner, who is arrayed as accused No.2 in Crime No.304 of 2025 before the Chilkalguda

Police Station, Hyderabad, registered for the offences punishable under Section 318(4), 336, 336(3), 340(2), 242, 61(2) read with 3(5) of BNS.

2. The brief facts of the case are that the case arises out of a contractual dispute between M/s Sannverse Railtech Pvt. Ltd. (petitioner-company) and M/s Chabbras Associates relating to a construction project awarded by ONGC for development of residential quarters at Mehsana. The dispute centers around two MOUs dated 09.08.2023, one allegedly genuine and the other disputed as fabricated, particularly regarding insertion of an arbitration clause. The de facto complainant alleges that the accused persons, including the petitioner, created forged documents and misused a Special Power of Attorney to introduce an arbitration clause and initiate arbitral proceedings. Based on a private complaint, the Magistrate referred the matter under Section 156(3) Cr.P.C., leading to registration of the present FIR.

3. Heard Sri T. Niranjan Reddy, learned Senior Counsel representing Sri V.T. Kalyan, learned counsel appearing on behalf of the petitioner as well as Sri M. Ramachandra Reddy,

learned Additional Public Prosecutor appearing on behalf of the respondent – State and Sri B. Mayur Reddy, learned Senior Counsel representing Sri K.V.L. Narasimha Murthy, learned counsel appearing on behalf of respondent No.2/de facto complainant.

4. Learned counsel for the petitioner submitted that the dispute is purely civil in nature arising out of contractual obligations and payment issues, which is already subject matter of arbitration proceedings and that the Special Power of Attorney in favour of Accused No.4 was valid and subsisting, and the arbitral tribunal has already upheld the validity of the MOU dated 09.08.2023 and the arbitration clause therein. The petitioner asserts that no allegations of forgery or cheating were raised before the arbitral tribunal or in earlier proceedings, and the criminal complaint is an afterthought to avoid contractual liabilities. He further submitted that the petitioner has been falsely implicated without any specific overt acts, and custodial interrogation is not required. Therefore, he prayed the Court to grant pre-arrest bail to the petitioner by allowing this Criminal Petition.

5. Learned Additional Public Prosecutor submitted that the allegations disclose commission of serious cognizable offences involving fraud, forgery, and criminal conspiracy, which require thorough investigation and that the petitioner, being the Chairman and Managing Director of the accused company, played a key role in the alleged fabrication of documents and misuse of authority. The investigation is at a crucial stage, and custodial interrogation of the petitioner is necessary to unearth the conspiracy and collect material evidence. Therefore, it is urged that the petitioner is not entitled to the discretionary relief of anticipatory bail.

6. Learned counsel for the de facto complainant submitted that the petitioner is the main architect of the fraudulent scheme and has deliberately fabricated a second MOU by misusing the revoked Special Power of Attorney to introduce an arbitration clause and that the genuine MOU did not contain any arbitration clause and restricted jurisdiction to civil courts, whereas the fabricated document was created to divert the dispute and avoid liability. The petitioner is accused of suppressing material facts, misleading the Court, and evading investigation. He contended that the existence of

arbitration proceedings does not bar criminal prosecution when offences like forgery and cheating are involved. Therefore, he prayed the Court to dismiss the Criminal Petition.

7. In the light of the submissions made by both the learned counsel and upon perusal of the material available on record, it appears that the main allegation against the petitioner is that, being the Chairman and Managing Director of accused No.1 company, he is the mastermind behind the alleged fabrication of a second MOU dated 09.08.2023 by misusing the Special Power of Attorney and inserting an arbitration clause, thereby committing offences of cheating, forgery and criminal conspiracy. It is the specific contention of the learned counsel for the petitioner that the entire dispute is purely civil in nature arising out of contractual obligations between the parties, that the arbitral tribunal has already upheld the validity of the MOU and the authority of the Power of Attorney holder, and that the present criminal proceedings are an afterthought initiated only to avoid payment of legitimate dues. However, the learned counsel for the de facto complainant submitted that the said MOU is a fabricated

document created by the accused by misusing a revoked Power of Attorney, that the arbitration clause was never agreed upon, and that the petitioner, being the controlling authority, orchestrated the entire fraudulent scheme.

8. Having regard to the material placed on record, this Court observes that the dispute between the parties admittedly arises out of a commercial transaction relating to execution of a construction contract. The existence of arbitral proceedings between the parties and the findings recorded by the arbitral tribunal, though not conclusive for criminal liability, prima facie indicate that the controversy also has substantial civil flavour. Whether the MOU in question is genuine or fabricated and the extent of authority of the Power of Attorney holder are matters which require detailed investigation and cannot be conclusively determined at this stage. At the same time, the role attributed to the petitioner is primarily based on his position as CMD of the company, and no specific overt acts requiring custodial interrogation are brought on record at this stage.

9. As seen from the record, Accused No.3 was granted anticipatory bail by this Court and the allegations against the present petitioner are similar in nature. Therefore, on the ground of parity and considering the overall facts and circumstances of the case, this Court deems it fit to grant pre-arrest bail to the petitioner, subject to the following conditions:

- i. The petitioner shall surrender before the Station House Officer, Chilkalguda Police Station, Hyderabad, within two weeks from today, and on such surrender, the said Station House Officer shall release him on bail on executing a personal bond for Rs.25,000/-, each with two sureties, for the like sum each.
- ii. The petitioner shall abide by the other conditions stipulated in Section 482(2) of Bharatiya Nagarik Suraksha Sanhita, 2023 and co-operate with the

Investigating Officer in investigating the case.

- iii. The petitioner shall appear before the concerned Investigating Officer on every Wednesday between 09:00 a.m, and 05:00 p.m., for a period of eight (8) weeks or till the filing of the charge sheet, whichever is earlier and thereafter, as and when required.

10. Accordingly, this Criminal Petition is allowed.

Miscellaneous applications, if any pending, shall stand closed.

K. SUJANA, J

Date: 05.05.2026
SAI

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