IN THE HIGH COURT FOR THE STATE OF TELANGANA AT HYDERABAD

THURSDAY, THE TWENTY NINTH DAY OF OCTOBER TWO THOUSAND AND TWENTY SIX

PRESENT

THE HONOURABLE SRI JUSTICE J SREENIVAS RAO

CRIMINAL PETITION NO: 17946 OF 2026

Between:

1. Sriram Lohiya, S/o Late Satyanarayan Lohiya, Age. 47 Yrs, Occ. Business, R/o H.No. 4-9-125/347, HUDA Colony, Mushk Mahal, Rajendranagar, K.V. Ranga Reddy District, Telangana - 500048.
2. Kaparthi Nagabhushnam,, S/o Kaparthi Viresham, Age. 66 Yrs, Occ. Business, (M/s Bharathi Industries), R/o H.No. 2-66, Mothey Village, Akbarpet-Bhoompally Mandal (formerly Mirdoddi Mandal), Siddipet District, Telangana - 502108.

...PETITIONER/ACCUSED 2 & 3

AND

1. The State of Telangana,, Rep. by its Public Prosecutor, High Court for the State of Telangana at Hyderabad, through the Station House Officer, Adibatla Police Station, Ranga Reddy District.
2. Sri N. Narsimha Reddy, S/o Late Yadava Reddy, Age. 55 Yrs, Occ. Deputy Tahsildar (Civil Supplies), O/o District Civil Supplies Officer, Ranga Reddy District. R/o HUDA Colony, Saroornagar, Ranga Reddy District.

...RESPONDENT

Petition under Section 528 OF BNSS praying that in the circumstances stated in the Memorandum of Grounds of Criminal Petition, the High Court may be pleased to call for the records in FIR No. 897 of 2026, dated 21/10/2026, on the file of Adibatla Police Station, Ranga Reddy District, registered for the alleged offences under Section 318(4) read with Section 3(5) BNS and Clause 17(e) of the Telangana State Public Distribution System (Control) Order, 2016, and quash the same as against the Petitioners/Accused Nos. 2 and 3,

I.A. NO: 2 OF 2026

Petition under Section 528 OF BNSS praying that in the circumstances stated in the Memorandum of Grounds of Criminal Petition, the High Court may be pleased to stay all further proceedings, including the arrest of the Petitioners/Accused Nos. 2 and 3, in FIR No. 897 of 2026, dated 21/10/2026, on the file of Adibatla Police Station, Ranga Reddy District, pending disposal of the above Criminal Petition, or, in the alternative, direct the Investigating Officer to strictly follow the procedure under Section 35(3) BNSS and the guidelines in Arnesh Kumar v. State of Bihar, (2014) 8 SCC 273, the maximum punishment for the offences alleged not exceeding seven years,

This Petition coming on for hearing, upon perusing the Memorandum of Grounds of Criminal Petition and upon hearing the arguments of Sri GUJJULA MADHUSUDAN, Advocate for the Petitioner and Sri Jithneder Rao Veeramalla Public on behalf of the Respondents.

The Court made the following: ORDER

IN THE HIGH COURT FOR THE STATE OF TELANGANA AT HYDERABAD

THE HONOURABLE SRI JUSTICE J.SREENIVAS RAO

CRIMINAL PETITION No.17946 of 2026

CNR.No. HBHC010749302026

Date: 29.10.2026

Between:

Sriram Lohiya and another

...Petitioners

AND

The State of Telangana, and another

...Respondents

ORDER

This Criminal Petition has been filed seeking to quash the proceedings in FIR No.897 of 2026 of Adibatla Police Station, Hyderabad, wherein the petitioners were arrayed as accused Nos.2 and 3, for the offences punishable under Sections 318(4) r/w 3(5) of the Bharatiya Nyaya Sanhitha, 2023 (for short 'BNS'), Section 7 of the Essential Commodities Act, 1955 (for short 'EC Act') and Section 17(e) of the Telangana State Public Distribution System (Control) Order, 2016.

2. Heard Mr.G.Madhusudan, learned counsel for the petitioners and Mr.Jithender Rao Veeramalla, learned Additional Public Prosecutor for respondents.

3. The specific allegation against the petitioners is that they have procured PDS rice from the beneficiaries at cheaper rate to sell the same for profit and on 21.10.2026, the petitioners were found in possession of 125 kgs of PDS rice.

4. Learned counsel for the petitioners would submit that without there being any complaint from any beneficiary, alleging that the rice was procured deceptively or with a criminal intent and charging the petitioners for prosecution is untenable and improper. The allegations, even taken at their face value cannot be sustained against the petitioners. Further, this Court, in Crl.P.No.5709 of 2019, while considering the same situation, categorically observed that the offences alleged against the petitioners therein could not be continued and accordingly quashed the proceedings. The petitioners are also entitled to the same relief and hence prayed to quash the proceedings against the petitioners.

5. The learned Additional Public Prosecutor submits that as per prosecution, the offences said to have been committed by the

petitioners is cheating and violation of Section 7 of the Essential Commodities Act, 1955 (for short 'EC Act') and requested to pass appropriate orders.

6. Section 7 of the EC Act contemplate that any person contravenes with the production, supply, distribution and trade of essential commodities, is punishable. As per the prosecution, the petitioners have procured PDS rice from the beneficiaries after supply from the dealer.

7. A Coordinate Bench of this Court in Crl.P.No.7227 of 2025 has considered the identical facts and observed that:

> *"There is no averment indicating that the petitioner in any way deceptively induced the beneficiaries to part with the supplied PDS rice or the beneficiary entrusted the PDS rice purchased by them with the petitioner and they dishonestly misappropriated or converted to their own use or used it in violation of a lawful direction or contract. In the absence of essential factors, on the face of prosecution, this Court finds it to be a fit case to exercise the jurisdiction under Section 528 of BNSS, 2023. Thus, continuance of proceedings against the petitioner is abuse of process of law".*

8. The facts and circumstances of the present case also similar to those in the above case and hence, this Court finds it to be a fit case to exercise jurisdiction under Section 528 of BNSS by applying the same analogy and to quash the proceedings against the petitioners herein.

9. Accordingly, the Criminal Petition is allowed and the proceedings in FIR No.897 of 2026 of Adibatla Police Station, Hyderabad,, against the petitioners/accused Nos.2 and 3, are hereby quashed.

Pending miscellaneous applications, if any, shall stand closed.

SD/- B. REKHA RANI
ASSISTANT REGISTRAR

//TRUE COPY//

SECTION OFFICER

To,

1. The XV Judicial Magistrate of First Class at Ibrahimpatnam, Ranga Reddy District
2. The Station House Officer, Adibatla Police Station, Hyderabad District.
3. One CC to SRI. GUJJULA MADHUSUDAN Advocate [OPUC]
4. Two CCs to PUBLIC PROSECUTOR High Court for the State of Telangana, at Hyderabad [OUT]
5. Two CD Copies

GV/GNK

HIGH COURT

DATED: 29/10/2026



ORDER

CRLP.No.17946 of 2026

ALLOWING THE CRIMINAL PETITION

(8)

3/11/26