IN THE HIGH COURT FOR THE STATE OF TELANGANA
AT HYDERABAD

THE HONOURABLE SRI JUSTICE VAKITI RAMAKRISHNA REDDY

CRIMINAL PETITION Nos.18289 and 18372 of 2026

DATED: 23.11.2026

BETWEEN:

CRIMINAL PETITION No.18289 of 2026
(CNR No.HBHC010765452026)

Sampath Malla Reddy .... Petitioner/Accused No.5

AND

Union of India,
Rep. by the Intelligence Officer,
Narcotics Control Bureau,
Hyderabad Zonal Unit, Hyderabad.

.... Respondent/Complainant

CRIMINAL PETITION No.18372 of 2026
(CNR No.HBHC010767712026)

Gudoori Manikya Reddy .... Petitioner/Accused No.4

AND

Union of India,
Rep. by the Intelligence Officer,
Narcotics Control Bureau,
Hyderabad Zonal Unit, Hyderabad.

.... Respondent/Complainant

COMMON ORDER

These Criminal Petitions are filed under Sections 480 and 483 of Bharatiya Nagarik Suraksha Sanhita, 2023 (for short 'BNSS') praying this Court to enlarge the petitioners on bail who are arrayed as accused Nos.4 and 5 in connection with NCB.F.No.IV /4/31/Cr.No.09/2026/Hyd on the file of the Narcotics Control Bureau, Hyderabad Zone registered for the offences punishable

under Section 8(c) read with Sections 21, 22(c), 28 and 29 of the NDPS Act, 1985.

2. Heard Sri N. Keerthi Simha, learned counsel for the petitioner-accused No.4, Sri P. Vikasraj, learned counsel for the petitioner-accused No.5 and Sri Naraparaju Avaneesh, learned Standing Counsel appearing for the respondent–State.

3. The prosecution case, in brief, is that on 20.04.2026, the NCB officials, Hyderabad, acting upon specific information, conducted a search of the premises of M/s. S.M. Labs Private Limited, IDA, Moula Ali, Hyderabad. During the search, the accused Nos.1 and 3 were allegedly found in the premises along with a tray dryer and two blue drums containing 69.6 kgs. of off-white amorphous powder suspected to be Alprazolam, a psychotropic substance. The said persons allegedly disclosed that the substance was being manufactured without any licence, permit or authorisation. The NCB consequently seized the suspected substance, chemicals, solvents, swab samples, filter cloth and equipment, including Reactor No.101, a centrifuge and an industrial tray dryer.

4. Learned counsel for the petitioners submitted that the investigation, insofar as the petitioners are concerned, has been substantially completed and that they have been in judicial custody since 12.08.2026. It is further submitted that the alleged

contraband and other material objects connected with the offence have already been seized by the investigating agency and that no further recovery or discovery is required at the instance of the petitioners. It is further contended that Accused Nos.1 to 3 have already been enlarged on bail by this Court *vide* orders dated 15.10.2026, 16.10.2026 and 30.10.2026 passed in Crl.P.Nos.15776, 15229 and 17655 of 2026, respectively, and that the petitioners, being similarly placed, are also entitled to the benefit of parity. It is therefore contended that their continued detention is unwarranted, particularly when the investigation has substantially progressed and their further custodial interrogation is not necessary and thus, prayed to enlarge the petitioners on bail.

4. Learned Standing Counsel for the respondent, while opposing the bail petition, submitted that the seized quantity of 69.60 kgs of Alprazolam constitutes commercial quantity and, therefore, the stringent conditions stipulated under Section 37 of the NDPS Act are attracted and that the investigation is still in progress and prayed for dismissal of the bail petitions.

5. The role of the petitioners in the instant case is that Accused No.4 is the Executive Director of S.M. Labs Private Limited, wherein the accused No.1 was manufacturing the contraband with the aid of reactor and whereas the accused No.5 is plant manager therein. The petitioners were arrested on 12.08.2026. As can be seen from the

recitals of agreement entered between accused no.1 and S.M. Labs Private Limited, it is evident that it is accused No.1, who is responsible for the possession, storage and handling of the raw materials and intermediates and for the manufacturing activity at the premises. Thus, prima facie, it appears that the petitioners/accused Nos.4 and 5 might not be aware of the manufacturing activities that are going on in the Lab. Accused Nos.1 to 3 have already been enlarged on bail by this Court vide orders dated 15.10.2026, 16.10.2026 and 30.10.2026 passed in Crl.P.Nos.15776, 15229 and 17655 of 2026, respectively. Admittedly no contraband has been recovered from the possession of petitioners. There is no dispute that the petitioners herein were arraigned as accused, only based on the confession of co-accused, which is inadmissible as per the principle laid down in *Toofan Singh v. State of Tamilnadu*[1]. As rightly contended by the learned counsel for the petitioners, if the accused persons found with contraband are on bail, the petitioners, from whom no contraband was recovered, are certainly entitled for bail.

8. Since the petitioners-accused Nos.4 and 5 are in jail since 100 days, record goes to show that entire investigation including filing of final report is completed, detaining the petitioners further in judicial custody will not serve the purpose. Hence, petitioners-accused No.4

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and 5 are entitled to be enlarged on bail, subject to the following conditions:

i. The petitioners-accused Nos.4 and 5 shall execute a personal bond for a sum of Rs.25,000/- (Rupees Twenty Five Thousand only), with two sureties for a like sum each to the satisfaction of the Principal Junior Civil Judge-cum-Principal Judicial Magistrate of 1st Class, Medchal-Malkajgiri District at Kushaiguda.

ii. The petitioners-accused Nos.4 and 5 shall abide by the conditions stipulated in Section 437(3) of Cr.P.C.(presently, Section 480(3) of the BNSS).

iii. The petitioners-accused Nos.4 and 5 shall not directly or indirectly influence, threaten, or induce any of the prosecution witnesses.

iv. It is made clear that if any of the above conditions are violated, the prosecution is at liberty to file an application for cancellation of the bail.

9. Accordingly, the Criminal petitions are allowed.

Miscellaneous applications, if any pending, shall stand closed.

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VAKITI RAMAKRISHNA REDDY, J

Date: 23.11.2026
ss

THE HONOURABLE SRI JUSTICE VAKITI RAMAKRISHNA REDDY

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