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IN THE HIGH COURT FOR THE STATE OF TELANGANA
AT HYDERABAD

THURSDAY, THE THIRD DAY OF JUNE
TWO THOUSAND AND TWENTY ONE

:PRESENT:
THE HON'BLE JUSTICE G.SRI DEVI

CRIMINAL PETITION NO: 4032 OF 2021

Between:
B. Sreenivasa Gandhi, S/o. B. Narasimha Rao,

Petitioner/Accused No.1

AND

Inspector of Police, Central Bureau of Investigation/ Anti-Corruption Branch, Hyderabad, through Public Prosecutor, High Court for the State of Telangana at Hyderabad.

Respondent

Petition under Sections 437 & 439 of Cr.P.C, praying that in the circumstances stated in the petition and the grounds filed therein, the High Court may be pleased to enlarge the petitioner on bail pending trial of the case arising out of FIR No. RC 10(A)/2019 of CBI, ACB, Hyderabad, dated 08.09.2019;

The petition coming on for hearing, upon perusing the petition and the grounds filed therein, and upon hearing the arguments of Sri Srinivasa Rao Bodduluri, Advocate for the petitioner and of Sri K. Surender, Special Public Prosecutor for the Respondent, the Court made the following;

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THE HONOURABLE JUSTICE G. SRI DEVI

CRL.P.No.4032 of 2021

ORDER:

This Criminal Petition, under Sections 437 and 439 of the Code of Criminal Procedure, 1973, is filed by the petitioner/A-1 seeking to grant bail to him in connection with F.I.R.No.RC 10 (A)/2019, dated 08.09.2019 of C.B.I., A.C.B., Hyderabad, which was registered against him for the offences punishable under Sections 13 (2) read with Section 13 (1) (b) of the Prevention of Corruption Act, 1988 and under Section 109 of I.P.C.

The allegations against the petitioner is that while he was working as Public Servant in different capacities such as Assistant Director of Directorate of Enforcement, Hyderabad and as Superintendent in Central GST, Hyderabad, during the period from 01.01.2010 to 27.06.2019, has amassed assets in his name and in the name of his family members, which *prima facie* appears to be disproportionate to his known sources of income and cannot be satisfactorily accounted for. The petitioner has acquired disproportionate assets to the tune of Rs.3,74,73,046/- during the check period and thus committed the aforesaid offences.

Heard learned Counsel for the petitioner; learned Special Public Prosecutor for C.B.I. Cases, appearing for the respondent and perused the record.

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Learned Counsel for the petitioner would submit that the F.I.R. is part of a conspiracy hatched against the petitioner to destroy his career and his family. He also submits that the father and mother of the petitioner constitute a separate family and living in a different State and the respondent has purposefully roped the father of the petitioner into the case without any justification or evidence only to wreck vengeance against the petitioner. He further submits that the father of the petitioner was an employee of Indian Railways and apart from his pension, he also gets returns from investments made by him, which are purposefully not taken into consideration while calculating the assets. The wife of the petitioner is an independent business woman, having her own modest business, whose transactions are available in the form of Income Tax returns and bank statements and she has been falsely roped into the case by the respondent. The value of the assets at the end of the check period are all cooked up without any logic or basis and the income during the check period is drastically minimized so as to inflate the values of the alleged undisclosed incomes during the check period. He further submits that the expenditure during check period has been over inflated purposefully to arrive at huge figures of alleged disproportionate assets and a glance at the figures cooked up by the respondent for the purpose of prosecuting the petitioner and his wife, given their

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high incomes and in the light of Indian post liberalization economic situation, would fall on their face. It is absolutely false to state that the petitioner, his family members and relatives did not comply with the notices and did not provide information. Admittedly, the respondent raided the house of the petitioner, his parents and his sister and seized the entire documentary and other supposed evidence. Admittedly, the respondent has frozen all the accounts of the petitioner and his family members and also obtained all the bank statements and there is absolutely nothing else that can be provided by the petitioner. The respondent has collected all information, which is necessary for the case from the employer of the petitioner and also the Income Tax Department and there is not even a single piece of information against the petitioner that he has in possession of disproportionate assets. The allegation that the petitioner is not providing information in Form I to VI is dubious and invented for the purpose of arresting the petitioner and retaining him in jail. The respondent has also sought for custodial interrogation of the petitioner from 01.05.2021 to 04.05.2021 and the same was granted by the learned trial Court. He also submits that the petitioner is ready to abide by any condition that may be imposed in the event of his enlargement on bail.

Learned Special Public Prosecutor for C.B.I. Cases while opposing to grant bail to the petitioner, would submit that the

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grounds raised by the petitioner in the bail petition cannot be decided while considering the present bail application since they are subject matter of a detailed investigation. He further submits that the petitioner has grossly abused his official positions to illegally enrich himself and had acquired assets in the benami names of his wife, children and parents beyond his known sources of income. He also submits that several notices under Sections 91 and 160 of Cr.P.C. have been issued to the in-laws, father, nephew and other close relatives of the petitioner to explain their property related and financial transactions with the accused and their family members, but none of them joined investigation and explained their transactions till date, which apparently shows that they are under the influence of the petitioner. He further submits that on 25.02.2021, the petitioner met four of the witnesses in the case at Avasa Hotel, near Hitech City, Hyderabad and told them not to disclose the facts to C.B.I. and the said witnesses deposed to that effect before the Investigating Officer. Further, CCTV footage of the visit of the petitioner to the hotel also collected during investigation. The Chartered Accountant has also deposed during the course of investigation that the petitioner contacted him over phone and pleaded for giving false information to C.B.I. about payments made to his wife. He also submits that the petitioner did not comply with the notices under Section 41-A of Cr.P.C. and he

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did not cooperate with the investigation. He further submits that if the petitioner is released on bail, he is likely to misuse his freedom and would try to cause hurdles to the investigation process and will also continue to influence the witnesses, threaten them and cause destruction or tamper with the evidence and also try to delay and procrastinate the investigation and prayed to dismiss the petition.

The only grievance of the prosecution is that during the course of investigation, the present petitioner has met with some of the witnesses in the case in a high-end hotel near Hitech City, Hyderabad and influenced and induced them preventing disclosure of the facts to C.B.I., but no where the prosecution has mentioned to which of the witnesses the petitioner has met in the high end hotel at Hyderabad. It is further apprehension of the prosecution that the petitioner has also tried to influence another witness in the case and requested him to furnish false information to C.B.I. However, during the entire investigation period i.e. from 2019 to till the date of arrest of the petitioner i.e., on 20.04.2021, no where it has been mentioned by the prosecution about the particulars of the witness, who was influenced by the petitioner. Since major part of the investigation has already been completed and most of the documents have already been seized by the respondent in the house of the petitioner and his family members

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and the respondent has already frogen all the bank accounts of the petitioner and his family members and that the respondent has already interrogated the petitioner from 01.05.2021 to 04.05.2021, the further custodial interrogation of the petitioner may not be required.

Thus, for the aforesaid reasons and having regard to the facts and circumstances of the case and the fact that the petitioner is in judicial custody since 21.04.2021 and also in view of the peculiar conditions of pandemic COVID-19 prevailing in the Country, I am inclined to grant bail to the petitioner herein.

Accordingly, the Criminal Petition is allowed and the petitioner/A-1 herein is granted bail on the following terms and conditions:

(i) The petitioner shall be released on bail on his executing a personal bond to the tune of Rs.50,000/- (Rupees Fifty Thousand only) with two sureties for a like sum each to the satisfaction of the Principal Special Judge for C.B.I. Cases, Nampally, Hyderabad.

(ii) The petitioner shall personally appear before the Inspector of Police, C.B.I., A.C.B., Hyderabad, on every Saturday between 12.00 Noon and 5.00 P.M., till completion of the investigation.

(iii) The petitioner shall surrender his passport, before the concerned Court at the time of execution of bonds and he shall not leave the territory of India

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without prior permission of the Court. If the petitioner has no passport or he has already submitted the same in any case, he shall file an affidavit to that effect.

(iv) The petitioner shall not directly or indirectly make any inducement, threat or promise to any person acquainted with the facts of the case so as to dissuade him from disclosing such fact to the Investigating Authority.

(v) The petitioner shall not act in any manner which will be prejudicial to fair and expeditious investigation.

(vi) The petitioner shall not misuse the liberty granted to him, failing which the Court concerned shall take appropriate action in accordance with law in the light of the judgment of the Apex Court in ***Sushila Aggarwal and others v. State (NCT of Delhi) and others***[1].

Sd/- B.SATYAVATHI
ASSISTANT REGISTRAR

//TRUE COPY//

SECTION OFFICER

To,

1. The Principal Special Judge for CBI Cases, Nampally, Hyderabad.
2. The Inspector of Police, CBI, ACB, Hyderabad.
3. The Superintendent, Central Prison, Chanchalguda, Hyderabad.
4. Two CCs to Sri K. Surender, Special Public Prosecutor, High Court of Telangana at Hyderabad (OUT)
5. One CC to Sri Srinivasa Rao Bodduluri, Advocate (OPUC)
6. one Spare Copy

[1] 2020 SCC Online SC 98

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HIGH COURT

GSD,J

DATE: 03-6-2021

HIGH COURT FOR THE STATE OF TELANGANA
SPECIAL CELL
03 JUN 2021
★ DESPATCHED ★

ORDER

CRL.P. NO. 4032 OF 2021

BAIL