HIGH COURT FOR THE STATE OF TELANGANA

*****

Criminal Petition No.10711 of 2024

Between:

Sri Azmeera Kailas

…Petitioner

And

The State of Telangana,
rep. by Special Public Prosecutor for ACB,
High Court for the State of Telangana,
through the Inspector of Police,
Anti-Corruption Bureau, City Range –II,
Hyderabad and another

…Respondents

JUDGMENT PRONOUNCED ON : 26.03.2026

THE HON'BLE SMT. JUSTICE JUVVADI SRIDEVI

1.	Whether Reporters of Local newspapers may be allowed to see the Judgment ?	:	Yes/No
2.	Whether the copies of judgment may be marked to Law Reporters/Journals ?	:	Yes/No
3.	Whether her Ladyship/ Lordship wish to see the fair copy of the judgment ?	:	Yes/No

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JUVVADI SRIDEVI, J

THE HON'BLE SMT. JUSTICE JUVVADI SRIDEVI

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For Petitioner : Mr. C.Pratap Reddy, learned Senior Counsel rep. Mr. C.Sunil Anand

For Respondents : Mr. T.Bala Mohan Reddy, learned Special Public Prosecutor for ACB for respondent No.1-State.

< Gist:

> Head Note:

? CITATIONS:

(2002) 1 SCC 149
(2009) 3 SCC 355
(2023) 1 SCC 329
2025 LawSuit (SC) 1509
(2020) 9 SCC 636
2022 Latest Caselaw 2729 Ori [CRLMC No.3407 of 2010]
MANU/SC/0393/2025
MANU/SC/0222/2024
MANU/SC/1590/2025

IN THE HIGH COURT FOR THE STATE OF TELANGANA
AT HYDERABAD

THE HONOURABLE SMT. JUSTICE JUVVADI SRIDEVI

CRIMINAL PETITION No.10711 of 2024

26 MARCH, 2026

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Sri Azmeera Kailas … Petitioner

AND

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rep. by Special Public Prosecutor for ACB,
High Court for the State of Telangana,
Through the Inspector of Police,
Anti-Corruption Bureau, City Range-II,
Hyderabad and another …Respondents

: O R D E R :

This Criminal Petition is filed under Section 528 of the Bharatiya Nagarik Suraksha Sanhita, 2023 (previously Section 482 of the Code of Criminal Procedure, 1973) by the petitioner-accused, seeking to quash the proceedings against him in C.C.No.39 of 2025 pending on the file of the learned Principal Special Judge for SPE and ACB Cases, Hyderabad (for short 'trial Court'), registered for the offences under Sections 13(2) read with 13(1)(e) of the Prevention of Corruption Act, 1988 (for short the 'Act').

2. Heard Mr. C.Pratap Reddy, learned Senior Counsel representing Mr. C.Sunil Anand, learned counsel for the petitioner and

Mr. T.Balamohan Reddy, learned Special Public Prosecutor for ACB appearing for respondent No.1-State.

3. **Brief facts of the case:**

3.1. On receiving credible information that one Dheeravathu Koteswara Rao, Assistant Divisional Engineer, APCPDCL, Rajendranagar, Ranga Reddy District, had acquired assets disproportionate to his known source of income by indulging in corrupt practices, a case in Crime No.33/ACB-CR2/2010, dated 21.12.2010 was registered against him.

3.2. During the course of investigation, the house of the petitioner, who is a friend and colleague of the said Koteswara Rao and had purchased certain assets jointly with him, was searched on 22.12.2010 after obtaining a search warrant from the competent Court. During the search, documents relating to assets, income and expenditure were seized under inventory, for the purpose of investigation.

3.3. On analysis, it was found that the petitioner worked as a public servant from 25.01.2002 to 22.12.2010 and he acquired assets in the shape of a residential building and agricultural land worth Rs.67,39,652/- (Rs.70,26,744/- as per the charge sheet) in his name

and in the name of his brother-in-law. His income from known sources was Rs.33,14,000/- (Rs.46,84,451/- as per the charge sheet) and his expenditure during the relevant period was calculated at Rs.12,77,801/- (Rs.16,61,741/- as per the charge sheet), leaving likely savings of Rs.20,36,199/- (Rs.30,22,710/- as per the charge sheet). Thus, he was found in possession of disproportionate assets of Rs.47,03,453/- (Rs.40,04,034/- as per the charge sheet), for which he could not satisfactorily account for it.

3.4. Accordingly, a case in Crime No.14/ACB-CR-2/2011, dated 24.06.2011 was registered against the petitioner. After obtaining sanction, the Investigation Officer had filed a charge sheet on 31.01.2025, which was taken cognizance of by the trial Court and numbered as C.C.No.39 of 2025 for the aforesaid offences.

4. **Following are the submissions of learned Senior Counsel for the petitioner:**

4.1. The petitioner is innocent and has been falsely implicated in the present case. He is in no way concerned with the offences alleged.

4.2. A house search was conducted at the residence of the petitioner on 22.12.2010, however, a case in Crime No.14/ACB-CR-2/

2011 was registered against him on 24.06.2011 i.e., nearly six months after the said search.

4.3. Subsequently, the Investigation Officer issued a notice, dated 15.06.2013 calling upon the petitioner to explain the disproportionate assets possessed by him. In response, the petitioner submitted a detailed explanation on 12.08.2013. Further, he also submitted an explanation to the Principal Secretary, Energy Department, Telangana Secretariat, Hyderabad on 08.12.2014, explaining all his assets and sources of income.

4.4. After submission of the petitioner's explanation, there was no progress in the investigation for several years. Aggrieved by the abnormal delay of 14 years in completing the investigation, the petitioner approached this Court in the year, 2024 by filing the present Criminal Petition seeking quashing of the proceedings. Only thereafter, in a hurried manner, the Investigation Officer obtained sanction on 15.10.2024 and mechanically filed the charge sheet on 31.01.2025 without any plausible explanation for the inordinate delay of 14 years in conducting investigation.

4.5. It is a settled principle of law that the sanctioning authority must consider and decide the proposal of grant of sanction within a

period of three months, extendable by a further period of one month, only in exceptional circumstances. Thus, a decision on sanction is to be taken by the sanctioning authority within four months.

4.6. The sanction granted by the sanctioning authority is vitiated, as the same has been accorded in a routine and mechanical manner, after an inordinate delay of 14 years, without due application of mind and only after filing the present criminal petition. Such prolonged and unexplained delay in investigation and grant of sanction has caused serious prejudice to the petitioner and deprived him of his rightful promotions.

4.7. In support of the said contentions, learned Senior Counsel relied on the judgment of the Hon'ble Supreme Court in ***Mahendralal Das v. State of Bihar***[1] and drawn attention of this Court to paragraph Nos.6 to 8, wherein, it was held as follows:

> ***"6.*** *In this case the prosecution has miserably failed to explain the delay of more than 13 years by now, in granting the sanction for prosecution of the appellant-accused of possessing disproportionate wealth of about Rs 50,600. The authorities of the respondent State also appear to be not satisfied about the merits of the case and were convinced that despite granting of sanction the trial would be a mere formality and an exercise in futility.*
>
> ***7.*** *In cases of corruption the amount involved is not material but speedy justice is the mandate of the Constitution being in the interests of the accused as well as that of the society. Cases relating to corruption are to be dealt with swiftly,*

[1] (2002) 1 SCC 149

> *promptly and without delay. As and when delay is found to have been caused during the investigation, inquiry or trial, the appropriate authorities concerned are under an obligation to find out and deal with the persons responsible for such delay. The delay can be attributed either to the connivance of the authorities with the accused or used as a lever to pressurise and harass the accused as is alleged to have been done to the appellant in this case. The appellant has submitted that due to registration of the case and pendency of the investigation he lost his chance of promotion to the post of Chief Engineer. It is common knowledge that promotions are withheld when proceedings with respect to allegations of corruption are pending against the incumbent. The appellant has further alleged that he has been deprived of the love, affection and the society of his children who were residing in a foreign country as on account of the pendency of the investigation he could not afford to leave the country.*
>
> ***8.** This Court in Ramanand Chaudhary v. State of Bihar [(2002) 1 SCC 153 : AIR 1994 SC 948 : 1994 Cri LJ 1221] quashed the investigation against the accused on account of not granting the sanction for more than 13 years. The facts of the present case are almost identical. No useful purpose would be served to put the appellant at trial at this belated stage."*

4.8. Learned Senior Counsel further relied on the judgment of the Hon'ble Supreme Court in ***Vakil Prasad Singh v. State of Bihar***[2] and drawn attention of this Court to paragraph No.29, which is as follows:

> *"**29.** We have no hesitation in holding that at least for the period from 07.12.1990 till 28.02.2007 there is no explanation whatsoever for the delay in investigation. Even the direction issued by the High Court seems to have had no effect on the prosecution and they slept over the matter for almost seventeen years. Nothing could be pointed out by the State, far from being established to show that the delay in investigation or trial was in any way attributable to the appellant. The prosecution has failed to show any exceptional circumstance which could possibly be taken into consideration for condoning a callous and inordinate delay of more than two decades in investigations and the trial. The said delay cannot, in any way, be said to be arising from any default on the part of the appellant."*

[2] (2009) 3 SCC 355

4.9. Learned Senior Counsel further relied on the judgment of the Hon'ble Supreme Court in ***Vijay Rajmohan v. Central Bureau of Investigation (Anti-Corruption Branch)***[3] and drawn attention of this Court to paragraph Nos.23 and 24, wherein, it was held as follows:

> *"**23.** Grant of sanction being an exercise of executive power, it is subject to the standard principles of judicial review such as application of independent mind; only by the competent authority, without bias, after consideration of relevant material and by eschewing irrelevant considerations. As the power to grant sanction for prosecution has legal consequences, it must naturally be exercised within a reasonable period. This principle is anyway inbuilt in our legal structure, and our constitutional courts review the legality and proprietary of delayed exercise of power quite frequently. In Mahendra Lal Das v. State of Bihar [(2002) 1 SCC 149] and Ramanand Chaudhary v. State of Bihar [(2002) 1 SCC 153] this Court found it expedient to quash the criminal proceedings due to the abnormal delay in granting a sanction for prosecution.*
>
> ***24.** Noticing that there is no legislation prescribing the period within which a decision for sanction is to be taken, this Court, in Vineet Narian [(1998) 1 SCC 226], sought to fill the gap by setting a normative prescription of three months for grant of sanction. (SCC p.270, para 58)*
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> > *"58. I.(15) Time-limit of three months for grant of sanction for prosecution must be strictly adhered to. However, additional time of one month may be allowed where consultation is required with the Attorney General (AG) or any other law officer in the AG's office."*

4.10. He also relied on the judgment of the Hon'ble Supreme Court in ***Robert Lalchungnunga Chongthu @ R.L.Chongthu v.***

[3] (2023) 1 SCC 329

State of Bihar[4] and drawn attention of this Court to paragraph No.19, which is as follows:

> *"**19.** Coming back to the present case, why the investigation in this case took more than a decade to be completed is lost on us. Apparently, it was found that the licenses issued by the appellant were also issued to a fictitious person even at the time when the order for further investigation was taken. Out of the 16 accused persons one person stood charge-sheeted in terms of the first charge sheet and the remaining, excluding the appellant and one Abhishek, were charge-sheeted by way of the second charge sheet. When only the actions of the appellant were subject matter of investigation by the time permission was taken as above - 11 years is quite obviously a timeline afflicted by delay. No reason is forthcoming for this extended period either in the charge sheet or at the instance of the Court having taken cognizance of such charge sheet. In other words, the appellant has had the cloud of a criminal investigation hanging over him for all these years. The judgments above referred to supra hold unequivocally that investigation is covered under the right to speedy trial and it is also held therein, that violation of this right can strike at the root of the investigation itself, leading it to be quashed. At the same time, it must be said that timelines cannot be set in stone for an investigation to be completed nor can outer limit be prescribed within which necessarily, an investigation must be drawn to a close. This is evidenced by the fact that further investigation or rather permission therefor, can be granted even after commencement of trial. [See: Rampal Gautam v. The State [Criminal Appeal @ SLP (Crl.) 7968 of 2016]] Where though, Article 21 would be impacted would be a situation where, like in the present matter, no reason justifiable in nature, can be understood from record for the investigation having taken a large amount of time. The accused cannot be made to suffer endlessly with this threat of continuing investigation and eventual trial proceedings bearing over their everyday existence."*

4.11. A perusal of the charge sheet would reveal that there is no valid authorization to the Investigation Officer to investigate into the crime and to file the charge sheet. In the absence of proper authorization, the entire investigation is vitiated.

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[4] 2025 LawSuit (SC) 1509

4.12. The petitioner has duly filed his annual property return statements (APRs) for the years 2004 to 2009 on 03.02.2011. In addition thereto, when the benefit of submitting consolidated APRs was extended to all employees, the petitioner submitted his APRs for the period from 2002 to 2010 in a consolidated format and the same was acknowledged by the Department on 11.03.2011. However, the Investigation Officer, in the charge sheet, has brushed aside the said submission on the ground that the APRs were submitted only after the house search conducted on 22.12.2010, which is discriminatory, particularly when the facility of filing consolidated statements was extended uniformly to all employees. The petitioner cannot be singled out and prejudiced for availing a benefit that was equally available to others.

4.13. In the departmental enquiry, it has been conclusively established that the petitioner had filed the APRs for the years 2004 to 2009 and the disciplinary authority held that the charges were not proved. The petitioner was thus exonerated on merits and not on any technical grounds.

4.14. In support of the above contentions, learned Senior Counsel relied on the judgment of the Hon'ble Supreme Court in ***Ashoo Surendranath Tewari v. Deputy Superintendent of Police, EOW,***

CBI and another[5] and drawn attention of this Court to paragraph Nos.12 and 13, wherein, it was held as follows:

> *"**12.** After referring to various judgments, this Court then culled out the ratio of those decisions in paragraph 38 as follows:-*
>
> *"38. The ratio which can be culled out from these decisions can broadly be stated as follows:*
> *(i) Adjudication proceedings and criminal prosecution can be launched simultaneously;*
> *(ii) Decision in adjudication proceedings is not necessary before initiating criminal prosecution;*
> *(iii) Adjudication proceedings and criminal proceedings are independent in nature to each other;*
> *(iv) The finding against the person facing prosecution in the adjudication proceedings is not binding on the proceeding for criminal prosecution;*
> *(v) Adjudication proceedings by the Enforcement Directorate is not prosecution by a competent court of law to attract the provisions of Article 20(2) of the Constitution or Section 300 of the Code of Criminal Procedure;*
> *(vi) The finding in the adjudication proceedings in favour of the person facing trial for identical violation will depend upon the nature of finding. If the exoneration in adjudication proceedings is on technical ground and not on merit, prosecution may continue; and*
> ***(vii) In case of exoneration, however, on merits where the allegation is found to be not sustainable at all and the person held innocent, criminal prosecution on the same set of facts and circumstances cannot be allowed to continue, the underlying principle being the higher standard of proof in criminal cases."***
>
> ***13.** It finally concluded: (Radheshyam Kejriwal case [(2011) 3 SCC 581 : (2011) 2 SCC (Cri) 721, p.598, para 39]*
>
> > *"39. In our opinion, therefore, the yardstick would be to judge as to whether the allegation in the adjudication proceedings as well as the proceeding for prosecution is identical and the exoneration of the person concerned in the adjudication proceedings is on merits. In case it is found on merit that there is no contravention of the provisions of the Act in the adjudication*

[5] (2020) 9 SCC 636

proceedings, the trial of the person concerned shall be an abuse of the process of the court."

4.15. Learned Senior Counsel also relied on the judgment of the High Court of Orissa at Cuttack in ***Dr. Minaketan Pani v. State of Orissa[6],*** wherein, the cognizance order against the accused therein was quashed, adopting the reasoning of the decisions of the Hon'ble Supreme Court in the judgments of ***Radheshyam Kejriwal case [(2011) 3 SCC 581 : (2011) 2 SCC (Cri) 721]*** and ***Ashoo Surendranath Tewari's case (5 supra).***

4.16. In the present case, the allegations against the petitioner in the departmental proceedings and the criminal case are identical. In such circumstances, in view of the law laid down by the Hon'ble Supreme Court in the aforesaid judgments, the proceedings against the petitioner are liable to be quashed.

5. **Following are the submissions of learned Special Public Prosecutor for ACB:**

5.1. During the course of investigation in Crime No.33/ACB-CR2/2010, the house of the petitioner, who is a friend and colleague of the Koteswara Rao and had purchased certain assets jointly with him, was searched on 22.12.2010 after obtaining a search warrant from the

[6] 2022 Latest Caselaw 2729 Ori [CRLMC No.3407 of 2010]

competent Court. Upon verification of various incriminating material, including documents pertaining to the acquisition of movable and immovable properties, gold ornaments, net cash and other valuable household articles recovered during the course of search conducted at the residence of the petitioner, the Joint Director, ACB, Hyderabad, issued Proc.No.19/JD-City-ACB/2011, dated 24.06.2011, to register a case against the petitioner and investigate into. Accordingly, a case in Cr.No.14/ACB-CR-2/2011, dated 24.06.2011 was registered against the petitioner on the allegation that he was in possession of disproportionate assets to the tune of Rs.47,03,453/- (Rs.40,04,034/- as per the charge sheet), acquired through corrupt and dubious means.

5.2. After completion of investigation, a notice, dated 15.06.2013 was issued to the petitioner calling upon to submit his explanation regarding the disproportionate assets. The petitioner submitted his detailed explanation on 12.08.2013. The Investigation Officer, after duly considering the explanation submitted by the petitioner, found the same to be unsatisfactory and rebutted the claims with supporting documentary evidence.

5.3. During the course of investigation, the Investigation Officer, after obtaining due authorization, filed an application for attachment of

the properties of the petitioner as detailed in Annexures I and II. The trial Court, by an order dated 02.07.2013 in Crl.M.P.No.1455 of 2013, granted orders of attachment. Since then, the properties of the petitioner were under attachment. However, no restraint orders were passed preventing the petitioner from enjoying the said properties and the petitioner continued to be in possession and enjoyment of the same without any objection.

5.4. Thereafter, a final report was prepared and submitted to the Government on 27.11.2014 seeking sanction for prosecution. The Director General, ACB, Telangana, addressed as many as (19) letters between the years 2015 and 2024 to the Special Secretary to Government, Energy (Vig A1) Department, Government of Telangana, Hyderabad, requesting sanction for prosecution. Pursuant to such persistent follow-up, the competent authority accorded sanction on 15.10.2024. The delay in grant of sanction is purely administrative in nature.

5.5. Upon receipt of the sanction order *vide* Memorandum C.No.149/RCA-CR.2/2011, dated 22.01.2025, the Director General, ACB, directed the Investigation Officer to file the charge sheet against the petitioner and accordingly charge sheet was filed before the trial

Court on 04.02.2025. The case is presently at the stage of consideration of charges.

5.6. The delay in obtaining sanction, by itself, cannot be a ground for quashing the criminal proceedings, particularly when the allegations disclose commission of offences. In support of the said contention, learned Special Public Prosecutor relied on the judgment of the Hon'ble Supreme Court in ***State rep. by the Deputy Superintendent of Police, Vigilance and Anti Corruption Chennai City-I Department v. G.Easwaran***[7] and drawn attention of this Court to paragraph No.14, wherein, it was held as follows:

> *"**14.** Thus, there is no doubt that the High Court committed an error in quashing the prosecution on the ground that the sanction to prosecute is illegal and invalid. In conclusion, we find that the objections raised in the revision petition against the Special Court's order dismissing the discharge application were identical to the grounds raised in the petition under Section 482 Code of Criminal Procedure, from which the present appeal arises. Second, apart from being congruent and overlapping, the respondent could not demonstrate any material change in facts and circumstances between the dismissal of the revision petition by the High Court and the filing of the quashing petition Under Section 482 Code of Criminal Procedure. Third, the validity of the sanction can always be examined during the course of the trial and the problems due to the typographical error as alleged by the State could have been explained by producing the file at the time of trial. Fourth, it is settled that a mere delay in the grant of sanction for prosecuting a public authority is not a ground to quash a criminal case."*

5.7. He further relied on the judgment of the Hon'ble Supreme Court in ***Vijay RajMohan's case (3 supra),*** which was relied upon by

[7] MANU/SC/0393/2025

the learned Senior Counsel for the petitioner and submitted that the said judgment, in fact, does not support the case of the petitioner. Paragraph No.38 reads as follows:

> *"**38.** In conclusion, we hold that upon expiry of the three months and the additional one-month period, the aggrieved party, be it the complainant, accused or victim, would be entitled to approach the writ court concerned. They are entitled to seek appropriate remedies, including directions for action on the request for sanction and for the corrective measure on accountability that the sanctioning authority bears. This is especially crucial if the non-grant of sanction is withheld without reason, resulting in the stifling of a genuine case of corruption. Simultaneously, the CVC shall enquire into the matter in the exercise of its powers under Sections 8(1)(e) and (f) and take such corrective action as it is empowered under the CVC Act."*

5.8. The petitioner, instead of challenging the proceedings on the ground of delay in sanction at this stage, ought to have availed appropriate remedies at the relevant point of time by approaching the competent Court for necessary directions. Having failed to do so, the petitioner cannot now seek to take advantage of the said delay to assail the proceedings.

5.9. With regard to another contention of the petitioner that no authorization was given to the Investigation Officer, it was submitted that the said contention is wholly misconceived. As per G.O.Ms.No.10, dated 07.01.1999, issued by the Secretary to Government of erstwhile Andhra Pradesh, in exercise of powers conferred under the first proviso to Section 17 of the Act, Inspectors of Police of the

Anti-Corruption Bureau are duly authorized to investigate into all the offences under the Act, without prior order of a Magistrate. In the present case, the Investigation Officers, being Inspectors of Police of ACB are fully competent to register the case, conduct investigation and file the charge sheet.

5.10. The exoneration of the petitioner in the departmental proceedings does not bar criminal prosecution. The scope and standard of proof in departmental proceedings and criminal proceedings are entirely different. Moreover, the departmental enquiry in the present case was conducted in violation of conduct rules and the petitioner was exonerated on technical grounds rather than on merits. Therefore, such exoneration cannot be relied upon to seek quashing of the criminal proceedings.

5.11. In support of the said contentions, learned Special Public Prosecutor relied on the judgment of the Hon'ble Supreme Court in ***Puneet Sabharwal v. CBI and R.C. Sabharwal v. CBI***[8] and drawn attention of this Court to paragraph Nos.40 to 42, wherein, it was held as follows:

> *"**40.** The decision in Ashoo Surendranath (supra) is not applicable to the present case because the decision in Ashoo Surendranath (supra) concerned a singular*

[8] MANU/SC/0222/2024

prosecution under the provisions of the Indian Penal Code where the sanctioning authority had, while denying sanction, recorded on merits that there was no evidence to support the prosecution case. In that context, the Court was of the opinion that a criminal proceeding could not be continued. However, in the present case, the charges were framed under the Prevention of Corruption Act, while the Appellants seek to rely upon findings recorded by authorities under the Income Tax Act. The scope of adjudication in both the proceedings are markedly different and therefore the findings in the latter cannot be a ground for discharge of the Accused Persons in the former. The proceedings under the Income Tax Act and its evidentiary value remains a matter of trial and they cannot be considered as conclusive proof for discharge of an Accused person.

41. *The Appellants herein have further sought to place reliance on J.Sekar (supra) to argue that the letter of the Income-Tax Department was relied upon to quash prosecution under the Prevention of Money Laundering Act, 2002. In our opinion, this decision is again inapplicable to the present case. In J.Sekar (supra), the criminal proceedings had arisen based upon the information furnished by the Income Tax Department regarding recovery of unauthorized cash and other items during their search. It so transpired that the Income Tax Department accepted the explanation of the Accused regarding the recovered cash which led to closure of the Income Tax proceedings. Thereafter, even the criminal proceedings led to filing of a closure report on the ground that no sufficient evidence was found for continuation of prosecution. The proceedings under the Prevention of Money Laundering Act, being based on the Income Tax Department's information after their search and the registration of FIR, were found to be unsustainable in view of no violation being found either by the Department or in the criminal proceeding.*

42. *The decision in J.Sekar (supra) is therefore distinguishable on facts. In the abovementioned case, there was an exoneration by not only the Income Tax Department, to the effect that no case was made, there was also an exoneration in the criminal proceedings which involved the Scheduled Offence. In the present case, the proceedings under the Income Tax Act which are sought to be relied upon relate to the assessment of income of the Assessee and not to the source of income and the allegation of disproportionate assets under the Prevention of Corruption Act. The said Orders cannot be the basis to abort the criminal proceeding in the present case."*

5.12. He further relied on the judgment of the Hon'ble Supreme Court in ***T.Manjunath v. The State of Karnataka and others***[9] and drawn attention of this Court to paragraph No.32, wherein, it was held as follows:

> *"**32.** The possibility of the criminal case still resulting into conviction, irrespective of the factum of the witnesses turning hostile being a realistic possibility, we feel that there is no merit behind the argument of Shri Kamat that exoneration in the departmental proceeding should lead to automatic discharge in the criminal case. Hence, the said argument advanced on behalf of the accused-appellant, placing reliance on **Ashoo Surendranath Tewari (supra)**, has no merit and is rejected."*

5.13. The petitioner had submitted his APRs on 03.02.2011, i.e., after the house search conducted on 22.12.2010. This clearly indicates that the submission of APRs was an afterthought and do not satisfactorily explain the disproportionate assets found during investigation.

5.14. The judgments relied upon by the learned Senior Counsel for the petitioner are not applicable to the facts of the present case, as they pertain to the pre-amendment legal position and do not govern the current legal position.

5.15. A *prima* facie case is clearly made out against the petitioner and the matter requires full-fledged trial. Hence, he prayed to dismiss the petition.

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[9] Manu/SC/1590/2025

6. In reply, learned Senior Counsel for the petitioner fairly conceded that the Investigation Officers in the present case were duly authorized to investigate into the crime and to file the charge sheet.

7. On the basis of the aforesaid submissions as canvassed by the learned counsel appearing for both sides, in the present factual scenario, this Court finds that the following issues are primal issues that require judicial determination, which are as under:-

(a) Whether the criminal proceedings could be quashed for the delay in issuance of the sanction order?

(b) Whether the order of sanction suffers from illegality due to non-application of mind?

(c) Whether the petitioner was exonerated in the departmental proceedings on merits, after due consideration of all material evidence?

(d) Whether exoneration in departmental proceedings merely on the basis of APRs would ipso facto be a sufficient ground for quashing the proceedings against the petitioner in the present case?

(e) Whether exoneration in departmental proceeding, without consideration of the evidence collected during the course of investigation, in a corruption case, relating to disproportionate assets, can be said to be exoneration on identical facts and circumstances?

Analysis, Conclusion and Findings:-

8. **(a) Whether the criminal proceedings could be quashed for the delay in issuance of the sanction order?**

8.1. Having gone through the record, it is apparent that the final report was submitted to the Government by the Investigation Officer on 27.11.2014, for grant of sanction. Subsequently, the ACB addressed number of letters i.e., total (19) letters to the Government, requesting for grant of sanction. Despite the persistent efforts made by ACB, the sanction was not accorded by the Government at that time. Thereafter, the sanction was finally granted on 15.10.2024. Upon receipt of the sanction, the Investigation Officer filed the charge sheet immediately on 04.02.2025.

8.2. The chronology of events unequivocally demonstrates that there was no delay or inaction on the part of the ACB. On the contrary, ACB has exercised due diligence and consistently pursued the matter with the competent authorities to ensure that the sanction was obtained, after which the case is being proceeded without undue delay. It appears that the delay in obtaining sanction and filing of the charge sheet is purely administrative in nature and cannot be

attributed to any negligence or dereliction of duty on the part of the ACB.

8.3. With regard to the delay in granting sanction, in the judgment of ***Vijay Rajmohan's case (3 supra),*** the Hon'ble Supreme Court held that the sanctioning authority is required to grant sanction within a period of three months, along with an additional period of one month. Upon expiry of the said period, the aggrieved party, be it the complainant, accused or victim, shall be entitled to approach the appropriate Writ Court and seek appropriate remedies, including directions to expedite action on the request for sanction and to ensure corrective measures for accountability on the part of the sanctioning authority.

8.4. In the instant case, the petitioner failed to challenge the legality of the delay, neither before the trial Court nor before the High Court to seek necessary directions. This inaction constitutes a neglect of the remedy explicitly made available under law and a failure to utilize the statutory and judicial safeguards designed to address such delays. While the judgment in ***Vijay Rajmohan's case (3 supra)*** was expressly relied upon by the learned Senior Counsel for the petitioner, no attempt was made to invoke the remedies available, thereby undermining the petitioner's reliance on the delay in granting sanction.

Hence, in view of the law laid down by the Hon'ble Supreme Court in the aforesaid judgment, mere non-compliance with the mandatory requirement of granting sanction within four (4) months cannot, by itself, constitute a ground to quash the proceedings against the petitioner. The delay, in the absence of any other substantive illegality, does not entitle the petitioner to the relief claimed. Accordingly issue (a) is answered.

9. **(b) Whether the order of sanction suffers from illegality due to non-application of mind?**

9.1. It is the contention of the petitioner that the sanction order was issued in a mechanical manner by the sanctioning authority, without due application of mind.

9.2. On a plain reading, the sanction order clearly reflects the application of mind by the sanctioning authority after considering the relevant material placed before it. The sanction order, dated 15.10.2024 represents an independent decision of the department which was taken on the basis of the material placed before it. The petitioner failed to demonstrate any failure of justice arising from the irregularity in the sanction order. It is not known as to why the

petitioner had not raised any objection regarding the validity of sanction at the initial stage of taking cognizance, before the trial Court.

9.3. It is well settled that the validity or propriety of an order granting sanction can be raised and examined at the time of final arguments before the trial Court. Sections 19(3) and 19(4) of the Act clearly provide that any error, omission or irregularity in the grant of sanction does not vitiate the proceedings, unless it results in a failure of justice. The legislative intent embodied in these provisions is to prevent the derailment of trial proceedings on hyper-technical grounds and to ensure that minor irregularities in the grant of prosecution sanction do not defeat the substantive cause of justice. A mere allegation of the petitioner that the sanction was granted mechanically, without pointing to any specific illegality or procedural impropriety, does not warrant interference at this stage and issue (b) is answered accordingly.

10. **(c) Whether the petitioner was exonerated in the departmental proceedings on merits, after due consideration of all material evidence?**

(d) Whether exoneration in departmental proceedings merely on the basis of APRs would ipso facto be a sufficient ground for

quashing the proceedings against the petitioner in the present case?

(e) Whether exoneration in departmental proceeding, without consideration of the evidence collected during the course of investigation, in a corruption case, relating to disproportionate assets, can be said to be exoneration on identical facts and circumstances?

10.1. Having given anxious consideration to the material placed on record, it is evident that the petitioner joined Government service as an Assistant Engineer in APCPDCL on 25.01.2002 and was initially posted at Munagala, Nalgonda District on 15.11.2003. He was subsequently transferred to Champapet, Ranga Reddy District on 13.04.2007 and later deputed to GHMC on 07.11.2007. Upon promotion as Assistant Divisional Engineer on 25.07.2008, he was posted at Kodangal, Mahaboobnagar District and thereafter transferred to Ibrahimbagh, Ranga Reddy District on 23.10.2009, where he continued until the date of house searches and registration of FIR.

10.2. While so, a charge sheet, dated 19.10.2024 was issued to the petitioner alleging: (i) non-submission of APRs for the period 2002-2009 and failure to intimate the department regarding his wife's agricultural income and (ii) failure to obtain prior permission for

acquisition and disposal of immovable properties, in violation of Rules 7 and 5(1) of the APSEB Employees Conduct Regulations, 1978 (for short the ‘Regulations, 1978’). Such acts were alleged to amount to lack of devotion to duty, failure to maintain integrity and conduct unbecoming of a Government servant. An Inquiry Officer was appointed and a comprehensive oral enquiry was conducted on 11.06.2025 and 16.06.2025 at the TGSPDCL Corporate Office, Hyderabad.

10.3. The petitioner submitted his APRs for the years 2002 to 2010 on 03.02.2011. Further, the Chief General Manager (HRD), APCPDCL, by letter dated 22.03.2014, informed that no prior permissions had been granted for purchase or sale of movable or immovable properties, as the petitioner had not furnished any prior intimation in respect of such transactions in his name and his family members.

10.4. In response to the charge sheet, the petitioner submitted his explanation denying all the allegations and contended that the charges are not maintainable. He stated that he had duly submitted his APRs for the years 2002 to 2010 under proper acknowledgement. He further submitted that the income derived by his wife from agriculture was duly intimated to the department and the same was reflected in the

respective year-wise APRs. Therefore, it cannot be said that he failed to inform the department about his wife's agricultural activities and income.

10.5. With regard to the second charge, the petitioner, in his explanation, contended that the assets in question were acquired from lawful sources, including interest income earned by his wife on her stridhanam received at the time of marriage, agricultural income of his wife, his own salary savings, housing loan obtained from a bank, loans from friends and relatives, sale proceeds of gold and silver articles, chit fund amounts and capital gains from the sale of house sites belonging to him and his wife. He further stated that his brother-in-law contributed 1/3rd share of the cost of Item No.2 of the assets and was the owner thereof as such he had not shown the said asset in his APRs.

10.6. It is the further contention of the petitioner in the departmental proceedings that after the relevant document relating to Item No.2 was seized by ACB officials, his brother-in-law made several attempts to secure its return and ultimately filed Crl.M.P.No.640 of 2011 in Cr.No.14/ACB-CR-II/2011 before the trial Court seeking return of document bearing No.2397 of 2008. He also submitted a representation, dated 27.01.2012 to the Principal Secretary, Energy

Department, asserting his ownership over the said property and requesting that it should not be attached as that of the petitioner.

10.7. The petitioner also stated that his wife, along with her friend, had purchased two house plots bearing Nos.31 and 32 admeasuring 564.6 square yards in Sy.No.746 situated at Kodad Village and Mandal, Nalgonda District and subsequently sold the same to one N.Sudhir Kumar, through registered sale deeds bearing document Nos.2944 of 2006 and 4692 of 2008 respectively. All the relevant details were duly enclosed in his APRs and he had also submitted consolidated APRs for the period from 2002 to 2010 in the year 2010, in compliance with the Circular issued by TGSPDCL.

10.8. Thereafter, the Inquiry Officer recorded the statements of the petitioner, Sri G.Jagan Mohan Reddy, Personnel Officer and Sri Bukya Ravi Naik, brother-in-law of the petitioner and marked Exhibits I to III. In the course of such inquiry, the petitioner himself admitted that he had not obtained prior permission for purchase and disposal of properties, though he sought to justify the same by stating that such transactions were reflected in his APRs. The evidence of Sri G.Jagan Mohan Reddy, Personnel Officer, Estt-I/Corporate Office/TGSPDCL, Hyderabad, reflects that the petitioner had submitted APRs for the years 2015, 2016, 2017 and 2018 and had not obtained prior

permission from the competent authority for purchase or sale of immovable properties. Thus, the foundational fact regarding non-obtaining of prior permission stands admitted.

10.9. As per the statement of Sri Bhukya Ravi Naik, who is brother-in-law of the petitioner, would show that he is the owner of 1/3rd share of Item No.2 of the assets and had paid the corresponding 1/3rd consideration.

10.10. Based on the depositions of the witnesses, the defence of the petitioner and the material available on record, the Inquiry Officer, exonerated the petitioner on the ground that large number of employees had not submitted APRs during the period 2002-2009 or obtained prior permission during the relevant period and the action against the petitioner alone would not be feasible. This Court is unable to approve such reasoning. The liability of a Government servant under the Conduct Regulations is individual in nature and non-compliance by others cannot be a valid ground to absolve the petitioner of his statutory obligations. The approach of the Inquiry Officer, therefore, suffers from a fundamental infirmity, as it shifts the focus from the petitioner's conduct to a generalized administrative practice. It is, therefore evident that the petitioner was absolved of the charges on technical grounds alone and not on merits.

10.11. Further, it is evident that the disciplinary authority failed to examine the Investigation Officers, who were engaged in carrying investigation, in the present case and take into consideration the material collected during the course of investigation, including the circumstances surrounding acquisition and disposal of properties and the financial sources thereof. The departmental proceedings appear to have been concluded without proper examination of such material, thereby rendering the findings incomplete. In that view of the matter, the exoneration of the petitioner cannot be said to be based on a comprehensive evaluation of all relevant facts and circumstances.

10.12. As seen from the record, the petitioner himself admitted that he did not obtain prior permission for acquisition and disposal of immovable properties. No satisfactory explanation was offered by the petitioner as to why such mandatory requirement was not complied with.

10.13. Additionally, as per the material referred to in the charge sheet, the petitioner had not filed income tax returns during the relevant check period i.e., from 25.01.2002 to 22.12.2010 and filed the same for the assessment years 2012-13 and 2013-14. Similarly, his wife also filed income tax returns for the assessment years 2010-11, 2011-12 and 2012-13 i.e., after the check period. These circumstances, though not

conclusive by themselves, raise serious questions which require detailed examination.

10.14. In view of the foregoing discussion, this Court is of the opinion that exoneration of the petitioner in the departmental proceedings, being based on limited and incomplete consideration of material, does not have any bearing on the criminal proceedings. It is well settled that departmental proceedings and criminal proceedings operate in distinct fields and findings in one do not automatically conclude the other, particularly when the standard of proof and the nature of evidence differ. The case on hand involves disputed questions of fact relating to acquisition of assets, sources of income and compliance of statutory requirements, which cannot be adjudicated at this stage in proceedings of this nature. The truth or otherwise of the allegations can only be determined upon appreciation of oral and documentary evidence during a full-fledged trial.

10.15. Accordingly, the issues (c), (d) and (e) are answered against the petitioner.

11. For the aforesaid reasons, this Court is of the view that there are no grounds to quash the proceedings against the petitioner. Accordingly, this Criminal Petition is dismissed. However, since the

crime pertains to the year 2011, the trial Court is directed to conclude the trial as expeditiously as possible, in accordance with law, without being influenced by any of the observations made by this Court in this order.

Pending miscellaneous applications, if any, shall stand closed.

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JUVVADI SRIDEVI, J

Date: 26.03.2026
Note: L.R. Copy to be marked.
B/o.
rev