

**IN THE HIGH COURT OF ANDHRA PRADESH AT AMARAVATI**

**\*HON'BLE SRI JUSTICE HARINATH.N**

**+CRIMINAL PETITION No.4675 OF 2022**

**%07.05.2025**

**#Between:**

A.B.Venkateswara Rao, IPS, S/o.late Balaswamy, aged 58 years, R/o.Plot No.68, 3<sup>rd</sup> Cross, Vijayanagar Colony, Vijayawada, Andhra Pradesh.

**...PETITIONER**

**AND**

1. The State of Andhra Pradesh, Rep.by its Special Public Prosecutor  
ACB & CBI, High Court of A.P., Amaravati.

2. The Deputy Director, CIU, ACB, AP., Vijayawada.

**...RESPONDENT(S):**

**Counsel for the Petitioner:**

1.Sri.Madhava Rao Nalluri

**Counsel for the Respondent(S):**

1. SPL PP CUM ACB

*The Court made the following:*

**<Gist:**

**>Head Note:**

**? Cases referred:**

2024 SCC OnLine SC 2621

This Court made the following:

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**...RESPONDENT(S):**

DATE OF ORDER PRONOUNCED: 07.05.2025

**SUBMITTED FOR APPROVAL:**

**HON'BLE SRI JUSTICE HARINATH.N**

1. Whether Reporters of Local newspapers may  
be allowed to see the Judgments? Yes/No
2. Whether the copies of order may be marked  
to Law Reporters/Journals? Yes/No
3. Whether Your Lordships wish to see the fair  
copy of the order? Yes/No

**JUSTICE HARINATH.N**

APHC010317182022

**IN THE HIGH COURT OF ANDHRA PRADESH****AT AMARAVATI****[3457]****(Special Original Jurisdiction)****WEDNESDAY ,THE SEVENTH DAY OF MAY  
TWO THOUSAND AND TWENTY FIVE****PRESENT****THE HONOURABLE SRI JUSTICE HARINATH.N****CRIMINAL PETITION NO: 4675/2022****Between:**

A B Ventateswara Rao, IPS

**...PETITIONER/ACCUSED****AND**The State Of Andhra Pradesh and  
Others**...RESPONDENT/COMPLAINANT(S)****Counsel for the Petitioner/accused:**

1.MADHAVA RAO NALLURI

**Counsel for the Respondent/complainant(S):**

1.SPL PP CUM ACB

**The Court made the following:**

**HONOURABLE SRI JUSTICE HARINATH.N****CRIMINAL PETITION No.4675 OF 2022****ORDER :**

1. The petition is filed seeking to quash of FIR No.1/RCO-CIU-ACB/2021 on the file of Anti Corruption Bureau, CIU, AP, Vijayawada Police Station. The petitioner is alleged to have committed offences under Section 13(1)(d) read with Section 15 of the Prevention of Corruption Act 1988, Section 7(a)(c) Prevention of Corruption (Amendment) Act 2018, Sections 409, 420, 120-B and read with section 511 of IPC.

**Facts in Brief ::**

2. The petitioner rendered his service as a Senior Police Officer in the state and was appointed as Additional Director General of Police for the intelligence department on 10.07.2015. It is the allegation of the state that he had misused his office and caused loss to the government exchequer in that regard the state had conducted an inquiry and a complaint was filed against the petitioner alleging various offences. During the pendency of this petition the ACB had filed charge sheet and the petitioner has filed a copy of the charge sheet vide a separate memo before this Court.
3. An inquiry was ordered on the allegations relating to the process and procurement of Aerostat and UAV (Security and Surveillance Equipment) through the State Trading Corporation of India (STC) for surveillance on the extremists movements and for other security

operations. The petitioner had forwarded the proposal to the DGP, A.P for procuring the surveillance equipment.

4. It is the case of the state that the petitioner has misused his official position and resorted to deliberate deviations of the laid down procedures to benefit a 3<sup>rd</sup> party in the process of procurement. It is the specific allegation in the complaint that the petitioner got incorporated a company Akasham Advanced Systems Limited through his son Mr Chaitanya Sai Krishna. A company based in Israel had issued an authorization letter in the name of Akasham Advanced Systems Limited as their Indian representative except for the States of Telangana and Andhra Pradesh. It is alleged that the petitioner had submitted revised technical specifications to the Director General of Police on 27.06.2018 and the same were forwarded by the DGP to the STC. Bids were called by STC and 4 companies participated in the bidding process. RT inflatable Israel had cleared all the technical specifications and other bidders were disqualified. It is alleged that the petitioner had his own interest in disqualifying all other bidders to benefit RT inflatables.
5. It is also alleged that the petitioner had corresponded with the DGP for utilization of the leftover budget from the intelligence department for purchase of security related equipment. Ultimately the purchase order was cancelled resulting in loss of Rs.10,00,000/- to the government exchequer. It is also alleged in the complaint that even after the DGP issuing proceedings of cancellation dated 24.12.2018 the petitioner sent

letters on 28.03.2019 to the then DGP to review the cancellation of purchase order or to reinitiate the entire process. It is alleged that the petitioner hatched a conspiracy with others and got incorporated a company and misused his office to benefit the said company which was owned by his son. It is also alleged that the petitioner got deposited Rs.35,00,000/- to the account of Akasham Advanced Systems Limited on 31.10.2018. With these allegations against the petitioner, a complaint was filed after obtaining the requisite permission under Section 17A of the Prevention of Corruption (Amendment) Act 2018.

**Contentions of the Petitioner ::**

6. Learned Senior Counsel appearing for the petitioner submits that the very registration of the crime is against law as none of the provisions of the law which are alleged against the petitioner are applicable. Even as seen from the averments of the complaint, no offence can be made out even remotely against the petitioner. Learned Senior Counsel for the petitioner submits that Section 409 and 420 of IPC cannot be made applicable to the facts of the case. It is also submitted that as the petitioner is the sole accused in the case, Section 120 B of IPC also cannot be applicable.
7. It is also submitted that the allegations in the complaint would also not draw the attention of any of the provisions of Prevention of Corruption Act also. The learned senior counsel submits that the Charge Sheet

filed by the respondent is a verbatim repetition of the complaint and nothing new is evident from the charge sheet.

8. It is alleged in the charge sheet that, had the procurement of surveillance equipment fructified in the state of Andhra Pradesh the son of the petitioner, would have taken advantage of it and show case it to various organisations of various states in India and obtain purchase orders, which in-turn benefit the son of the petitioner and the petitioner pecuniarily.
9. It is submitted that the committee of technical experts was appointed by the DGP. The petitioner had no role in appointing any of the technical experts nor there is a specific role assigned to the petitioner to nominate or name or suggest a Technical Expert. The Learned Senior Counsel submits that the government has issued GOMS No.12, dated 08.06.2015. The Information Technology, Electronics and Communications Infra Department has issued e-governance orders. The said order was issued by the government to ensure a transparent procurement policy. It is submitted that the policy does not mandate the petitioner to suggest the names of the expert committee. It is submitted that none of the acts of the petitioner can be considered as violative of any of the e-procurement policy. In such circumstances, the petitioner could not have been framed as an accused in a false complaint.
10. The allegation that the petitioner failed to suggest a technical expert cannot be an offence as alleged and charged. It is submitted that it was

an open competitive bid called by the STC. As such, the petitioner cannot be held responsible or liable for calling the bids or cancellation of the bids.

11. The learned senior counsel submits that the Home department had issued a GO for procurement of surveillance equipment. The petitioner only initiated the process. It is submitted that, the petitioner as the Additional Director of Police for the Intelligence Department has acted in the interest of the state and initiated the process of procuring the surveillance equipment in the best interest of the state. It is submitted that though a charge sheet is filed, the same is replica of the allegations in the complaint and nothing beyond.

12. Learned Senior Counsel, placed reliance on the judgment of the Hon'ble Supreme Court in the matter of Kailashben Mahendrabhai Patel and others Vs. State of Maharashtra and another<sup>1</sup>, held at para 16 as follows ;

16. It is submitted on behalf of the respondent that after investigation, charge sheet has already been filed and that this Court should not interfere with the judgment of the High Court. The chargesheet is on record and we have examined it carefully, it simply reproduces all the wordings of the complaint. There is nothing new even after investigation, the allegations made in the FIR/complaint are exactly the allegations in the charge sheet. Even otherwise, the position of law is well entrenched. There is no prohibition against quashing of the criminal proceedings even after the charge sheet has been filed. In Anand Kumar Mohatta v. State (NCT of Delhi).

*"14. First, we would like to deal with the submission of the learned Senior Counsel for*

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<sup>1</sup> 2024 SCC OnLine SC 2621

*Respondent 2 that once the charge- sheet is filed, petition for quashing of FIR is untenable. We do not see any merit in this submission, keeping in mind the position of this Court in Joseph Salvaraj A. v. State of Gujarat... (2019) 11 SCC 706.*

*15. Even otherwise it must be remembered that the provision invoked by the accused before the High Court is Section 482 CrPC and that this Court is hearing an appeal from an order under Section 482 CrPC....*

*16. There is nothing in the words of this section which restricts the exercise of the power of the Court to prevent the abuse of process of court or miscarriage of justice only to the stage of the FIR. It is settled principle of law that the High Court can exercise jurisdiction under Section 482 CrPC even when the discharge application is pending with the trial court. Indeed, it would be a travesty to hold that proceedings initiated against a person can be interfered with at the stage of FIR but not if it has advanced and the allegations have materialised into a charge-sheet. On the contrary it could be said that the abuse of process caused by FIR stands aggravated if the FIR has taken the form of a charge-sheet after investigation. The power is undoubtedly conferred to prevent abuse of process of power of any court."*

*Similar view is taken by this Court in Joseph Salvaraj A. v. State of Gujarat<sup>10</sup>; A.M. Mohan v. State<sup>11</sup>; Mamta Shailesh Chandra v. State of Uttarakhand.*

13. The learned standing counsel for the respondent submits that a detailed counter is filed seeking dismissal of the petition. It is also submitted by the learned standing counsel for the respondent that the police have completed investigation and filed the charge sheet. It is also submitted that there were several irregularities which were resorted to by the petitioner for pushing the procurement of the equipment. It is also

submitted that a full-fledged trial ought to be conducted to ascertain the allegations against the petitioner.

14. It is submitted that a prima facie case is made out against the petitioner and when a charge sheet is also filed after investigation, this case in particular cannot be quashed and prays for dismissing the petition.
15. Heard the learned senior counsel for the petitioner and the learned standing counsel for the respondent and also perused the material on record and also perused the copy of charge sheet filed by the learned counsel for the petitioner.
16. The police have filed a charge sheet after investigation. As seen from the charge sheet it is a continuation of the complaint. The primary allegation against the petitioner in the complaint as well as in the charge sheet is that, the petitioner has initiated the process of procurement of surveillance equipment and initiated the process through the then DGP. It is the further allegation that the petitioner introduced the company incorporated by his son as its CEO and the company of the petitioner's son was the representative of a company based in Israel which was in the business of manufacture and supply of surveillance equipment. It is also alleged that the petitioner has suppressed the information about Aakasham Advance Systems Limited. It is the further allegation that the petitioner had modified the specifications to disqualify the other bidders and qualify the company based in Israel i.e., M/s. RT Inflatables.

17. It is the specific allegation that if the procurement of surveillance was fructified in the state of Andhra Pradesh, the CEO of Aakasham Advance System Private Limited, Vijayawada as a representative of RT Inflatables Objects Limited, Israel would take advantage of it and show case the same to the organizations of various states in India and obtain purchase orders which in turn benefit the son of the petitioner and the petitioner with huge pecuniary advantage.
18. Maintenance of Law and Order would largely depend on the inputs of the Intelligence Department. The intelligence inputs of the Intelligence Department plays a crucial role in crime prevention, Law Enforcement, National Security, Internal security, Counter Terrorism, Public Order apart from a host of other challenges faced on a day to day basis in maintaining Law and Order. The petitioner as the then Head of the Intelligence Department had the bounden duty to adopt the changing technology and attempted to upgrade the surveillance system of the state police. In the said process he had proposed for procuring the surveillance equipment from a supplier whose equipment would meet the requirements of the state police.
19. In pursuance of the requirement of the state police the petitioner has initiated the procurement process through the then Director General of Police, Andhra Pradesh, State of Andhra Pradesh. GOMS No.12, dated 08.06.2015 was issued by the state to ensure transparency and to enhance efficiency and effectiveness in the procurement through e-

governance. The bids are called for through the State Trading Corporation of India. No malafides can be attributed to the acts of the petitioner to that extent.

20. The allegation that the petitioner's son is a CEO of Aakasham Advance System Private Limited and that the said company is a authorized representative of RT LTA Systems Limited had addressed a letter dated 18.03.2020 to the Deputy Director, CIU, Anti Corruption Bureau categorically informing that Aakasham Advance System Private Limited is promoting the products of RT LTA Systems Limited in India except in the state of Telangana and Andhra Pradesh. It is also categorically stated that no payment was ever made by RT to Aakasham under the agreement and that as on 18.03.2020 the appointment letter is no longer in force. Setting up of a company by the son of the petitioner cannot constitute any offence, at any rate the said company is not the authorised representative of the Israel company for the State of A.P. thus no malafides can be attributed to the said company or the petitioner.

21. In this scenario the assumption on part of the state that undue benefit would accrue to Aakasham Advance System Private Limited if the procurement by the State was completed and that the same would be projected before other organisations and secure the purchase orders is a fictional imagination of the Investigating Officer. The investigation

officer has failed to connect the dots to link the petitioner with any of the offences alleged.

22. The Charge sheet is filed on the presumption that the petitioner would be benefited by taking advantage of the purchase order issued by the State by showcasing it to other organizations of various states in India and obtained purchase orders. It would indicate that the other states and other organizations might simply nominate Aakasham Advance System Private Limited and place purchase orders worth crores of rupees placing reliance on the purchase order(s) of the state. Presumption of undue benefit to the petitioner cannot form basis for implicating the petitioner in a false case.
23. The proposal for procurement was cancelled for various reasons. When the respondent has named the petitioner alone as an accused there cannot be any scope for applicability of Section 120-B of IPC. The facts of the case and the charge sheet also do not indicate commission of offences under Sections 409 and 420 read with 511 of IPC cannot be made applicable on the facts of the case.
24. The Section 13(1)(a) of the Prevention of Corruption Act, 1988 cannot be made applicable to the facts of this case as there is no evidence to prima facie point the finger of suspicion towards the petitioner that he has dishonestly or fraudulently mis-appropriated or converted for his own use any property entrusted to him or under his control as a Public Servant or allowed any other person to do so. So also Section 13(1)(c)

& (d) and 15 and Section 7(a) of Prevention of Corruption Act, 1988 are not made out against the petitioner.

25. The judgment cited by the learned senior counsel appearing for the petitioner would squarely cover the facts on hand. In the present case, the charge sheet is a continuation of the complaint and reflects the allegations in the complaint as findings of the investigating officer. This Court can invoke the inherent powers under Section 482 of Cr.P.C., in deserving cases and quash the criminal proceedings.

26. On the facts and circumstances of the present case, none of the allegations charged against the petitioner can sustain the scrutiny of trial and all the allegations are made in a feeble and casual manner without any basis and do not sustain the scrutiny of law and logic. Thus, no judicial purpose would be served in relegating the matter to trial and the petitioner need not be further required to undergo the rigmarole of trial. On these grounds the criminal petition deserves to be allowed. FIR No.1/RCO-CIU-ACB/2021 on the file of Anti Corruption Bureau, CIU, AP, Vijayawada and subsequent charge sheet which is taken on file as CC.No.11 of 2024 on the file of Special Judge for SPE and ACB Cases, Vijayawada is hereby quashed.

27. Accordingly, criminal petition is allowed.

Pending miscellaneous petitions, if any, shall stand closed.

**JUSTICE HARINATH.N**

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**HONOURABLE SRI JUSTICE HARINATH.N**

**CRIMINAL PETITION No. 4675 of 2022**

Date: 07.05.2025

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