IN THE HIGH COURT OF JUDICATURE AT MADRAS

Reserved on : **16.07.2025**

Pronounced on : **15.10.2025**

CORAM

THE HON'BLE MR.JUSTICE D.BHARATHA CHAKRAVARTHY

Crl.A.Nos.31, 61, 49, 57, 43 and 48 of 2014

C.Chandrashekar	... Appellant in Crl.A.No.31 of 2014 / Accused No.1
G.Kumararaj	... Appellant in Crl.A.No.61 of 2014 / Accused No.7
S.Eswar Singh	... Appellant in Crl.A.No.49 of 2014 / Accused No.9
P.Santhanakrishnan	... Appellant in Crl.A.No.57 of 2014 / Accused No.12
B.Amar Singh	... Appellant in Crl.A.No.43 of 2014 / Accused No.5
K.S.Seshadri	... Appellant in Crl.A.No.48 of 2014 / Accused No.8

Vs.

State represented by, Inspector of Police, CBI/ACB/Chennai.	... Respondent / Complainant in all Appeals

Common Prayer: These Criminal Appeals filed under Section 374 Cr.P.C., to set aside the conviction and sentence passed by the learned IX Additional Special Judge for CBI Cases, Chennai in C.C.No.1 of 2003, dated 08.01.2014.

For Appellant
In Crl.A.No.31 of 2014 : Mr.S.Xavier Felix
In Crl.A.No.61 of 2014 : Mr.S.Karthikeyan
In Crl.A.No.49 of 2014 : Mr.B.Priya
In Crl.A.No.57 of 2014 : Mr.M.Aravind Kumar
In Crl.A.No.43 of 2014 : Mr.K.Shankar
In Crl.A.No.48 of 2014 : Mr.S.D.S.Philip

For Respondent in all Appeals : Mr.N.Baaskaran
Special Public Prosecutor
for CBI Cases

COMMON JUDGMENT

A. The Appeals

All these appeals originate from the judgment dated 08.01.2014 in C.C. No.1 of 2003 on the file of the IX Additional City Civil Judge (Special Judge for CBI Cases), Chennai, which arises out of regular cases registered by the Respondent in RCMAI.36(A)/1999 and 51 (A)/1999. Final Reports were filed against 12 accused, and for some of the accused, charges were abated due to their deaths pending trial. Some of the accused were acquitted, but the appellants were convicted. The following tabular column reflects the rank, name, criminal appeal number, charged offences, conviction details, and sentences imposed on them.

Accused No. / Criminal Appeal No.	**Offences Charged**	**Finding**	**Sentence**
A1 - Chandrasekar (Criminal Appeal No. 31/2014)	i) Section 120-B r/w 420 IPC and 13(2) r/w 13 (1) (d) of P.C. Act 1988 ii) Section 420 of IPC iii) Section 13(2) r/w 13 (1) (d) of P.C. Act,1988	Convicted	Rigorous Imprisonment for 2 years and also to pay fine of Rs.10,000/- in default to undergo Rigorous Imprisonment for 2 months. ii) Rigorous Imprisonment for 2 years and also to pay fine of Rs.10,000/- in default to undergo Rigorous Imprisonment for 2 months. iii) Rigorous Imprisonment for 2 years and also to pay fine of Rs.10,000/- in default to undergo Rigorous Imprisonment for 2 months.
A2- P.P.Janardhanan Accused died		Charge Abated	
A3 – S.R. Nagarajan (Criminal Appeal No. 55/2014)	i) Section 120-B r/w 420 IPC and 13(2) r/w 13 (1) (d) of P.C. Act 1988 ii) Section 420 of IPC iii) Section 13(2) r/w 13 (1) (d) of P.C. Act,1988	Convicted	Rigorous Imprisonment for 2 years and also to pay fine of Rs.10,000/- in default to undergo Rigorous Imprisonment for 2 months. ii) Rigorous Imprisonment for 2 years and also to pay fine of Rs.10,000/- in default to undergo Rigorous Imprisonment for

			2 months. iii) Rigorous Imprisonment for 2 years and also to pay fine of Rs.10,000/- in default to undergo Rigorous Imprisonment for 2 months.
A4 – Selvam Accused died		Charge Abated	
A5 – B.Amarsingh (Criminal Appeal No. 43/2014)	i) Section 120-B r/w 420 IPC and 13(2) r/w 13 (1) (d) of P.C. Act 1988 ii) Section 420 of IPC iii) Section 13(2) r/w 13 (1) (d) of P.C. Act,1988	Convicted	Rigorous Imprisonment for 2 years and also to pay fine of Rs.10,000/- in default to undergo Rigorous Imprisonment for 2 months. ii) Rigorous Imprisonment for 2 years and also to pay fine of Rs.10,000/- in default to undergo Rigorous Imprisonment for 2 months. iii) Rigorous Imprisonment for 2 years and also to pay fine of Rs.10,000/- in default to undergo Rigorous Imprisonment for 2 months.
A6 – P.Mani Accused died		Charge Abated	
A7 – G. Kumararaj (Criminal Appeal No. 61/2014)	i) Section 120-B r/w 420 IPC and 13(2) r/w 13 (1) (d) of P.C. Act 1988	Convicted	Rigorous Imprisonment for 2 years and also to pay fine of Rs.10,000/- in default to undergo Rigorous Imprisonment for 2 months.

	ii) Section 420 of IPC iii) Section 13(2) r/w 13 (1) (d) of P.C. Act,1988		ii) Rigorous Imprisonment for 2 years and also to pay fine of Rs.10,000/- in default to undergo Rigorous Imprisonment for 2 months. iii) Rigorous Imprisonment for 2 years and also to pay fine of Rs.10,000/- in default to undergo Rigorous Imprisonment for 2 months.
A8 – K.K.Seshadri (Criminal Appeal No. 48/2014)	i) Section 120-B r/w 420 IPC and 13(2) r/w 13 (1) (d) of P.C. Act 1988 ii) Section 420 of IPC iii) Section 13(2) r/w 13 (1) (d) of P.C. Act,1988	Convicted	Rigorous Imprisonment for 2 years and also to pay fine of Rs.10,000/- in default to undergo Rigorous Imprisonment for 2 months. ii) Rigorous Imprisonment for 2 years and also to pay fine of Rs.10,000/- in default to undergo Rigorous Imprisonment for 2 months. iii) Rigorous Imprisonment for 2 years and also to pay fine of Rs.10,000/- in default to undergo Rigorous Imprisonment for 2 months.
A9 – S. Eswar Singh (Criminal Appeal	i) Section 120-B r/w 420 IPC and 13(2) r/w 13 (1) (d) of P.C. Act 1988	Convicted	Rigorous Imprisonment for 2 years and also to pay fine of Rs.10,000/- in default to undergo Rigorous Imprisonment for 2

No. 49/2014)	ii) Section 420 of IPC iii) Section 13(2) r/w 13 (1) (d) of P.C. Act,1988		months. ii) Rigorous Imprisonment for 2 years and also to pay fine of Rs.10,000/- in default to undergo Rigorous Imprisonment for 2 months. iii) Rigorous Imprisonment for 2 years and also to pay fine of Rs.10,000/- in default to undergo Rigorous Imprisonment for 2 months.
A10 – B. Ramachandran	Not found guilty of the offences u/s. 120-B IPC r/w 420 IPC and Section 13(2) r/w 13(1)(d) of P.C. Act, 1988	Acquitted	
A11 – Palaniappan	Not found guilty of the offences u/s. 120-B IPC r/w 420 IPC and Section 13(2) r/w 13(1)(d) of P.C. Act, 1988	Acquitted	
A12 – P.Santhanakrishn-an (Criminal Appeal	i) Section 120-B r/w 420 IPC and 13(2) r/w 13 (1) (d) of P.C. Act 1988 ii) Section 420	Convicted	Rigorous Imprisonment for 2 years and also to pay fine of Rs.10,000/- in default to undergo Rigorous Imprisonment for 2 months.

No. 57/2014)	of IPC iii) Section 13(2) r/w 13 (1) (d) of P.C. Act,1988		ii) Rigorous Imprisonment for 2 years and also to pay fine of Rs.10,000/- in default to undergo Rigorous Imprisonment for 2 months. iii) Rigorous Imprisonment for 2 years and also to pay fine of Rs.10,000/- in default to undergo Rigorous Imprisonment for 2 months.

1.1 As such, these appeals are taken up together and disposed of by this common judgment.

B. The Case of the Prosecution:

2. On 31.08.1999, V. Eswaran (PW-3), the Director of Vigilance at Chennai Telecom Department, lodged a complaint stating that between April 1997 and July 1999, five accused individuals—Chandrashekar, Janardhanan, S.R.Nagarajan, P. Selvam, and Amar Singh—conspired. They raised false indentations for the Mysore Telecom circle and obtained goods such as cables, telephone poles, and line wires from the District Stores Depot in Chennai without approval from the Chief General Manager of the District Stores Depot in Calcutta. Deliveries were made on various occasions from 24.4.1997 to 21.7.1997. While consignments were meant to reach their intended

destinations, approximately 26 consignments valued at Rs. 1,00,00,000/- were taken to unknown locations and misappropriated.

2.1 On the strength of the said above allegations, PW72. E.P.Suresh Kumar registered a regular case in RCMAI.36(A)/1999 for the alleged offences under Sections 120B r/w. 420 IPC, and Section 13(2) r/w. Section 13(1)(d) of the Prevention of Corruption Act, 1988.

2.2 On 06.12.1999, upon receiving source information that a total of six accused conspired together and were raising indents to receive goods from the Stores, hired lorries from other transporters, and were not transporting the goods to their intended destination but instead misappropriating goods worth Rs.95,00,000/-, the same officer, PW-72 namely E.P. Suresh Kumar, registered another regular case in RCMAI.51 (A)/1999 for the alleged offences under Section 120B r/w 420 IPC, Section 13(2) read with Section 13(1)(d) of the Prevention of Corruption Act, 1988, and under Section 420 IPC. Both cases were taken up for investigation, and a common final report was filed against 12 persons for the offences mentioned above.

C. The Trial & the Judgment:

3. The case was taken on file in C.C.No.1 of 2003 on 24.01.2003. After issuing summons, and after the accused appeared and provided copies, charges were framed on 04.07.2003 for the offences under Sections 120B r/w 420 IPC and Section 13(2) r/w Section 13(1)(d) of the Prevention of Corruption Act, 1988, as well as under Section 420 IPC and Section 13(2) r/w Section 13(1)(d) of the Prevention of Corruption Act, 1988. The accused denied the charges and stood trial.

3.1 Thereafter, the prosecution, to establish the charges, examined PW1 to PW72 and marked Ex.P1 to Ex.P408. When questioned about the incriminating evidence on record under Section 313 of the Code of Criminal Procedure, all the accused denied it as false.

3.2 Thereafter, Kannan and Sathyanan Rajhans were examined as DW1 and DW2. Exhibits D1 to D4 were also marked on behalf of the defense. After the trial concluded and the Special Public Prosecutor and the learned counsel for the accused presented their arguments, the trial Court rejected the objections regarding the sanction and found it to be proper. The Court considered the details of the involvement of various accused persons in relation to the marked indents on behalf of the prosecution. Subsequently, based on the evidence presented by the prosecution, including the marking of the private lorry owner's booking registers as Exs. P234, P235, etc., the Court found that the goods were actually taken to Tiruvannamalai, instead of the originally intended destination, for several consignments. The Court also considered the testimony of PW-47 Abdul Khader, a scrap dealer, and PW-46, the driver, who testified about entrusting the goods to PW-47. The witness confirmed that the goods were diverted to Tiruvannamalai and other private scrap dealers without being taken to the designated stores for which the indent was raised. The Court concluded that the prosecution proved the offences of misappropriation and that the officials, who are accused, abused their official positions and cheated the Telecom Department by removing the materials to the scrap dealers. The findings were made charge-wise concerning the different accused and their respective roles. Charges against accused No. 2 Janardhanan, accused No. 4 Selvam, and accused No. 6 Mani were dismissed as abated, as all three had since died pending trial.

3.3 The trial court found that regarding the indents raised by accused No. 10 and 11, Ramachandran and Palaniappan, it transpired that the goods were actually supplied to the concerned stores, and therefore the accused Nos. 10

and 11 were acquitted. The trial court convicted the remaining accused of the other charges and sentenced them as indicated above. Aggrieved by this, the present appeals have been filed by the appellants.

D. The Arguments :

4. Mr.S.Xavier Felix, the learned counsel appearing in Criminal Appeal No.31 of 2024, filed on behalf of the Accused No.1, would submit that the specific charges that are framed against the first accused is that he conspired with accused No.6, P.Mani, (died), who was not recognized as a contractor of the Telecom Department, with a view to cheat the Telecom Department to the tune of Rs.1,95,00,000/-. The further allegation is that he signed three blank indents and handed it over to the Accused No.5. The learned counsel would submit that the sanction for the prosecution of A1 has not been accorded by the competent authority. It is only issued by PW2, D.P.Saini, the Assistant Director General who is not authorized to issue sanction on behalf of the President of India. Considering the nature of the post held by the Accused No.1, it is only the President who is the Competent Authority which means that the sanction should have been ordered only by the Minister concerned. In any event, there is a complete non-application of mind while according sanction.

4.1 The learned counsel would rely upon the Judgment of the Hon'ble Supreme Court of India in ***Manoranjan Prasad Choudhary vs. State of Bihar***[1], more specifically the paragraph no.2. The judgment of this Court in ***G.Nagarajan and anr vs. State***[2]***,*** is relied upon to contend that the entire proceedings will be vitiated on account of invalid sanction. Paragraph 7 (1) of the Judgment of the Hon'ble Supreme Court of India in ***Mohd. Fasal Ahmed Vs. State of Andhra Pradesh***[3] is also relied upon.

4.2 The learned counsel would also rely upon the Judgments in ***Periyasamy Vs. the Inspector Vigilance and Anti-Corruption***[4], **Har Bharoley Lal Vs. State of UP.**[5], **Union of India vs. D. Bali**[6], **ShailendraNath vs. State of Bihar**[7], **State of Karnataka Vs. Ameerjan**[8], **Nanjappa Vs. State of Karnataka**[9] **and CBI Vs. Ashok Kumar Agarwal**[10]**.** The above Judgments were relied upon for the proposition that invalidity of the sanction will go to the root of the matter and when it is issued by an authority which is not competent to issue the same, then it would vitiate the proceedings.

1. ***2002 (10) SCC 688***
2. ***2010) SCC Online Madras 2820***
3. ***AIR 1979 SC 677***
4. ***1992 L.W (Crl) 582***
5. **1988 Crl.L.J. 1122**
6 **1978 Crl.L.J. NOC 14**
7. **1968 Crl.L.J.1484**
8. **2007 11 SCC 273**
9, **2015 (14) SCC 186**
10. **(2014) 14 SCC 295**

4.3 The learned counsel would further contend that the only allegation that is made as against the appellant is that he has issued indents. However, from the evidence of PW8, it would be clear that the appellant was empowered to issue indents, as he was the Sub-Divisional Manager, Material Management. The further contention of the learned counsel for the appellant is that the indents were genuine and were neither false nor fabricated. The learned counsel would point out that the evidence of PW4 where he has admitted in his chief examination that in all the 16 indents from Mysore, the rubber seal was there and the Sub-Divisional Engineer, Material Management had only issued the same. PW4 has even categorically admitted that those indents cannot be said to be false or forged. As far as Ex.P163 is concerned, it is not admissible in evidence, as PW29 is not competent to speak about the same. It can further be seen that though Ex.P195 was marked through PW-39, the prosecution failed to establish that how the indent reached Chennai and thus on the whole it is his contention that the prosecution failed to establish that the indent Ex.P195 was issued by the appellant and materials were supplied and vouchers were issued due to the instructions of his higher officials.

4.4 The learned counsel thus submit that with reference to conspiracy with A6, Mani, there is absolutely no evidence. It is stated by PW 64, Sathyamoorthi that he had even seized blank signed indents. However those 18 documents were not marked by the prosecution. Even the search list and full particulars relating to the search were not presented as evidence by the prosecution, and thus it has failed to establish the chain of link with reference to the handing over of the 16 signed blank indents by Accused No 1.

4.5 The learned counsel pointing out the admission made by the defacto complainant, who categorically states that his office did not obtain any blank indent signed by the Accused No. 1. It is the contention of the learned counsel that except for alleging that the Accused No.1 had signed the indents, no further evidence was let in as to when and where those indents were signed and how those Indents travelled upto Chennai from Mysore. In this regard, the judgment of the Hon'ble Supreme Court of India in ***Parveen vs. State of Haryana***[11.], more specifically, in Paragraph 12, was relied upon to contend that in the absence of any positive evidence, it would be unsafe to convict the Accused.

4.6 The learned counsel would also rely upon the Judgment of the Supreme Court in ***Laxman Prasad @ Laxman Vs. State of MP***[12.] to contend that when

11. *2021 SCC Online SC 1184*
12. *2023 (6) SCC 399*

the case rests on circumstantial evidence, the chain has to be complete in all respects so as to indicate the guilt of the accused and cannot give room to any other plausible theory. The learned counsel would point out to the various defects in the investigation. He would submit that no material was brought on record by the prosecution to prove that the materials were diverted to scrap merchants. No materials were recovered. No materials were also placed relating to the pecuniary advantage of the various accused. The witnesses whose statements were recorded in this regard were not examined and therefore, an adverse inference shall be drawn against the prosecution.

4.7 The fact as to whether the petitioner accused issued the indent on his own or based on the requirement form submitted by the General Manager, Stores Office was not at all ascertained by the Investigating Officer. Therefore, the learned counsel would submit that the Trial Court erred in convicting the Accused No.1.

4.8 Mr. K. Shankar, the Learned Counsel for Accused No. 5 Amar Singh appellant in Criminal Appeal No.43 of 2014 would submit that he was working as an employee at Mysore, who is said to have conspired with Mani. It was not his regular duty to deliver the goods at Mysore. The only role played by him was that he was instructed by his superior officer is to carry the indent and present it to the store, Chennai. That is the only piece of evidence that is let in by the prosecution. There is absolutely no evidence of any conspiracy or receipt of any pecuniary benefit. Under the said circumstances, he has only carried out the oral instructions of his superiors and presented the indents at the Chennai office being an employee. The entire finding of the trial Court as if he also conspired and committed the above offence are all not supported by any evidence. He would further submit that in this case, when the prime accused Mani, who said to have received the misappropriated amount from all the accused has died even pending trial, has to be taken note by this Court.

4.9 The learned counsel for the accused No. 5 would submit that when it is the specific case of the prosecution that the accused No. 5 only carried Exs.P4, P5, P6, P20, P168, P192, P193, P303, P304 and P305 and got the goods delivered, it can be seen that none of the scrap dealers were examined and they had nothing to do with this accused and they have also not identified the accused and no evidence as if the accused has any connection with the said scrap dealers. Therefore, in the absence of any vital link, which is missing in the instant case, this accused cannot be convicted based on the sole evidence of the handwriting expert alone.

4.10 Mr.S.Karthikeyan, learned counsel appearing on behalf of the Accused No.7 /appellant D. Kumararaj in Criminal Appeal No. 61 of 2014 would submit that during the period April 1997 to July 1999, the accused was the Director, Controller of Stores, Chennai. The allegation against him is that without verifying the genuineness of the indents, had ordered issue of the materials, and based on the order that was passed in the false indents, Accused Nos.4 and 5 had taken the goods to Bangalore and other places and disposed of the same as scrap.

4.11 Prosecution, in order to bolster its case, and to prove the undue pecuniary benefit on the part of the Accused No. 7 had let in evidence that a Car was given to the Accused No. 7 by the Accused No. 6. However, by marking Exs.D3 and D4, the Accused No. 7 has disproved the allegation of the prosecution. The car was purchased by accused No.7 by obtaining loan from the State Bank of India, and due permission was taken at the time of purchase of the car and the purchase of the car was also informed as per the Conduct Rules to the employer.

4.12 The accused, though not marked the permission, filing of the information before the employer during the course of the trial, seeks to produce those documents as additional documents before this Court. All of these are unimpeachable and unquestionable documents and as such can be considered by this Court along with the appeal.

4.13 The learned counsel would submit that the entire allegation against the appellant with reference to the 8 indents in which he is said to have passed order to issue as if the same were sold in market as scrap itself is false. The learned counsel would make the following tabular statement to show that those goods have actually reached Mysore and Bangalore depots.

Stores	***Indent No***	***Voucher***	***Register***	***Holl – II***
Mysore	Ex-P-163 Page – 886 No-9109	Ex-P-198 Page – 1002 No-9109	Ex-P-123 Page – 340 No-9109 & 8092	
Mysore	Ex-P-168 Page – 921 No-8092	Ex-P-199 Page – 1003 Ex.P-200 Page-1004		
Bangalore	Ex-P-192 Page – 997 No-6890	Ex-P-191 Page – 996 (6890) (621)	Ex-P-388 S.No-96 (621)	Ex-P-393 Page-1756 (1770)
Bangalore	Ex-P-193 Page – 998	Ex-P-190 Page – 995		Ex-P-393 Page-1771-

	(6889)	Ex-P-197 Page 1001		1799
Mysore	Ex-P-195 Page – 1000	Ex-P-194 Page-999		
Bangalore	Ex-P-303 Page – 1453 (6889)	Ex-P-186 Page-992		Ex-P-395 Page-1804 (1815)
Bangalore	Ex-P-304 Page – 1454 (248/6889)	Ex-P-188 Page-994 (6889)		Ex-P-271 Page-1299 (1300)
Bangalore	Ex-P-305 Page – 1455 (247/6889)	Ex-P-187 Page-993 247/6889		Ex-P-271 Page-1299 (1300)

4.14 Thus, the prosecution though had seized all the materials and produced it before the trial Court, had laid the charge without even applying its mind on the very same registers that were produced by them and marked as Exs.P123, P390, P388 and H.O.L.L II statements that were marked as Exs.P393, 395 and 271 which would itself prove that the allegations are factually wrong in respect of the majority of the consignments. In any event, when the indent is being produced, as a Director of the stores, he should verify the indents and upon finding the signature of the appropriate authority empowered to draw indent, he had made only the endorsement, please issue. It is his duty. In the absence of any other evidence relating to Accused No. 7, entering into any kind of conspiracy or any pecuniary benefits being received by him or in any manner being in contact with A5 or A6, absolutely no case is made out as against A7 for performing his Legal duty as a Director of the stores. The Accused No. 7 is now being prosecuted. Merely because it is the view of the prosecution that even if those goods did not reach the destination, after an order of issue from the stores at Chennai, the Accused no.7 cannot be held in any manner responsible. But to the contrary, PW-15, Baskaran deposed that as per Ex.P123, materials were received from Chennai. It can be seen that even PW-42, Ayyanarappan, had deposed that the indents were in order.

4.15 The Investigating Officer PW-72 would admit in his cross examination that the present accused, who is the Director, is duly empowered to issue the materials as against the indents for the stores from those States. Therefore, when A7 has performed his duty in accordance with law, in the absence of any other evidence, the trial Court convicted only on presumption and surmises and therefore, the same is liable to be interfered with by this Court.

4.16 The learned counsel would further point out that PW-47, who is a scrap dealer, who said to have purchased these goods states that he received the goods from one Syed Riyazudeen, but the said person was not examined by the prosecution and there is no evidence as if the goods were the same goods which were delivered on account of the Indent from Chennai stores and absolutely the Chain is not complete. PW-47 also categorically deposed that he had no connection whatsoever with Mani at all. Therefore, the prosecution has not established its case and the trial Court has convicted the accused only on presumption and surmises.

4.17 The learned counsel would submit that the petitioner is aged 83 years and underwent angioplasty and is placed with a Stent in his right ICA and suffers from glaucoma, Cataract in both eyes and has all the age related ailments such as prostate enlargement, Hernia etc., The learned counsel would therefore prays for acquitting the accused no.7 .

4.18 Mr.S.D.S.Philip, learned counsel appearing on behalf of the Accused No.8 K.S.Seshadri/appellant in Criminal Appeal No. 48 of 2014 would submit that as far as the allegation against the said appellant is that he signed three blank indents which is said to have been misused by the original accused No.5, Amar Singh and the materials were taken away to Tiruvannamalai and sold as scrap materials. The first three indents was marked as Ex.P20. Firstly, it is only a copy of the same and therefore, is not admissible in evidence. Secondly, it is marked through PW4 Parthiban. He has got nothing to do with the document and as such, cannot be taken as evidence. In any event the allegation is that A8 signed Ex.P20, which was marked as Q2-Q7 for the purpose of verification. In the Report of the handwriting expert in Ex.P329 from paragraph 8, it would be clear that the same could not be verified as that of the Accused No.8.

4.19 As a matter of fact in the Opinion that is marked as Ex.P328 in paragraph 5, it is mentioned that the person who wrote the blue writings and stamped and marked as S25 to S34 and A-12 to A-22 also wrote the red enclosed writing similarly stamped and marked as Q11. In Ex.P-304, the sample signatures are referable only to A4 Selvam and not the appellant. Therefore, even with reference to Ex.P-304, not even the evidence of handwriting expert would point out towards the Accused No. 8 in respect of Ex.P-305, which is the third indent. There is no opinion at all from any of the handwriting experts examined by the prosecution. No witnesses have stated anything about A8 signing the Indent and the signature is not at all identified. Therefore, the only allegation made against Accused No. 8 is that he signed the blank indents of Exs.P20, P304, and P305 which allegations that are not at all proved by the prosecution. There is absolutely no evidence with reference to the further allegation that he handed over the blank intends to A5. The vital material link is not at all established by the prosecution. Therefore, the prosecution has failed to discharge its onus even to *prima facie* point out, towards any allegation as against the Accused No. 8. In any event, the prosecution was not successful in bringing forth any dishonest motive on the part of the Accused No. 8 and absolutely there is no evidence for abuse of the official position and causing loss. Therefore, the Judgment of the trial Court is liable to be interfered with.

4.20 Ms.Priya, learned counsel appearing on behalf of Accused No. 9. would submit that as far as Accused No.9 is concerned, the allegation is that he signed one blank indent and handed over to accused number 5. The Said indent was marked as Ex.P-303 through PW-66, N.Ravi the Principal Scientific Officer was the expert witness. It can be seen that no other witness was examined to even identify the signature of Accused No. 9. The prosecution had relied upon the evidence of the Handwriting expert alone in this case. Paragraph 7 of Ex.P-329 though mentions about Q215 and Q216, did not mention anything about Q24 which is the questioned signature in Ex.P-303 and therefore, the only allegation that is made against Accused No. 9 is that he signed one Blank indent and the prosecution did nothing to prove that it is only the Accused No. 9 who signed the said blank indent. He would therefore submit that the expert opinion would even suggest that the sample signatures in S.19 to S.23 which are the writings which is claimed to be the samples of A2 and A3 and not that of the present appellant A-9. There is no further evidence with reference to further allegation that A9 handed over the Blank Indent to A5. Coupled with the above, the prosecution has done nothing to establish any dishonest motive on the part of the Accused No. 9, and as such, the trial Court erred in convicting the Appellant Accused No. 9.

4.21 Mr.M.Aravind Kumar, learned counsel appearing on behalf of the Accused No. 12, P.Santhanakrishnan / appellant in Crl.A.No.57 of 2014 would submit that as far as the case against the Accused No. 12 is that on one occasion, since the Divisional Engineer was not available, the appellant being in charge had verified the availability of the materials that were claimed through Ex.P-15 indent and after verification of the same, he made an endorsement for issuing the materials, except the same, there is no other materials as against the Accused No.12 in the entire issue. When the duty of the appellant is only to verify the availability of the materials and make an endorsement as to issue or not to issue. There is no basis for the prosecution to convict the appellant for the offences alleged by the prosecution with reference to the goods that are forwarded to other States are concerned. It can be seen from the evidence of PW-3 to PW-8, PW15. PW-21, PW-22 and PW-23 that there are various procedures involved and the indents are even forwarded to the Stores Planning Wing. PW6, who make the allotment of materials which would in turn be verified by the Assistant Director General (MM) and DM (MM) regarding the availability of the said materials. Therefore, when an indent is presented, it undergoes various checks and balances and various officials perform their roles in complying with the tasks and accordingly the indent is processed and the goods are delivered after the gate pass and bin card, which are all done as per law. The appellant, if at all to be held responsible, can be held responsible for something that happens inside the stores. Once the goods are delivered in accordance with law, if thereafter, the concerned accused take the same to the scrap dealer then the Accused No.12 cannot be held to be responsible. There is absolutely no evidence against the Accused No.12 for being involved in any conspiracy. No evidence was let in regarding any violation of rule or any pecuniary benefits being received by Accused No. 12. The sanction order issued against this Accused no.12 is also invalid. The author of the sanction order has not been examined and therefore Ex.P-2 could not have been marked through the other witness and therefore should not be given any evidentiary value. In the absence of the prosecution proving the sanction order, the Accused No. 12 should be acquitted. The prosecution has also not proved about the facts that the goods were not actually received at the concerned depot and the Trial Court convicted the appellant only on presumption and surmises. The appellant is also aged 75 years and faced trial for all these years and therefore the learned counsel would plead that this Court should acquit the appellant. The learned counsel would also submit that even as per the evidence of the prosecution the indent was not presented to this accused directly and it was handled by him only in due course, upon being considered by the appropriate department (Store Planning Department).

4.23 Per contra, Mr.N.Baaskaran, learned Special Public Prosecutor appearing on behalf of the Central Bureau of Investigation would submit that the case of the prosecution is that, during the period from April 1997 to July 1999, A1 to A5 and A7 to A12 who are all public servants working in Telecommunication Department, entered into a criminal conspiracy at Chennai, Bangalore, Mysore and other places to cheat the Telecommunication Department to the tune of Rs.1.95 crores with A6. A1 working as the Sub-Divisional Engineer, Telecom stores and A8 at Bangalore, fraudulently and dishonestly raised false indents for the Telecom Department to the District Stores Depot at Chennai, and the Controller of Telecom Stores, Chennai without any authority issued the goods. Similarly, A8, A9, A10 and A11, who are also working as Sub-Divisional Engineers, Rural Telecom in Bangalore, also raised false incidents. A2, A3 and A12 being Departmental Officers of the stores Department, and A7, being the officer in charge of the Controller of the Telecom stores, in pursuance to the said conspiracy fraudulently and dishonestly delivered the Indented items, knowing fully well that there was no specific orders from the Chief General Manager, Chennai Telecom, Chief General Manager, Karnataka Telecom, Chief General Manager, Telecom Stores Calcutta, for issuing the materials to Mysore and Bangalore Telecom Districts, and A4 Selvam, Sirkar, Bangalore Telecom, and A6 Proprietor Ganesh Transports, pursuant to the conspiracy, took delivery of the said items and instead of delivering to the respective Telecom Districts, fraudulently and dishonestly diverted the said materials worth about 1.95 crores to Abdul Khadhar, Scrap merchant of Tiruvannamalai, Syed Riyazuddin, and Tirunavukarasu, Scrap Merchants of Bangalore for a scrap rate to the tune of Rs.25,00,000/- and thereby caused loss to the Department.

4.24 The learned Special Public Prosecutor would then take this court through the procedure that is to be followed in the whole process. He would submit that whenever an indent is to be raised for a work estimate, it will be issued by the Divisional Engineer and not by the Sub-Divisional Engineer. If the indent is issued by the Sub-Divisional Engineer, then the Divisional Engineer has to countersign the indent. Secondly, if the indent has to be sent outside the State then it has to be routed through the Chief General Manager, Telecom Calcutta and it will be forwarded to Chennai by Chief General Manager Calcutta. If the goods required are available, then the indent has to be registered in the Indent Register maintained in the particular stores. Thereafter, the Planning Department will allot the material and the indent has to be sent to the issue section. In the case of the Controller Telecom Stores, the Director should ensure the genuineness of the indent and upon verification will pass the order of issuing. Then the indent will be forwarded to the issue section where issue voucher or issue note will be prepared by preparing six copies and the Senior Clerk would sign the issue voucher and one copy will be retained by the issue section. Three copies to be sent to CTS Chennai. Two copies will be sent to the godown and one of these copies will be returned to the issue section after making the endorsement of delivery. One copy which is received by the store section, the Sirkar in the section will make entries in the bin card, will prepare the gate pass. Upon preparation of the gate pass, the goods will be delivered to the concerned person. The Appropriate entries will also be made in the issue voucher note and in the Inward Register book / Store Register book. The role alleged to A7 in this case is that he passed the issue order which has been spoken about by PW-5 and PW-6 and PW-21. The preparation of gate pass and entry card has been spoken about by PW-7, PW-13, PW-14 and PW-44. Thereafter, the learned Special Public Prosecutor would take this quote in detail about the individual role that is played by the Accused.

ROLE OF A1:

4.25 It is submitted that the following evidence is on record to prove the role of A1 in raising false indents by signing Blank indents and later filed by A6 to put forth the criminal conspiracy:

•A1 Issues 16 indents – these 16 Indents were sent to District Stores Depot (DSD), Chennai directly without following the procedure, forwarded that the indents to DSD. PW 3 has deposed in this regard – **HC 29**

•A1 has also issued 3 Indents to Central or Controller Telecom Stores (CTS), Chennai (**where A7 is the Director**). CTS is the Zonal Head – covering the States of Karnataka, Kerala, Andhra Pradesh and Tamilnadu.

•PW 54 deposed about the procedure with respect to the Indents and on A1's signature in the Indents. – **HC 227**

•A1 has signed Blank Indents and handed it over to A6, and through their conspiracy the A6 later filled the details of the materials and collected the goods and diverted the Telecom goods to Tiruvannamalai and Mysore.

•PW 8 deposed that there are many corrections made in the Indents which being unusual, can be construed that the Indents were filled later upon checking the available material by A6.

• PW 33 deposed about the Telephonic communication between A1 and A6 through Phone Nos. 5116000, 410499 and 0803393378 to categorically establish the criminal conspiracy between A1 and A6 **(Exs.P169, 170 and 171) – HC 160**

•PW 60 deposed about not receiving of materials - HC 253 and 260

•Of the 19 Indents raised by A1 from Mysore materials were delivered only for 2 Indents (**Ex.P4 and Ex.P19**).

•A1 has also signed the Issue Note as an acknowledgement of material being received but in reality the materials had not reached the intended destination, that can be clearly established through the Indent Inward Store Material Register (Receive Book) maintained in the concerned destination (**Ex.P266, Exs.P388 to 390**)

INDENT:

• A1 has no power to raise indent to procure materials from outside the concerned state.

•The Indent should have been issued by CGM/GM of the Particular Telecom store. Then the Indent should have been routed through CGM/GM Telecom Stores, Calcutta.

•A1 directly sent 3 indents to CTS, Chennai and 16 indents to DSD, Chennai.

•DSD (A2, A3, and A12) should have verified the genuineness of the Indent as it came directly, not through proper channel - **HC 29 and 30**.

•A2, A3, A12 should have verified that Depot Transfer Note from concerned CGM or particular allotment (CGM of Chennai or Calcutta should have issued allotment order)

S.No.	**Indent**	**Issue Voucher or Note No.**	**Goods Received (R) or Not Received (NR)**
1	S/1/S/20011 - Ex.P4	27 LWC	R
2	SP2/S/20011 - Ex.P5	59LWC	NR
3	SP9/S/20011 - Ex.P6	193 LWC	NR
4	SP13/T/20011 -	Exs.P137 - 477	NR

	Ex.P7	LWC – 22.07.1998	
5	SP15/T/20011 - Ex.P8 SP15/T/20011 SP15/T/20011	Exs.P138 – 661 LWC – 05.08.1998 Exs.P139 – 660 LWC – 05.08.1998 Exs.P140 – 700 LWC – 12.08.1998	NR
6	SP16/T/20011 - Ex.P9	Exs.P140 – 700 LWC – 12.08.1998	NR
7	SP19/T/20011 - Ex.P10	Exs.P141 – 1226 LWC – 27.10.1998	NR
8	SP20/T/20011 - Ex.P11	Exs.P142 – 1219 LWC 27.10.1998	NR
9	SP33/T/20011 - Ex.P12	Exs.P143 – 1524 LWC 08.12.1998 Exs.P144 – 1586 LWC 18.12.1998	NR
10	SP36/T/20011 - Ex.P13	Exs.P145 – 1726 LWC 11.01.1999	NR
11	SP39/T/20011 - Ex.P14	Exs.P146 – 1727 LWC 11.01.1999	NR
12	SP42/T/20011 - Ex.P15	Exs.P147 – 2133 LWC – (31.03.1999) Exs.P148 – 1959 LWC – (03.03.1999)	NR

13	SP/1/U/20011 - Ex.P16	Exs.P149 – 01 LWC 19.04.1999	NR
14	SP/2/U/20011 - Ex.P17	Exs.P150 – 78 LWC 12.05.1999	NR
15	SP/3/U/20011 - Ex.P18	Exs.P151 – 77 LWC 12.05.1999	NR
16	SP1048/U/20011 - Ex.P19	415 LWC 01.07.99	R
17	42/L1/20011 - Ex.P4	49LWC	NR
18	165/WCH/20011 - Ex.P4	Ex.P198	NR
19	491/WCH/20011 - Ex.P4	Ex.P199 Ex.P200	NR

ROLE OF A7:

4.26 It is submitted that the following is pertaining to the role of A7 in passing orders to issue items based on false indents:

- •PW 20 deposed about A7 issuing orders without properly verifying the genuineness of the Indents
- •A7 without verifying the Depot Transfer Note from concerned CGM or particular allotment (CGM of Chennai or Calcutta) issued allotment order to issue materials.
- •PW 39 and PW 40 deposed about A7 instructions – HC 177

•PW 41 deposed that covering vouchers were issued only under the instructions of A7 for materials which were already despatched.

•**PW 43** deposed that only under the instructions of A7 loading slips were prepared even without any valid Issue Voucher by completely flaunting the rules. **Ex.P 223 to Ex.P 230** are loading slips prepared without due Issue Voucher. – **HC page 192**

•**PW 53** has specifically deposed about the oral orders issued by A7 – **HC page 217**

•PW 61 and PW62 deposed about the transfer of Maruti Car to A7 in advancement for the criminal conspiracy and misconduct of A7. – **HC 263, 264.**

•PW 66 the signature expert has confirmed the signature of A7 in the questioned Documents – **HC 1461**

S.No.	**Indent**	**Issue Voucher or Note No.**	**Goods Received (R) or Not Received (NR)**
1	158/LH/6890	159L 25.09.1997	NR
2	260/LH/6889	48L	NR
3	49/L1/20011	49L 21.07.1998	NR
4	165/WCH/20011	167WC 11.08.1997	R

5	491/WCH/20011	Exs.P199 519WC 27.02.1998 Ex.P200 539 WC 18.03.1998	NR Received
6	244/6889	2L 17.04.1997	NR
7	248/LW/6889	279 L 14.03.1997	NR
8	247/LW/6889	272 L 06.03.1997	NR

ROLE OF A5:

4.27 It is submitted that the following is pertaining to the role of A5 in entering in a conspiracy with A1, A6 and another. A5 being the Phone Mechanic for the Telecom used his official position to sign the Gate Passes and Issue Vouchers or Notes to receive the materials. A5 has transported those material through A6 Private Transporter and in the Lorries engaged by A6 for diverting the materials to scrap dealers.

•PW14 deposed with respect to the procedure for preparing the Gate pass and specifically established the presence of sign of A5 in the Gate passes (**Ex.P66, Ex.P102 and 106**).

•PW22 deposed the entries made in the Bin Card about the details of materials being issued and also clearly states about the A5 receiving the material. (**Ex.P 153, 154**)

•PW25 categorically deposed that the materials were received by A5 and loaded in many Lorries for transportation. Subsequently the materials did not reach the concerned destination. – **HC 25**.

•PW35 has deposed that the signature and handwriting of A5 regarding taking the materials for delivery through **Ex.P154, Ex.P175**, etc – HC 164

ROLE OF A8:

4.28 It is submitted that the following is pertaining to the role of A8 in raising false indents:

•A8 has no power to raise indent to procure materials from outside the concerned state.

•The Indent should have been issued by CGM/GM of the Particular Telecom store. Then the Indent should have been routed through CGM/GM Telecom Stores, Calcutta.

•A8 directly sent 2 indents from Bangalore to CTS, Chennai and 1 indent to DSD, Chennai.

•None of the goods in respect of the indents raised by A8 has reached the destination and the same can be confirmed from the Inward Store Material Register (**Ex.P266, Ex.388 to 390**)

•The Disputed signature in **Ex.P20**is not confirmed by the Expert.

•The signature of A8 in **Ex.P 304** and **Ex.P305** has been admitted.

S.No.	Indent	Issue Voucher or Note No.	Goods Received (R) or Not Received (NR)
1	SP/3/S/6889	Exs.P154 – 86 LWC 07.05.1997	NR
2	248/LW/6889	279 L 14.03.1997	NR
3	247/LW/6889	272 L 06.03.1997	NR

ROLE OF A9:

4.29 It is submitted that the following is pertaining to the role of A9 in raising false indent:

•A9 as SDE from Bangalore does not have power to raise indent to procure materials from outside the concerned state without it being counter signed by the DE of the Store Telecom.

•The Indent should have been issued by CGM/GM of the Particular Telecom store. Then the Indent should have been routed through

CGM/GM Telecom Stores, Calcutta.

•A9 has directly sent an indents from Bangalore to CTS, Chennai which was fraudulently passed by A7, without the Depot Transfer Note from the CGM, Telecom Stores, Calcutta or any particular allotment from the concerned store.

•The materials transported on the basis of the Indent raised by A9 has also not reached the destination and the same can be confirmed from the Inward Store Material Register (**Ex.P266, Ex.388 to 390**)

•PW66 Expert has confirmed the signature of A9 in the Indents – **HC 1474**

S.No.	**Indent**	**Issue Voucher or Note No.**	**Goods Received (R) or Not Received (NR)**
1	244/6889	2L - 17.04.1997	NR

ROLE OF A12:

4.30 It is submitted that the following is pertaining to the role of A12 in raising false indent:

•A12 as SDE, District Stores Depot (DSD), Chennai, who was holding charge in the absence of A3 had issued orders on the indent registered as **SP/42/T/20011 - Ex.P15** (which was raised by A1 from Mysore) dated 01.03.1999 without completely verifying the genuineness of the indent and even without the Depot Transfer Note from the CGM, Telecom Stores, Calcutta or any particular allotment from the concerned store.

•For the Indent **SP/42/T/20011 - Ex.P15,** two Issue Voucher or Note has been prepared:

S.No.	**Indent**	**Issue Voucher or Note No.**	**Goods Received (R) or Not Received (NR)**
1	SP/42/T/20011 - Ex.P15	2133 LWC – Ex.P147 (31.03.1999)	NR
		1959 LWC – Ex.P148 (03.03.1999)	NR

4.31 Thus, the learned Special Public Prosecutor would submit that the prosecution has proved the role played by each of the accused beyond any reasonable doubt. He would further submit that the materials which are required and delivered through the above indents were not at all required at the relevant place. In this regard, the prosecution has examined PW-27 to PW-32 and PW-36 who have elaborately deposed that these goods were not at all required at the relevant depots as the estimated work is different and the materials that were taken away were different. Therefore, the said factor itself would adumbrate the conspiracy between the accused persons.PW-46, the lorry owner was examined to conclusively prove that these goods were transported from Chennai to Tiruvannamalai on multiple occasions. The relevant transportation details were marked as Exs.P234, P235, P236, and P237, which would clearly prove that these goods ultimately found their way only to Tiruvannamalai and not to the appropriate stores. Further, PW-47, a scrap dealer, also deposed about transportation of 35 truckloads of Telecom materials and that he purchased the same for a scrap value of Rs.40,000/- and Rs.60,000/- per truck and therefore, the prosecution has categorically established through these witnesses that the goods were misappropriated and supplied only to the scrap dealers. Further to buttress the case of the prosecution beyond any doubt whatsoever, PW-24 was examined to prove that these goods never reached Bangalore. PW-52 who is the storekeeper who maintained the Inward Register at Mysore had confirmed that these materials never reached the stores. The Inward store material Register and the store Register book, produced as Ex.P26 and Ex.P388 to Ex.P390, clearly show that the materials never reached the destination and the accused had falsely acknowledged as if the goods have reached the destination. Therefore, the learned Special Public Prosecutor would submit that the prosecution has proved the charges beyond any reasonable doubt and therefore, the trial Court has rightly convicted all these appellants accused and there is nothing for this Court to interfere in the matter.

4.32 The learned Special Public Prosecutor would once again draw the attention of the Court to the tabular column that is extracted in the Judgment of the trial Court itself, which categorically describes the role of each of the accused played in the entire transaction.

E. Discussion & Findings:

5. I have considered the submissions made by all the learned counsel and perused the material records of the case.

5.1 The prosecution's case is that all 12 accused conspired to commit the offences. Except for A6, the others are public servants. A6 is the primary person believed to have taken the goods and sold them as scrap. In this case, since the goods were sold through scrap dealers, no goods or money were recovered, and the money trail could not be traced.

5.2 It also needs to be examined how the Accused No. 6 performed this act and whether all the other convicted accused played a part in it. Accused No. 1, being an officer at Mysore depot, signed the indents Ex-P4 to P20 that were marked through PW-4, who testified that they were issued with the seal of Sub-Divisional Engineer MM, General Manager Telecom, Mysore Telecom District. PW-5 also confirms this and states that he handled those indents except P-20, and the materials were allotted according to the indents. PW-54 identifies that the signatures on these indents are those of Accused No. 1. The dispatch of materials is confirmed by PW-7 and PW-8, PW-22 to PW-25, etc. In fact, PW-8 was cross-examined on behalf of A-1, and it was suggested that PW-8 misused some of the blank indents signed by A-1. PW-9, a driver of the private lorry used for transportation, spoke about some of the loads being requested to be delivered at Madiwala, near Bengaluru. PW-10, another lorry driver, also testified on this. PW-60 further confirms that the indents are signed by Accused No. 1.

5.3 PW-46 has testified about his lorries belonging to his concern being hired by Abdul Khader, and the goods from Perambur depot being transported to Tiruvannamalai. The relevant records maintained by him in this regard are marked. PW-47 Abdul Khader deposed that he is a scrap dealer and, through one Syed Riyazuddin, he had purchased 35 lorry loads of telecom scraps. He hired vehicles from PW-46, and the goods were received by him.

5.4 PW-16 has deposed about Ex.P8 indent and the materials. According to him, Ex.P124 is the entire file related to the work carried out at Mysore, which involved 1000 telephone connections, which is mentioned in Ex. P.8 indent. He stated that, except for 4W(P) - 40 Nos, the other materials shown are wholly unrelated to the work. The materials were never received by him, and he only executed the work specified in Ex.P.8. Similarly, PW-17 would testify about Ex.P-18 indent , stating that the materials were neither relevant nor received. PW-18 deposed similarly regarding Ex.P-12. PW-27 also testified about the falsity of Ex.P6 indent, asserting that the materials there were not relevant to the work in Ex.P.159. PW-28 confirmed that Ex. P7 indent and the articles were not relevant to the work in Ex.P160. PW-29 stated that the materials in Ex.15 were not required for Ex.P.161 work. Furthermore, PW-30 (for indent Ex.P19), PW-31 (for Ex. P4 - part items not relevant), and PW-32(for indent Ex.P5) were examined.

5.5 PW-46 was the lorry owner whose vehicle was hired by the Accused No. 6 to transport the materials. From his testimony and the records, such as trip sheets marked as Exs.P234, P235, P236, and P237, it is established that several loads of goods travelled from the stores in Chennai to Tiruvannamalai and were delivered to a scrap merchant. Admittedly, there was no official requirement from Tiruvannamalai, and all these goods are said to be for the purposes of operations at Mysore, Bengaluru, etc.

5.6 PW-47, a scrap dealer, also testified about transporting 35 truckloads of Telecom materials, which he purchased for scrap at Rs. 40,000/- and Rs. 60,000/- per truck. Thus, the prosecution has proved that a large quantity of goods was misappropriated and sold for scrap value by the deceased Accused No.6.

5.7 PW-37 categorically described the role of Accused No.4, Selvam (deceased) stating that he came to Chennai and signed 19 gate passes. He was not authorized to perform such duties. His signatures on the gate passes Exs.P54-58, 60, 62, 60,62,64-65 were also verified by PW-37. His signatures on Exs.P185, P.138, P.142, P.145, P.146, P.149 issue vouchers were also confirmed. PW-49 also spoke about the goods entrusted to Accused No. 4, Selvam.

5.8 By examining PW-66 and PW-67 and marking their reports, it is proven beyond doubt that these indents were indeed signed by Accused No. 1 but filled out by Accused No. 4. The articles were not necessary at all, and the evidence from the lorry drivers and the scrap dealer clearly establishes the misappropriation.

5.9 PW-6 stated that Accused No.4 and Accused No. 5 were responsible for taking delivery of the materials and handing them over to Accused No.6. PW-8 states that it was Accused No.5, Amar Singh, who received the goods in Exs.P91 and 92. PW-14 also identified that Accused No. 5, Amar Singh, signed in Ex.P49. PW-22 mentioned that Accused No. 5, Amar Singh, received the materials under Ex.P.154, issued under the gate pass in Ex.P.106. PW-25 testified that Accused No. 5 received the materials, and he identified Amar Singh as the recipient. PW-35, a superior officer familiar with Amar Singh's signature, identified his signatures on Exs.P.49, P.102, P. 106, P. 66, and P. 134. Signature verification included his signatures on issue vouchers Exs. P. 91, 92, P154, and issue note acknowledgement Ex.P.175. His signatures on P.91,92, 177, and 178 were also confirmed. PW-43 discussed the collection of materials at the depot by Accused No. 4, 4,5, and 6.

5.10 However, on behalf of the accused, reliance is placed on the cross-examination of PW-15 and the relevant entries in the ledger to argue that the prosecution's case regarding the non-receipt of goods may be incorrect. PW-15, who was working in the District Store office, marked the relevant registers and entries maintained at the Stores in Mysore. He spoke about Ex-19, issued by the accused No. 1, and stated that he received the materials in respect of it. This was recorded as Ex.P122. In his chief examination, he said he only received 618 coils of iron wire and did not receive any other materials during his tenure. However, in cross-examination, he mentioned receiving certain items during his tenure. Furthermore, in cross-examination, it was also elicited that he does not know which of these goods belong to which voucher.

5.11 Thus, from the above and the submissions, a doubt is raised in the prosecution's case that, as per the entries in Exs.P-163, 168, 192, 193, and 195, the goods are received. It is evident that, although a charge of creating false entries is not made, the testimony of the PW's who actually carried out the work and confirmed that such goods were neither necessary for the work nor actually received or utilized by them conclusively proves the offences of cheating the depot and misappropriating the goods. Furthermore, the entries also do not account for all the goods claimed to be misappropriated.

5.12 Moreover, the evidence of PW-33 shows that from the telephone registered in the name of Accused No. 1, 170 calls have been made to the mobile number of Accused No. 6. Therefore, the materials indicate that the Accused No. 1 and 4, 5 conspired and participated along with Accused No. 6 in the transactions.

5.13 Regarding the contention on behalf of the Accused No. 1 about the validity of the sanction, PW-2 in his chief examination stated clearly that Accused No. 3 Nagarajan, as the Group A officer, is subject to the sanction of the President of India, who is the competent authority to grant it. Since Accused No. 1, 8-12 are Group B officers, the entire matter was consolidated, and the Minister applied his mind and granted the sanction, which was communicated through PW-2. Therefore, the allegation that there is a violation of Section 19(2) is unfounded. Upon a detailed review of the sanction order and PW-2's evidence, it cannot be said that the sanction was issued without proper application of mind. In any case, I see no prejudice or hardship to the accused, and I hold that the sanction was duly granted.

5.14 Regarding Accused No. 2 P.P. Janardhanan (Since deceased), Accused No. 3 S.R. Nagarajan (Since deceased), Accused No. 7 G. Kumararaj, and Accused No. 12 Santhanakrishnan, they are officials working in the stores and have issued the orders for the issuance of materials related to the offending indents. The following table illustrates this:

Rank and Name of the Accused	Indents
A2 -PP Janardhanan (died)	Exs. P4-P6 , P14, P20 - totally 5 indents of which P4 alone goods were received
A3 - SR Nagarajan(died)	Ex.P7 -P13, P16-P19 - totally 10 indents of which Ex.P19 alone goods received
A7 -G. Kumararaj	Ex.P192,193,195,163,168,303,304,305 - totally 8 indents of which P163 goods were received and P168 partly received
A12- P. Santhanakrishnan	Ex.P15

5.15 The contention of the defence is that they have performed their duties in a routine manner according to procedure because there was no reason to doubt the truth of the indents, and there is no evidence of any quid pro quo against them. Even the allegation made against A7, as if he received a car from A6, is factually incorrect.

5.16 The primary issue against all these accused is that the prosecution' s case is that whenever a request for materials is made from other circles, it should be accepted only if it is routed through and authorized by the Chief General Manager(Telecom Stores), Calcutta. If such a mandatory procedure exists and the accused issued the materials in violation of it, then this could indicate conspiracy and dishonesty. However, PW- 3, the General Manager examined in this regard, is not definitive about this procedure. In his main examination, he initially stated that,

> *"It appears that the Divisional Engineer in charge of Store Depot Chennai authorized the issue of materials to Mysore without obtaining written approval from higher authorities or without any directions from the officer in charge of Regional Stores Depot, Chennai, or Chief General Manager(Telecom Stores), Calcutta."*

Then he further states that,

> *" Normally, the store indents are prepared by the SDEs and countersigned by Controlling/Divisional Engineers and routed through the controlling stores depot. In the specific case, the indents prepared by Chandrasekar should have been countersigned by DE and sent to Circle Store Depot, Bangalore, who should have in turn forwarded indents to the District Store Depot, Chennai."*

But during cross- examination, he stated that,

> *" My subordinate officers verified and informed that the indents were not countersigned by the concerned authorities. I had not taken any written statement from my subordinate officers." Moreover, "There is a rule that the indents should be countersigned by the DEs. The above rule had not been produced by me. I don' t remember the exact provisions."*

Regarding routing through Calcutta, it is explained as follows:

> *"The controller of telecom stores, Chennai, is the Zonal stores under the control of CGM, Telecom Stores, Calcutta. The Zonal stores cover Tamil Nadu, Karnataka, Andhra Pradesh and Kerala. Whoever requires materials places indents on the controller of telecom stores, Chennai. If the materials are not available in the circle stores, District Store Depot, Chennai is the retailing store for Chennai Telephones. The materials which are not available in the circle stores can be obtained from the retailing stores by routing through the zonal stores. Our main grievance is that materials did not reach Mysore."*

Further, the prosecution witnesses admit that a Hollerith Code number is allotted to each Telecom Depot and that these codes are used to place indents and procure materials.

5.17 Furthermore, PW-4, in his cross-examination, admits that he had verified the indents and that it cannot be said they were forged or false. He also processed them accordingly. PW-8 also admits that SDE, Materials Management, Mysore, is the authorized person to raise the indent, and that Exs.P10 and P-12 are not false or unauthorized indents.

5.18 Therefore, I am unable to conclude that there was any gross procedural violation in entertaining the indents or to draw an inference of conspiracy or dishonesty from them. There is no other material against Accused No. 2, 3, and 12. Accused No. 2 and 3 have since died. Accused No. 12 will be entitled to the benefit of the doubt.

5.19 Though accused No. 7 is also on similar footing, there is a further allegation against him that he received a Maruti Omni car from Accused No. 6 as quid pro quo. In this regard, Exs. P- 276 and 278 prove that the vehicle came from Accused No. 6, Mani, to Accused No.7. Before the trial court, Exs.D3 and D4 were marked on behalf of the defence. These show that accused No. 7 had given Rs.45,000 via demand draft to Accused No. 6. Additionally, communications permitting accused No. 7 to sell his existing Fiat car and buy the Maruti Omni have been produced. Although the defence proved, on a preponderance of probability, that he could have purchased the car from Accused No. 6, it is also noted that, as per Ex. P- 397, Accused No. 6 is not an authorized transporter for materials to Bangalore. This transaction at least establishes that Accused No. 7 was in contact with Accused No. 6. He is an employee working in Chennai and opted to buy the vehicle from Accused No. 6, which has Karnataka registration, indicating that Accused No. 7 was dealing with Accused No. 6- likely not a regular second- hand vehicle purchase without some acquaintance. Further evidence includes PW- 43' s statement: “Gate passes were issued on the basis of indent without issue vouchers and the same are given as per instructions of G. Kumararaj, then Director. CTS materials are issued without vouchers. " Not only Accused No. 7 had directed issue without vouchers, he had instructed the materials to Accused No. 6, Mani. “Myself again consulted Sentoorsamay AE Despatch. AE went met Kumararaj, asked about the issued materials on the basis of indent without issue vouchers. As per instruction Kumararaj, I handed over materials to P. Mani and Amarsingh, the names also mentioned. I was not shown any authorization letter to issue the materials to Mani and Amarsingh. P. Mani is not authorised Transporter to CTS Madras. The lorries for dispatch of materials to Mysore and Bangalore arranged by CTS director Kumararaj, told me that P. Mani authorised representative of the Transport Bangalore, and on that basis, I dispatched. " The accused No. 7 did not cross- examine PW- 43 and did not contest these statements. Therefore, the offences against accused No. 7 are proven.

5.20 It is argued on behalf of the Accused No. 7 that all the materials from which he issued orders were indeed delivered, and the learned counsel relied on the endorsements in the relevant registers. However, the said endorsements do not mention goods received. In fact, it appears that these are the handiwork of Accused No. 1, although a specific charge in this regard has not been framed. In any case, the evidence of other witnesses contradicts this statement. The goods were not available, were never utilized, and were not even relevant to the specified works. Therefore, this submission cannot be accepted. Furthermore, it is evident that Accused No. 7 was insistent that the materials be delivered to Accused No. 6, Mani, and was instrumental in the goods being taken away by Accused Nos. 5 and 6; hence, his complicity is proven beyond doubt.

5.21 As far as Accused No. 8, K.S. Shesadri, is concerned, he is said to have signed three blank indents and handed them over to Accused No. 5, Amar Singh, who, along with A-6, took away the goods and misappropriated them.

The three indents are Exs.P-20, 304, and 305. Regarding Ex.P-20, the signature was examined by an expert, who considered it Q-217; no opinion was given that it belonged to Accused No. 8. In Ex.304, the questioned signature was considered as Q-11, and in the opinion in Ex.P-328, it is mentioned that S-25 to 34 and A-12 to 22 were made by the same person, referring to Accused No. 4, Selvam, and not to Accused No. 8. Similarly, there is no opinion regarding Q-21, which was marked in Ex.305. No other evidence has been presented against Accused No. 8. Therefore, the prosecution failed to establish its case against him. One allegation about an indent turns out to be incorrect, and for the other two, there is no concrete evidence. Consequently, Accused No. 8 is entitled to the benefit of the doubt.

5.22 Similarly, the allegation against Accused No. 9, S. Eswar Singh, is that he signed one indent in Ex. 355. Here also, PW-66, in his opinion, Ex. P-329, did not give any opinion about Q4 being that of the Accused. Even the second expert opinion in Ex.P.308, although finding certain similarities, still states that no strong opinion could be given. Even for Accused No. 9, no other witnesses were examined to confirm that Accused No. 9 alone signed the indent. Thus, the prosecution falls short in discharging its burden regarding Accused No. 9 as well. It does not find any other incriminating material against Accused Nos.

8 and 9, and as such, they are entitled to the benefit of doubt.

5.23 Thus, I find that the prosecution has convincingly demonstrated that the deceased Accused No. 6 (who has died), colluded with Accused No. 1, 4 (who has also died), 5 and 7 and through their concerted actions, the organisation was cheated and the goods were misappropriated and sold as scrap. Therefore, the charges against them are proven.

5.24 Regarding the sentence, considering the passage of time and the age of the accused, I believe that the imprisonment for appellants/Accused No. 1, 5, and 7 should be reduced and changed to one year of simple imprisonment instead of two years of rigorous imprisonment for all charges.

The Result:

6. In the result,

I.Crl.A.Nos.48, 49 and 57 of 2014 are allowed. The conviction and sentence passed in C.C.No.1 of 2003, dated 08.01.2014 by IX Additional Special Judge, for CBI cases, is set aside only with regard to the appellants namely K.S.Seshadri, S.Easwar Singh and P.Santhanakrishnan and they are acquitted of all the charges. Fine amount, if any paid is ordered to be refunded;

II.Crl.A.No.31 of 2014 is allowed in part on the following terms:

(i) The conviction of the appellant/accused No.1 C.Chandrasekar for the alleged offences under (a) Section120B read with Section 420 IPC, and Section 13(2) read with 13(1)(d) of the Prevention of Corruption Act, 1988, (b) 420 of IPC; and (c) Section 13(2) read with Section 13(1)(d) of the Prevention of Corruption Act, 1988 shall stand confirmed;

(ii) the appellant/accused Chandrasekar shall undergo simple imprisonment for a period of 1 year in respect of the each of the charge;

(iii) the fine amount shall be the same as imposed by the trial court and the fact that it is already paid is recorded;

(iv) the period if any already undergone shall be set off;

(v) the appellant is granted 8 weeks time to surrender before the Trial Court to undergo the remainder of the sentence;

(vi) The sentence imposed shall run concurrently.

III.Crl.A.No. 43 of 2014 is allowed in part on the following terms:

(i) The conviction of the appellant/accused No.5, B.Amar Singh for the alleged offences under (a) Sections 120B read with Section 420 IPC and

Section 13(2) read with 13(1)(d) of the Prevention of Corruption Act, 1988, (b) 420 of IPC; and (c) Section 13(2) read with Section 13(1)(d) of the Prevention of Corruption Act, 1988 shall stand confirmed;

(ii) the appellant/accused Amar Singh shall undergo simple imprisonment for a period of 1 year in respect of the each of the charge;

(iii) the fine amount shall be the same as imposed by the trial court and the fact that it is already paid is recorded;

(iv) the period if any already undergone shall be set off;

(v) the appellant is granted 8 weeks time to surrender before the Trial Court to undergo the remainder of the sentence.

(vi) The sentence imposed shall run concurrently.

IV.Crl.A.No. 61 of 2014 is allowed in part on the following terms:

(i) The conviction of the appellant/accused No. 7 G.Kumarraj for the alleged offences under (a) Sections 120B read with Section 420 IPC and Section 13(2) read with 13(1)(d) of the Prevention of Corruption Act, 1988, (b) 420 of IPC; and (c) Section 13(2) read with Section 13(1)(d) of the Prevention of Corruption Act, 1988 shall stand confirmed;

(ii) the appellant/accused G. Kumararaj shall undergo simple imprisonment for a period of 1 year in respect of the each of the charge;

(iii) the fine amount shall be the same as imposed by the trial court and the fact that it is already paid is recorded;

(iv) the period if any already undergone shall be set off;

(v) the appellant is granted 8 weeks time to surrender before the Trial Court to undergo the remainder of the sentence.

(vi) The sentence imposed shall run concurrently.

15.10.2025

Index: Yes/No
Speaking order/Non speaking order
Neutral Citation : Yes / No
vum

To

1. The IX Additional Special Judge for CBI Cases,
   Chennai.

2. The Public Prosecutor,
   Madras High Court,
   Chennai.

3.The Section Officer,
   Criminal Section,
   High Court, Madras.

D.BHARATHA CHAKRAVARTHY,J.

vum

Pre Delivery Judgment in
Crl.A.Nos.31, 61, 49, 57, 43 and 48 of 2014

Reserved on : 16.07.2025

Pronounced on : 15.10.2025

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 12.11.2025

CORAM

THE HON'BLE MR.JUSTICE D.BHARATHA CHAKRAVARTHY

Crl.A.Nos.31, 61, 49, 57, 43 and 48 of 2014

C.Chandrashekar	... Appellant in Crl.A.No.31 of 2014 / Accused No.1
G.Kumararaj	... Appellant in Crl.A.No.61 of 2014 / Accused No.7
S.Eswar Singh	... Appellant in Crl.A.No.49 of 2014 / Accused No.9
P.Santhanakrishnan	... Appellant in Crl.A.No.57 of 2014 / Accused No.12
B.Amar Singh	... Appellant in Crl.A.No.43 of 2014 / Accused No.5
K.S.Seshadri	... Appellant in Crl.A.No.48 of 2014 / Accused No.8

Vs.

State represented by,
Inspector of Police,
CBI/ACB/Chennai. ... Respondent / Complainant in all Appeals

For Appellant
In Crl.A.No.31 of 2014 : Mr.S.Xavier Felix
In Crl.A.No.61 of 2014 : Mr.S.Karthikeyan
In Crl.A.No.49 of 2014 : Mr.B.Priya
In Crl.A.No.57 of 2014 : Mr.M.Aravind Kumar
In Crl.A.No.43 of 2014 : Mr.K.Shankar

In Crl.A.No.48 of 2014 : Mr.S.D.S.Philip

For Respondent in all Appeals : Mr.N.Baaskaran
Special Public Prosecutor
for CBI Cases

COMMON ORDER

This matter is listed under the caption "for being mentioned".

2. It is brought to the notice of this Court that the respondent Police in each Criminal Appeal is different. However, the cause title of the Judgement dated 15.10.2025 of the present Criminal Appeals show single respondent Police as common in all cases. Hence, the same shall be rectified by incorporating the respective respondent Police in each case.

3. Since the above error is typographical in nature, the Registry shall rectify the same by incorporating the respondent Police as under and issue a fresh order copy:

The State Rep. by
the Inspector of Police,
CBI/ACB, Chennai. ... Respondent in C.A.No.31 of 2014

The State Rep. by
the Inspector of Police,
SPE/CBI/ACB, Chennai.
R.C.MAI 36(A)/99 & 51(A)/99 ... Respondent in C.A.No.61 of 2014

The State Rep. by
the Inspector of Police,
Central Bureau of Investigation,
Special Police Establishment,
Anti Corruption Branch,
Shastri Bhavan, 3rd floor,
Haddows Road,
Chennai – 600 006. ... Respondent in C.A.No.49 of 2014

The State Rep. by
the Inspector of Police,
SPE/CBI/ACB, Chennai. ... Respondent in C.A.No.57 of 2014

The State Rep. by
the Inspector of Police,
SPE/CBI/ACB, Chennai.
[R.C.MAI 36 (A) / 99 and 51 (A) / 99) ... Respondent in C.A.No.43 of 2014

The State Rep. by
the Inspector of Police,
Central Bureau of Investigation,
Special Police Establishment,
Anti Corruption Branch,
Shastri Bhavan, 3rd floor,
Haddows Road,
Chennai – 600 006. ... Respondent in C.A.No.48 of 2014

4. It is made clear that except the above, all other aspects of the Judgment remain unaltered.

12.11.2025

nsl

D.BHARATHA CHAKRAVARTHY,J.,

nsl

Crl.A.Nos.31, 61, 49, 57, 43 and 48 of 2014

12.11.2025