



Crl.R.C.(MD).Nos.1260 to 1262 of 2025

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BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

RESERVED ON : 22.10.2025

PRONOUNCED ON : 28.11.2025

CORAM

THE HONOURABLE MR.JUSTICE K.MURALI SHANKAR

Crl.R.C.(MD)Nos.1260 to 1262 of 2025

Crl.R.C.(MD)No.1260 of 2025:

State represented by
The Inspector of Police,
CBI, ACB, Chennai
at Madurai.

... Petitioner / Respondent/Complainant

Vs.

L.S.Radhika

... Respondent/ Petitioner/A-3

PRAYER: Criminal Revision Petition has been filed under Section 397 r/w 401 Cr.P.C., to call for the records and set aside the order dated 04.02.2025 made in Crl.M.P.No.644 of 2021 in C.C.No.5 of 2020, on the file of II Additional District Judge for CBI Cases, Madurai.



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For Petitioner : Mr.C.Muthusaravanan
Special Public Prosecutor
for CBI cases

For Respondent : Mr.T.Lajapathi Roy
Senior Counsel
for M/s Roy and Roy Associates

Crl.R.C.(MD)No.1261 of 2025:

State represented by
The Inspector of Police,
CBI, ACB, Chennai
at Madurai.

... Petitioner / Respondent/Complainant

Vs.

A.Subbiah

... Respondent/ Petitioner/A-1

PRAYER: Criminal Revision Petition has been filed under Section 397 r/w 401 Cr.P.C., to call for the records and set aside the order dated 04.02.2025 made in Crl.M.P.No.642 of 2021 in C.C.No.5 of 2020, on the file of II Additional District Judge for CBI Cases, Madurai.

For Petitioner : Mr.C.Muthusaravanan
Special Public Prosecutor
for CBI cases

For Respondent : Mr.S.Kanagarajan



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Crl.R.C.(MD)No.1262 of 2025:

State represented by
The Inspector of Police,
CBI, ACB, Chennai
at Madurai.

... Petitioner / Respondent/Complainant

Vs.

A.Jeyaraman

... Respondent/ Petitioner/A-2

PRAYER: Criminal Revision Petition has been filed under Section 397 r/w 401 Cr.P.C., to call for the records and set aside the order dated 04.02.2025 made in Crl.M.P.No.643 of 2021 in C.C.No.5 of 2020, on the file of II Additional District Judge for CBI Cases, Madurai.

For Petitioner : Mr.C.Muthusaravanan
Special Public Prosecutor
for CBI cases

For Respondent : Mr.G.Prabhu Rajadurai

COMMON ORDER

These Criminal Revisions are directed against the common order dated 04.02.2025, passed in Crl.M.P.Nos.642 of 2021, 643 of 2021 and 644 of 2021 in C.C.No.5 of 2020, on the file of II Additional District Court (CBI Cases),



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Madurai, in discharging the respondents/Accused 1 to 3 from the case in C.C.No. 5 of 2020.

2. The petitioner, based on a source information allegedly received, registered a case in RC MAI 2012 A 0055, on 24.12.2012, under Sections 13(2) r/w 13(1)(2) of the Prevention of Corruption Act, 1988, against the respondents /Accused 1 to 3, Smt.A.Janaki, now deceased, Smt.J.Ganga, w/o A.Jayaraman, Shri.S.Vaikuntarajan and Shri.C.S.Jagatheesan, partners of V.V.Minerals, Tuticorin. The petitioner, after completing the investigation, filed a final report dated 31.01.2020 against the respondents / accused 1 to 3 and against Smt.A.Janaki for the offences under Sections 13(2) r/w 13(1)(e) of the Prevention of Corruption Act and under Section 109 I.P.C., r/w Sections 13(2) r/w 13(1)(2) of the Prevention of Corruption Act and the charge sheet was taken on file in C.C.No.5 of 2020, on the file of II Additional District Court (CBI Cases), Madurai. The case of the prosecution is that the first accused being a public servant had accumulated disproportionate assets to his known source income and most of the assets of huge value were acquired in the names of his family members during the period between 30.04.2007 and 30.04.2012, while he was working in VOC Port Trust, Tuticorin. Pending framing of the charges, the



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fourth accused Smt.A.Janaki died on 31.10.2020 and hence, the case as against her was ordered to be abated. Thereafter the accused 1 to 3 filed applications under Section 227 Cr.P.C., seeking discharge in Crl.M.P.Nos.642 to 644 of 2021. The petitioner – CBI filed counter statements.

3. For the sake of convenience and brevity, the parties will hereinafter be referred as per their status/ranking in the trial Court.

4. The grounds raised by the accused 1 to 3 for discharge can be summarised as follows:

(a) The first accused A.Subbiah is an IAS officer of West Bengal Cadre with unblemished record of service and received awards from the President of India and appreciation from the Governor of West Bengal and the Chief Minister of West Bengal and he was graded as outstanding officer throughout his service. The petitioner had joined V.O.C. Port Trust on deputation as Deputy Chairman on 30.04.2007 and later he was posted as Acting Chairman of the Port Trust on 06.01.2011 and on completion of 5 years deputation tenure at VOC port trust, he joined back to his cadre on 30.04.2012. The second accused A.Jeyaraman is the



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brother of the first accused and the fourth accused Smt.A.Janaki is their mother and the third accused Smt.L.S.Radhika is the wife of the first accused.

(b) The second accused was the Assistant Manager of Syndicate Bank and an income tax assessee living separately with his family. The third accused hails from Bangalore and is a Dentist by profession. She got house property at Bangalore from her parent as marriage gift and another house property at Bangalore gifted by her mother-in-law, fourth accused and that she has professional as well as rental income.

(c) The fourth accused Janaki the mother of the accused 1 and 2 and her husband Alagarsamy were doing agriculture in Kariyapatti Taluk, Virudhunagar District over a long period of time continuously and they had 45 acres both inherited and self acquired even before the check period. The fourth accused was holding 56 acres at the end of the check period. She is an Income Tax assessee and she is not depending on the first accused.

(d) The complainant – CBI has alleged that the fourth accused sold 20 Acres 64 Cents 533 Sqft of land lying on the National Highways NH45B from



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Madurai to Tuticorin at a distance of 16 km from Madurai Airport and 25 km from Madurai city to the F.I.R., accused Nos.6 and 7 for a sum of Rs.8.25 Crores, whereas the said land would not fetch such huge amount and the buyers were having business in VOC port trust and Rs.8.25 Crores were paid for sham transaction. The buyers viz., A.5 and A.6 as per the F.I.R., have business through VOC port trust, but the first accused has no relationship with the buyers and he did not act in favour of the buyers. There is no document to show any favour whatsoever given by the first accused to the buyers. The complainant CBI misconstrued as if the first accused's money received from the buyers through his mother and suspected that buyers purchased around 20.64 acres of land at an inflated rate. The complainant searched the houses of the first accused and they have not seized any incriminating materials to portray the first accused and other accused that they had committed the offences alleged.

(e) During the month of July 2006, the National Highways Authorities of India declared the erstwhile two lane roadways namely National Highways No. 45B and entered a concession agreement with a construction company to lay four way National Highways road between Madurai to Tuticorin and in addition, in the year 2007, the Government of Tamil Nadu declared by a notification of



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Industrial policy to set up an industrial corridor / Corridor of excellence between Madurai to Tuticorin. Hence, the lands abutting four lane National Highways, skyrocketed and appreciated by many times. Therefore, the buyers approached the fourth accused through the land brokers to purchase the lands in Kattukuthagai and Karisalkulam and S.Kallupatti Village in Kariyapatti Taluk and agreed to purchase 20 Acres 64 Cents and 533 sq.ft of land for a sum of Rs. 8.25 Crores subject to the condition that the fourth accused should reclassify the land from agricultural purpose to industrial purpose before the end of November 2011. The alleged buyers entered into a sale agreement on 25.11.2008 with the fourth accused and paid a sum of Rs.75 Lakhs by cash between 25.11.2018 and 05.11.2009 and paid a sum of Rs.7.5Crores between 10.08.2008 and 22.11.2011 by cheques and all those amounts have been accounted properly. The first accused has absolutely no role in the said sale agreement.

(f) Since the fourth accused failed to reclassify the land from agricultural to industrial purpose, the alleged buyers demanded the fourth accused to repay the amount and both the fourth accused and the buyers appointed a District Judge as sole Arbitrator, who passed an award on 02.08.2012 directing the fourth accused to repay the sale amount with interest. Hence, the amount received from



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the buyers cannot be treated as income, since the sale deed based on the agreement of sale dated 25.11.2008 was not executed and it is only the liability of the fourth accused to repay the advance amount. When there is no liability on the part of the buyers, there is no question of amassing disproportionate assets by the first accused.

(g) The alleged buyers filed an execution petition before II Additional District Judge, Kancheepuram in E.P.No.50 of 2012, prior to the registration of the case and II Additional District Judge attached the amount stood in the joint account of the accused 2 and 4 on 15.04.2014 and allowed the sent for petition. The fourth accused purchased the flats at Chennai and lent money as hand loan to the third accused for purchasing a flat at Bangalore. In the meanwhile, the petitioner CBI filed an impleading petition in E.A.No.33 of 2015 and the same was allowed on 23.02.2016. Challenging the same, the alleged buyers filed a Civil Revision Petition before the High Court at Madras in C.R.P.(NPD) No. 1065 of 2016 and the High Court observed that the allegation of CBI that a worthless property has been purchased for whopping price is not supported by any basic materials. Since the findings are not set aside by the competent appellate Court or Forum, the final report is misconceived. The High Court has



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permitted the alleged buyers to withdraw the attached amount subject to the production of bank guarantee. But the complainant CBI did not produce those records and the same would reveal that there is no criminality against the accused.

(h) The complainant's allegation that the first accused accumulated disproportionate assets in the name of family members is baseless, as the sale agreement never took shape of final sale deed and no right was passed on the buyers. The sale transaction was not completed as observed by the High Court in the order passed in Civil Revision Petition. The amount received have already been returned, after the legal direction and the amount whatever left is also due amount to be paid back to the buyers. If the first accused had involved in the sale transaction, he would have assisted his mother in getting the land reclassified from agricultural to industrial, which the first accused cannot do. The complainant wantonly suppressed the fact that the first accused had no nexus with the sale agreement between the fourth accused and the alleged buyers and there is no record to show that the first accused had relationship with the alleged buyers and committed the alleged offences. The complainant has



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magnified out of proportion as if the first accused had committed the alleged offences and the case before the trial Court is nothing but speculation.

(i) The complainant has suppressed the communications of the Department of Personnel and Training and the said department did not take the sale price of Rs.8.25 Crores as assets and considered it only as a liability and according to the said department, there is no statutory bar to sell the lands and to fix the sale price and recalculated the disproportionate asset percentage as 24.9% for all the accused persons together.

(j) The accused 2 to 4 are not the dependents of the first accused and they have separate income and they file their own income tax returns. The complainant ought to have segregated the income of the first accused separately, as the other accused are having separate income and if the assets, liabilities, income and expenditure of the first accused are carved out by segregation, the disproportionate asset calculation for the first accused would come by 1.17%, which is within the threshold limit of 10%.



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(k) The second accused joined the bank account of his mother, fourth accused as per the request of his mother to help her in looking after the account and the alleged account was opened on 05.03.2007 before the check period and also before the date of sale agreement. There is no other allegation against the second accused, except that he joined his name in his mother's bank account. The second accused did not purchase any property during the check period. The second accused and his mother have valid accounts and their acts do not constitute any offence. The complainant did not place any records to show that the second accused involved in the sale agreement as per the instructions of the first accused in order to accumulate the assets illegally. Since the sale transaction was not completed, the substantial portion of the amount received at Rs.6.78 Crores has already been refunded back to the alleged buyers. The second accused is implicated in the above case without any iota of evidence and there is no legal grounds for proceeding against him.

(l) The third accused is having 20 years experience in dentist profession and is having rental income from the house properties gifted to her much prior to the check period. The prosecuting agency miserably failed to consider the income of the third accused when her income was under threshold limit of



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Income Tax filing for the period within check period and the such income needs to be considered before arriving the alleged disproportionate assets. Since the third accused earns herself, she did not depend financially on her husband / first accused and she had borne all her expenditures. No material evidence is produced against the third accused and there is no legal ground to proceed against her.

5. The objections raised by the complainant – CBI can be summarised as follows:

(a) Based on a source information, a case was registered on 24.12.2012 and investigated by CBI/ACB/Chennai against the first accused, the then Chairman of VOC Port Trust, Tuticorin and others on the allegation that during the check period, the first accused had accumulated assets disproportionate to the known sources of income in his name and in the names of his family members, for which he could not satisfactorily account for. On completion of investigation, it was found that the first accused during the check period from 30.04.2007 to 30.04.2012, accumulated disproportionate assets to the tune of Rs.3,28,35,665/- in his name and in the names of his family members, which



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works out to 244.27% of their known sources of income of Rs.1,34,42,627/- for which, he could not satisfactorily account for.

(b) The first accused, while serving as Acting Chairman of V.O.C.,Port Trust had entered into a criminal conspiracy for acquisition of assets with the accused 5 and 6 as per F.I.R., in the name of his mother, fourth accused and in pursuance of the same, the fourth accused entered into a sham sale agreement with the alleged buyers and vide agreement dated 25.11.2008, it was decided for selling land consisting of 20 Acres 64 Cents and 533 sqft in Karisalkulam Village, Kariapatti Taluk to the alleged buyers (A.5 and A.6 as per F.I.R) for Rs.8.25 Crores before 31.12.2011 and that the said properties should be reclassified from agricultural land to industrial purpose by the fourth accused. But, she did not apply for conversion of agricultural land to industrial purpose. The alleged buyers, in pursuance of the sham sal agreement, gave Rs.7.5Crores by way of cheques to the fourth accused. The second accused had joined the account which was already held in the name of his mother in ICICI Bank, Kancheepuram into which Rs.7.5Crores mentioned in the sham sale agreement has been remitted. The credit balance of Rs.5,32,18,763/- available as on 30.04.2012 in the ICICI Bank was not taken into consideration for calculation of



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disproportionate assets, since the market value of the property which was purportedly agreed for sale is much lesser than the agreed sale consideration and is a sham sale agreement. The first accused as well as the second accused did not inform their office of the said transaction between their mother Smt.A.Janaki and the accused 5 and 6 as per F.I.R.

(c) The second accused has been active in the transaction of the properties belonging to the first accused, though the properties were in their mother's name under clever ploy this was swapped for a huge sum which was bribe and not a right consideration. The second accused has taken an active role in purchase of properties in Bangalore and Chennai. The fourth accused is the house wife and dependent and she is not having any income of her own. The first accused has purchased the property at C.V.Raman, Bangalore in the name of his wife, third accused during June 2011 for which all the payments were gone from the bank of the fourth accused. The contention that the third accused availed hand loan from her mother-in-law is totally unbelievable and beyond imagination. The third accused has not filed income tax returns for the assessment year 2007-2008 to 2010-2011, but she filed only for the assessment years 2011-2012 and 2012-2013, which were filed belatedly. Many of the assets amassed during the



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check period were out of money received from the alleged buyers A.5 and A.6 as per F.I.R. The agreement was part of conspiracy and the first page of the agreement containing signatures of the fourth accused which was different from the rest of the signatures in the same agreement, which as opined by the expert to contain different writings. One of the properties purchased by the first accused out of the money received from the accused 5 and 6 as per F.I.R., was in the name of his wife in Bangalore, even on the fourth accused had other children. When the first accused was called by the Investigating Officer, they had managed to refer the dispute for arbitration by appointing a retired Judge as sole Arbitrator. They had managed to get the order passed by the Arbitrator directing the fourth accused to repay the amount of Rs.8.25 Crores with accrued interest at the rate of 6% from the date of payments till the date amounting to Rs. 66,00,880/- and the total amount of Rs.8,91,00,880/- was ordered to be paid within two months from the date of receipt of a copy of that order. Since the fourth accused failed to repay the money even after the order of Arbitrator, the alleged buyers approached the District and Sessions Court, Kancheepuram and filed an execution petition in E.P.No.50 of 2012 on 11.12.2012 and the Principal District and Sessions Court attached the SB account No.606601508801 of ICICI Bank, Kancheepuram branch held in joint names of the accused 2 and 4, vide



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order dated 20.09.2013, which was made absolute on 29.10.2013. Thereafter, the sent for application was allowed on 15.04.2014 and the petition was ordered to be closed. Meanwhile, the CBI filed an impleading petition in E.P., and the same was allowed and challenging the said order, the alleged buyers filed a revision and the High Court disposed of the revision with a direction to the revision petitioners to furnish bank guarantee for a sum of Rs.6,03,00,000/- available in ICICI Bank, Kancheepuram in SB account and on such guarantee being furnished, the amount lying in Garnishe Bank was ordered to be sent for to the Executing Court and the said funds are ordered to be disbursed to the revision petitioners therein.

(d) The Review filed by the CBI against the order of the High Court dated 28.04.2016 is pending before the High Court in Rev.Applc No.95 of 2016. There was no advantage in the lands owned by the fourth accused except that they were next to the Turicorin – Madurai Highway. The case filed before the Arbitrator and won by the alleged purchasers was an act of distress, since by then the investigation was carried out and searches have been conducted by the CBI. The complainant – CBI filed the charge sheet based on the outcome of the investigation conducted by them, on the strength of the material evidence on



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record available in the case. The plea of the accused that the first accused and the other accused are independent cannot be accepted. There are enough evidence to frame the charges against the accused and that therefore, their discharge applications are liable to be dismissed.

6. The learned Additional District Judge, upon considering the charge sheet, the statements of the witnesses and other material filed along with the charge sheet and the submissions made on either side, passed the impugned common order dated 04.02.2025, allowing the petitions in Crl.M.P.Nos.642 to 644 of 2021 and thereby discharging all the accused from the above case. Challenging the order discharging the accused, the Inspector of Police, CBI, ACB, Chennai at Madurai filed the above three revision petitions.

7. The learned Special Public Prosecutor appearing for the CBI would submit that the deceased fourth accused was a dependent to the first accused and she has no separate income and during the check period, the immovable properties were all purchased by the first accused in the name of his mother, fourth accused in order to avoid any query from his department, that the first accused, who is an IAS officer, being a public servant has not acquired any



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immovable property in his name during his tenure which would create suspicion against him, that out of 35 properties purchased, 3 properties were having high value, that the third accused, wife of the first accused is the house wife and though she is a dentist by profession, she has no separate income and during the check period, the property at Bangalore was purchased by the first accused in the name of his wife third accused, that the third accused has not filed the income tax returns for the assessment years 2007-2008 to 2010-2011, but she has filed income tax returns only for the assessment years 2011-2012 and 2012-2013, that the above income tax returns would prove that the third accused has no sufficient means of income for acquiring the properties during the period 2011 and that the contention of the third accused that she acquired the said property from the hand loan given by the fourth accused is highly imaginary and the same cannot be accepted.

8. He would further contend that the fourth accused has not carried out any cultivation in majority of agricultural lands and percentage of harvesting in some lands are also very poor and the same would prove that she has not earned agricultural income from those lands and that it is highly imaginary that the fourth accused being an aged lady acquired many properties during the period



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between 2007-2011 by utilizing their income and that the learned trial Judge erred in holding that the fourth accused was receiving agricultural income from 56 acres of land and rental income and other income.

9. The learned Counsel would further submit that the statements of witness Thiru.J.Manikandan would show that the first accused sought his help for filing income tax returns for the accused 2 and 4 and according to him, the second accused introduced himself as a Manager in Syndicate Bank and wanted to file income tax returns for him and his mother and wife and accordingly e-filing of income tax returns was done for 2 years and manual filing for 3 years in the name of the accused 2 and 4, but the trial Judge erred in holding that the second accused filed the returns based on the details furnished by the fourth accused, since the second accused being the eldest son and the fourth accused was not well versed and that the said finding cannot be sustained.

10. The learned Special Public Prosecutor would further submit that according to the accused, Rs.8.5 Crore credited to the joint account of the accused 2 and 4 in ICICI Bank, Kancheepuram, which is paid as an advance for the sale of lands of 20 acres 64 cents and 533 sqft to the accused 5 and 6 as per



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the F.I.R., shall be included as income, but the High Court in Civil revision Petition held that the accused 5 and 6 as per the F.I.R., shall furnish a bank guarantee for a sum of Rs.6,03,00,000/- in ICICI Bank, Kancheepuram and on such guarantee being furnished, the garnishee bank is ordered to send the amount lying in the account to the executing Court and the said funds are ordered to be disbursed to the revision petitioners and that therefore, it has become clear that the amount of Rs.5.32 Crores in the joint bank account of the accused 2 and 4 is not an income but a liability.

11. The learned Special Public Prosecutor would further contend that the trial Court erred in concluding that no witnesses has specifically stated that the accused 2 to 4 abetted the first accused in entering into the sale agreement with the F.I.R., accused 5 and 6 and that the trial Court's finding that no witness specifically mentioned such abetment is factually and legally unsustainable, in view of the dictum laid down by the Hon'ble Supreme Court in ***P.Nallammal and another Vs. State*** reported in ***1999 SCC (Crl.)1133***. He would further submit that the trial Court has erroneously held that the prosecution failed to segregate disproportionate asset of the first accused individually and calculated all the income of the accused 2 to 4 as the income of the first accused is not



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acceptable and that if segregated as per the Department of Personnel and Training, it would be 1.17%, which is under 10% of the disproportionate asset, but the said finding is very much against the decision of the Hon'ble Supreme Court in ***P.Nallammal's case***, referred above.

12. The learned Special Public Prosecutor would further submit that the observations of the trial Court that the accused 2 and 3 were having individual transactions, which bear no connection with the transactions of the first accused with the accused 2 to 4, that the valuation of the immovable properties was prepared without any assistance of Chartered Accountants or a qualified experts and that the calculation of disproportionate assets presented by the prosecution was not accurate and acceptable, are highly erroneous and against the law laid down by the Hon'ble Supreme Court in the ***State of Tamil Nadu Vs. R.Soudirarasu and others*** reported in ***2023(6) SCC 768***.

13. The learned Special Public Prosecutor would further submit that the findings of the learned trial Judge that the help of the chartered accountant or any other expert was not taken for the valuation of the immovables and that the expenditures were not calculated properly, cannot be taken as valid grounds for



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discharge and that the issues relating to valuation and calculation of expenditure are technical matters that are to be examined only during trial. He would further submit that the learned trial Judge has considered the communication sent by the first accused to the Department of Personnal and Training, wherein he has claimed the advance amount of Rs.8.25 Crores received by his mother, fourth accused as a liability and that while considering the discharge application, the trial Court ought not to have considered the materials produced by the accused, but has to satisfy whether prima facie case is made out based on the statements and documents produced by the prosecution and that the learned trial Judge, without considering the settled legal position with regard to the discharge under Secion 227 Cr.P.C., has allowed the discharge applications and that therefore, the impugned common order is liable to be interfered with.

14. The learned Counsel appearing for the first accused would submit that the allegation of the prosecution that the property of 20 Acres 64 cents 533sqft, which was agreed to be sold, had lower market value, which had been purchased by the alleged buyers at a higher price of Rs.40Lakhs per acre, was not supported by any materials, that the fourth accused received the sale consideration as per the agreement only by cheques and small portion by cash and she had returned



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the money to the alleged buyers in pursuance of the order of this Court and this Court directed to release the amount by furnishing bank guarantee and that therefore, the entire allegation of the prosecution is baseless and surreptitious, without any iota of truth.

15. He would submit that the fourth accused entered into a sale agreement with the alleged buyers on condition that she would convert the nature of land from agricultural to industrial within a fixed period and that since the fourth accused has failed to comply with the said condition, the agreement has become void and hence, the question of accumulation of disproportionate assets does not arise. The learned Counsel would further submit that due to the construction of National Highways 45-B adjacent to the land in dispute, the value of the land increased manifold and that is the only road which connects Tuticorin port with the rest of Tamil Nadu and that the guideline value at the relevant period was Rs. 78,40,800/- per acre as per the office of the Sub Registrar, Kariyapatti and hence, the question of inflated price as claimed by the prosecution does not arise.

16. The learned Counsel would further submit that the prosecution merely stating that the market value of the land is very low, failed to establish the real



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market value and that it is only an assumption without any material that the land was allegedly overpriced in the agreement. He would further submit that a careful perusal of the statement of Thiru.Nagasubramanian would reveal the guideline value as Rs.20 Lakhs per acre or Rs.45 Lakhs per hectare, that one contiguous piece of land with Survey number 140/1D which is part of the sale agreement, has been given the guideline value of Rs.78,40,800/- per acre and that the same would go to show that the area of which the property is situated had higher purchase value in anticipation of upcoming National Highways and that the allegation of the prosecution that the property had been purchased by the alleged buyers at higher price of Rs.40Lakhs is baseless.

17. The learned Counsel would further submit that in the F.I.R.,the prosecution had included the entire sum of Rs.8.25 Crore shown in the sale agreement and calculated DA to be 690% to the known source of income, but after investigation, while the Execution Petition was pending before the civil Court, the CBI excluded a sum of Rs.5.32 Crores out of 8.25 Crores from the total DA, since that amount was deposited before the civil Court, which brought down the DA from 690% to 244% and that the Santioning Authority while in their letter dated 21.07.2017 rightly held that the CBI had failed to show any



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legal reasoning behind including that the balance Rs.2.92 Crores, remainder amount from Rs.8.25 Crores towards sale amount after deducting Rs.5.32 Crores that was already deposited with the civil Court from DA when it had already excluded Rs.5.32 Crores, on the ground that it lay deposited with the civil Court and that the rationale deployed by the CBI while excluding Rs.5.32 Crores, from the total DA was that since it is deposited in the Court and is against the arbitral award passed in favour of the purchasers, the said amount cannot be computed as the income of the family of the accused and by the same reasoning, once the entire Rs.8.25 Crores was ordered to be returned to the purchaser pursuant to the arbitral award, there cannot arise any question of including the remaining part Rs.8.25 Crores to calculate the DA of the first accused against his known source of income.

18. The learned Counsel would further submit that the prosecution ought to have deducted the entire Rs.8.25 Crore, but has deducted only Rs.5.32 Crore for obvious reasons best known to them and if the prosecution has deducted the entire transaction, no case or excess in the hands of A.1 to A.4., and not only that A.1 to A.3 had no role as per prosecution version also, that the balance amount of Rs.2.95 Crores was utilised for the purchase of residential flats and for giving



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hand loan, all bank transactions and that the inflated DA percentage of 244% includes this balance of sale advance which has been properly accounted for and if this balance amount is excluded in the the same logic of partial exclusion of Rs.5.32 Crores, the percentage of DA comes down drastically to less than 24.9%, that too for the combined calculation of DA for all the accused taken together. The learned Counsel would further submit that the final report did not reveal that the first accused had any disproportionate assets and none of the witnesses has stated that the first accused either pursued or influenced the buyers of the land and there is no material to show that the first accused either accepted or received any consideration from any person whatsoever in any manner in any occasion.

19. The learned Counsel for the second accused would submit that the second accused had his own source of income, such as salary and interest income and he did not depend upon the first accused in any event, as he was having his family separately, that there is no money transaction between the first accused and the second accused and that the charge sheet and documents relied on by the CBI did not show that the second accused acted on behalf of the first accused in any manner. He would further submit that the money was transferred under the sale agreement and that the fourth accused was the owner of the property and



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hence, the sale cannot be termed as sham transaction, that the prosecution has not brought out any evidence to state that the property was overvalued and no attempt was made to find out the market value of the property through a licenced valuer, that if the fourth accused received money more than the value of the property, the prosecution is duty bound to establish a quid pro quo, but the attempt of the prosecution through the statement of Thiru.Gnanaraj @ SDK.Rajan to establish quid pro quo went in favour of the accused and that the prosecution seeks to include all the assets of the family members against their aggregate income and as such, there will not be any charge against any of the accused, particularly the second accused and that the continuance of the proceedings would be an abuse of process, as it would not end in conviction at any chance.

20. The learned Senior Counsel for the third accused would submit that the third accused got one small house property at Bangalore from her parents as marriage gift and as well as one small house property from her mother-in-law, fourth accused at Bangalore prior and long before the check period and she has rental income out of these gifted properties, that the third accused availed hand loan from the fourth accused during the check period for purchasing a flat near



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her children's school locality at C.V.Raman Nagar, Bangalore for facilitating education of her children, that the third accused borrowed loan from the fourth accused who had substantial agricultural income, rental and other income and that the charge sheet and the documents relied on by the prosecution do not show that the third accused acted on behalf of the first accused in any manner.

21. The learned Senior Counsel would further submit that the third accused has consistently filed IT returns for about last 30 years since the Assessment year 1993-1994 onwards, whenever there is income exceeds taxable limits and accordingly, during the check period, she has filed the IT returns in respect of the Assessment years 2011-2012 to 2012-2013, but she has not filed IT returns for the Assessment years 2007-2008 to 2010-2011, because she had income lesser than the taxable income, that the statement of witnesses do not show that the third accused was involved in any manner in the sale agreement transaction, that the charge sheet has been laid only on speculation and there is no incriminating materials against the third accused and that the learned trial Judge, considering the charge sheet and the other materials produced along with the charge sheet rightly discharged the accused.



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22. Heard the learned Special Public Prosecutor appearing for the petitioner and the learned Senior Counsel for the respondent/third accused and the learned Counsel appearing for the respondents/accused 1 and 2 and perused the materials available on record.

23. Before proceeding further, it is necessary to consider the legal position regarding discharge under Section 227 Cr.P.C. Section 227 Cr.P.C., reads as follows:

“227. Discharge.

- If, upon consideration of the record of the case and the documents submitted therewith, and after hearing the submissions of the accused and the prosecution in this behalf, the Judge considers that there is not sufficient ground for proceeding against the accused, he shall discharge the accused and record his reasons for so doing.”

24. The learned Special Public Prosecutor would submit that while considering the application for discharge under Section 227 Cr.P.C., the Courts are duty bound to consider the charge sheet and the documents produced along with the charge sheet and that the materials or documents produced by the



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accused cannot be looked into. He would rely on a decision of the Hon'ble Supreme Court in ***State represented by the Inspector of Police, CBI, ACD, Visakhapatnam Vs. Eluri Srinivasa Chakravarthi and others*** reported in **2025 LiveLaw (SC)633**, wherein the Hon'ble Supreme Court referred a three Judges Bench decision in ***State of Orissa Vs. Debendranath Padhi***, reported in **(2005)1 SCC 568**, wherein, after a detailed examination of the statutory scheme and also the precedents on the point, has held the accused at the stage of framing of charges does not have a right to file material or documents and the relevant portion is extracted hereunder:

“8. What is the meaning of the expression “the record of the case” as used in Section 227 of the Code. Though the word “case” is not defined in the Code but Section 209 throws light on the interpretation to be placed on the said word. Section 209 which deals with the commitment of case to the Court of Session when offence is triable exclusively by it, inter alia, provides that when it appears to the Magistrate that the offence is triable exclusively by the Court of Session, he shall commit “the case” to the Court of Session and send to that court “the record of the case” and the document and articles, if any, which are to be produced in evidence and notify the Public Prosecutor of the commitment of the case to the Court of Session. It is evident that the record of the case and documents submitted therewith as postulated in Section 227 relate to



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the case and the documents referred in Section 209. That is the plain meaning of Section 227 read with Section 209 of the Code. No provision in the Code grants to the accused any right to file any material or document at the stage of framing of charge. That right is granted only at the stage of the trial.”

25. The Hon'ble Supreme Court, by referring to another decision in State of **Madhya Pradesh Vs. Rakesh Mishra** reported in **(2015)13 SCC 8**, wherein it has been held that only the charge sheet along with the accompanying materials are to be considered at the stage of framing of charges, so as to satisfy the existence of a case for trial, has observed as follows:

“26. We do not intend to refer to too many precedents on a well-established proposition of law on the method and mode of exercising jurisdiction by a magistrate under [section 239](#) of the CrPC. It is correct that [Union of India v. Prafulla Kumar Samal and another](#) lays down the standard for discharge of an accused under [section 239](#) of the CrPC. The application of the principle for the documents relied upon by the special court and the High Court is both debatable. Discharge under the [CrPC](#) is salutary, and the magistrate, through the expression used in these sections, is under an obligation to discharge the accused where, from the chargesheet and the appended documents, it is noticed that the trial of such charges is worthless. Therefore, to sustain the exercise of



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discretion, the order of discharge conforms to the requirements of these sections.”

26. Considering the above, the legal position is well settled that the Courts at the time of framing of charges or while considering the petition for discharge filed under Section 227 Cr.P.C., are mandated only to consider the charge sheet, statements of the witnesses and materials produced along with the charge sheet and are debarred from considering the documents or materials produced by the defence at that time.

27. In the present case, the learned Counsel for the accused have relied on the communication received from the Department of Personnel and Training, concession agreement entered into with a construction company by National Highways Authority of India to lay four lane National Highways road and the notification of the Industrial policy issued by the Government of Tamil Nadu. The above documents, as per the settled legal position, cannot be looked into.

28. The learned Special Public Prosecutor would submit that while considering the discharge application or at the time of framing of charges, the



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Court has to satisfy as to whether the prima facie case is made out against the accused persons and in an attempt to explain the scope of Section 227 Cr.P.C., relied on the following decisions.

(i) *State of Tamil Nadu Vs. J.Jayalalitha (2000 SCC (Crl.)981*):

“This is not the stage for weighing the pros and cons of all the implications of the materials nor for sifting the materials presented by the prosecution. The exercise at this stage should be confined to considering the police report and the documents to decide whether the allegations against the accused are "groundless" or whether "there is ground for presuming that the accused has committed the offences." Presumption therein is always rebuttable by the accused for which there must be opportunity of participation in the trial.”

(ii) *Captain Manjit Singh Viridi (Retired) Vs. Hussain Mohammed Shattaf and Others ((2023)7 SCC 633*):

“11. The law on issue as to what is to be considered at the time of discharge of an accused is well settled. It is a case in which the Trial Court had not yet framed the charges. Immediately after filing of chargesheet, application for discharge was filed. The settled proposition of law is that at the stage of hearing on the charges entire evidence produced by the prosecution is to be believed. In case no



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offence is made out then only an accused can be discharged. Truthfulness, sufficiency and acceptability of the material produced can be done only at the stage of trial. At the stage of charge, the Court has to satisfy that a prima facie case is made out against the accused persons. Interference of the Court at that stage is required only if there is strong reasons to hold that in case the trial is allowed to proceed, the same would amount to abuse of process of the Court.

12. The law on the point has been summarised in a recent judgment of this Court in State of Rajasthan v. Ashok Kumar Kashyap² . Relevant paras are extracted below: - “11.1. In P. Vijayan v. State of Kerala, (2010) 2 SCC 398, this Court had an occasion to consider Section 227 CrPC What is required to be considered at the time of framing of the charge and/or considering the discharge application has been considered elaborately in the said decision. It is observed and held that at the stage of Section 227, the Judge has merely to sift the evidence in order to find out whether or not there is sufficient ground for proceeding against the accused. It is observed that in other words, the sufficiency of grounds would take within its fold the nature of the evidence recorded by the police or the documents produced before the court which ex facie disclose that there are suspicious circumstances against the accused so as to frame a charge against him. It is further observed that if the Judge comes to a conclusion that there is sufficient ground to proceed, he will frame a charge under Section 228 CrPC, if not, he will discharge the accused.



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It is further observed that while exercising its judicial mind to the facts of the case in order to determine whether a case for trial has been made out by the prosecution, it is not necessary for the court to enter into the pros and cons of the matter or into a weighing and balancing of evidence and probabilities which is really the function of the court, after the trial starts.”

(iii) *State of Tamil Nadu Vs. R.Soundirarasu and Others ((2023)6 SCC*

768):

“53. The aforestated sections indicate that the CrPC contemplates discharge of the accused by the Court of Session under Section 227 in a case triable by it, cases instituted upon a police report are covered by Section 239 and cases instituted otherwise than on a police report are dealt with in Section 245. The three sections contain somewhat different provisions in regard to discharge of the accused. As per Section 227, the trial Judge is required to discharge the accused if “the Judge considers that there is not sufficient ground for proceeding against the accused”. The obligation to discharge the accused under Section 239 arises when “the Magistrate considers the charge against the accused to be groundless”. The power to discharge under Section 245(1) is exercisable when “the Magistrate considers, for reasons to be recorded, that no case against the accused has been made out which, if unrebutted would warrant his conviction”.



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55. Despite the slight variation in the provisions with regard to discharge under the three pairs of sections referred to above, the settled legal position is that the stage of framing of charge under either of these three situations, is a preliminary one and the test of “prima facie” case has to be applied — if the trial court is satisfied that a prima facie case is made out, charge has to be framed.”

29. The learned Counsel for the first accused would rely on a decision of the Hon'ble Supreme Court in ***Union of India Vs. Prafulla Kumar Samal and another*** reported in ***(1979)3 SCC 4***, wherein the Hon'ble Apex Court, considering the various authorities summarised the principles governing the scope of Section 227 Cr.P.C., which are extracted hereunder:

“(1) That the Judge while considering the question of framing the charges under section 227 of the Code has the undoubted power to sift and weigh the evidence for the limited purpose of finding out whether or not a prima facie case against the accused has been made out:

(2) Where the materials placed before the Court disclose grave suspicion against the accused which has not been properly explained the Court will be, fully justified in framing a charge and proceeding with the trial.



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(3) *The test to determine a prima facie case would naturally depend upon the facts of each case and it is difficult to lay down a rule of universal application. By and large however if two views are equally possible and the Judge is satisfied that the evidence produced before him while giving rise to some suspicion but not grave suspicion against the accused, he will be fully within his right to discharge the accused.*

(4) *That in exercising his jurisdiction under section 227 of the Code the Judge which under the present Code is a senior and experienced Judge cannot act merely as a Post office or a mouth-piece of the prosecution, but has to consider the broad probabilities of the case, the total effect of the evidence and the documents produced before the Court, any basic infirmities appearing in the case and so on. This however does not mean that the Judge should make a roving enquiry into the pros and cons of the matter and weigh the evidence as if he was conducting a trial.”*

30. The learned Counsel would also rely on a decision of the Hon'ble Supreme Court in ***Ram Prakash Chadha Vs. State of Uttar Pradesh*** reported in **(2024)10 SCC 651**, wherein the Hon'ble Apex Court has held that the question of framing the charge would arise only in a case where the court upon such exercise satisfies itself about the prima facie case revealing from “the record of the case



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and the documents submitted therewith” against the accused concerned and the relevant passages are extracted hereunder:

“24. In the light of the decisions referred supra, it is thus obvious that it will be within the jurisdiction of the Court concerned to sift and weigh the evidence for the limited purpose of finding out whether or not a prima facie case against the accused concerned has been made out. We are of the considered view that a caution has to be sounded for the reason that the chances of going beyond the permissible jurisdiction under [Section 227](#), Cr.PC, and entering into the scope of power under [Section 232](#), Cr.PC, cannot be ruled out as such instances are aplenty. In this context, it is relevant to refer to a decision of this Court in [Om Parkash Sharma v. CBI](#). Taking note of the language of [Section 227](#), Cr.PC, is in negative terminology and that the language in [Section 232](#), Cr.PC, is in the positive terminology and considering this distinction between the two, this Court held that it would not be open to the Court while considering an application under [Section 227](#), Cr.PC, to weigh the pros and cons of the evidence alleged improbability and then proceed to discharge the accused holding that the statements existing in the case therein are unreliable. It is held that doing so would be practically acting under [Section 232](#), Cr.PC, even though the said stage has not reached. In short, though it is permissible to sift and weigh the materials for the limited purpose of finding out whether or not a prima facie case is made out against the accused, on appreciation of the admissibility and the evidentiary value



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such materials brought on record by the prosecution is impermissible as it would amount to denial of opportunity to the prosecution to prove them appropriately at the appropriate stage besides amounting to exercise of the power coupled with obligation under [Section 232](#), Cr.PC, available only after taking the evidence for the prosecution and examining the accused.

25. Even after referring to the aforesaid decisions, we think it absolutely appropriate to refer to a decision of the Madhya Pradesh High Court in [Kaushalya Devi v. State of MP](#)⁹. It was held in the said case that if there is no legal evidence, then framing of charge would be groundless and compelling the accused to face the trial is contrary to the procedure offending [Article 21](#) of the Constitution of India. While agreeing with the view, we make it clear that the expression 'legal evidence' has to be construed only as evidence disclosing prima facie case, 'the record of the case and the documents submitted therewith'.

26. The stage of [Section 227](#), Cr.PC, is equally crucial and determinative to both the prosecution and the accused, we will dilate the issue further. In this context, certain other aspects also require consideration. It cannot be said that [Section 227](#), Cr.PC, is couched in negative terminology without a purpose. Charge sheet is a misnomer for the final report filed under [Section 173 \(2\)](#), Cr.PC, which is not a negative report and one that carries an accusation against the accused concerned of having committed the offence (s) mentioned therein.”



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31. Bearing the above legal position in mind, let's proceed with the present case. At the outset, it is necessary to refer the very basis on which the F.I.R., was registered against the first accused and others and the relevant portion in the F.I.R., is extracted hereunder for better appreciation:

“

11. There is reliable information that huge cash transaction to the tune of R.7.5 crores was also transferred into the bank A/c No. 606601508801 of ICICI Bank, Kancheepuram Branch held in the names of Shri.A.Jayaraman (A.2) AND Smt.Janaki (A.5) during the period from August 2010 to November 2011, from the account of M/s V.V.Minerals, Tuticorin represented by S/Shri S.Vaikundarajan (A.6) and S.Jagaheesan (A.7), who were having business transaction with V.O.C. Port Trust, Tuticorin while A.1 was its Chairman.

.....

12. Thus, Shri A.Subbiah (A.1), presently working as Secretary, Department of IT, State of West Bengal, while working as Chairman, V.O.C., Port Trust, Tuticorin during the period from 30.04.2007 to 30.04.2012 has acquired assets and pecuniary resources, which were disproportionate to his known source of income and as on 30.04.2012, he was in possession of assets and pecuniary resources in his name and in the names of his close relatives to the extent of Rs.82,393,501/-, which was disproportionate to is known sources of income for which he cannot satisfactorily account.



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13. The above acts of S/Shri A.Jayaraman(A.2), Smt.L.S.Radhika (A.3), Smt.R.Ganga, (A.4) Smt.A.Janaki, (A.5)Shri.S.Vaikundarajan(A.6) and Shri.S.Jagatheesan(A.7) and Shri.A.Subbiah(A.1) to acquire the assets in their names, prima facie, discloses the commission of offences punishable U/s 120B r/w 13(2) r/w 13(1)(e) of Prevention of Corruption Act, 1988.”

32. Considering the above, it is clear that the F.I.R., was lodged on 24.12.2012 against seven persons including the accused 1 to 4, alleged buyers and also one Smt.R.Ganga, wife of the second accused. But after completing the investigation, the complainant - CBI filed a final report on 31.01.2020, after the lapse of 7 years, since the registration of F.I.R., against the accused 1 to 4 only.

33. The learned Special Public Prosecutor, at the time of arguments, would submit that though the F.I.R., was mainly based on the sale transaction allegedly entered into between the alleged buyers and the fourth accused and the transfer of Rs.7.5Crores to the bank account of the fourth accused, they have not taken into account the said transaction and after gathering other materials and evidence showing that the first accused had amassed wealth disproportionate to his known



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source of income, filed the final report excluding the alleged buyers for time being, reserving their right to file a supplementary charge sheet subsequently. But as rightly pointed out by the learned Counsel for the first accused, a cursory perusal of the charge sheet would reveal that the complainant has mainly relied on the sale transaction allegedly entered into between the alleged buyers and the fourth accused and the relevant portions of the charge sheet are extracted hereunder:

“ That Shri.A.Subbiah, IAS while serving as Acting Chairman of V.O.C. Port Trust, Tuticorin, had entered into a criminal conspiracy for acquisition of assets with Shri Vaikuntarajan and Shri Jegadeesan in the name of his mother Smt.A.Janaki and in pursuance of same, Smt.A.Janaki entered into a sham sale agreement with Shri. Vaikuntarajan and Shri.Jegadeesan. Vide this agreement dated 25.11.2008, it was decided for selling land consisting of 20 acres 64 cents and 533 sqft., at Karisalkulam village, Kariapatti Sub District, Virudhunagar District to Shri.Vaikundarajan and S.Jagatheesan by A.Janaki for Rs.8.25 Crores before 31.12.2011 and that the said properties should be



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reclassified from “agricultural” land to “industrial purpose” by Smt.A.Janaki.

.....

That Shri.Vaikundarajan and Shri Jagadeesan in pursuance of the sham sale agreement, gave Rs.7.5 crore by way of cheque to Smt.A.Janaki in the guise of purchase of land from Smt.A.Janaki.

....

That the amount of R.7.5 crores which was remitted in to the ICICI Bank account of Smt.A.Janaki and Shri A.Jayaraman by way of cheques received from Shri.Vaikundarajan and Shri.Jagadeesan and the credit balance of Rs.5,32,18,763/- as on 30.04.2012 standing in the ICICI Bank was not taken into consideration for calculation of disproportionate assets, since the market value of the property which was purportedly agreed for sale is much lesser than the agreed sale consideration and is a sham sale agreement.

.....

Thus Shri.A.Subbiah, IAS, being a public servant, during the check period from 30.04.2007 to 30.04.2012 accumulated disproportionate assets to the tune of Rs.3,28,35,665/- in his name and in the name



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of his family members which works out to 244.27% of their known sources of income of Rs.1,34,42,627/- for which he could not satisfactorily account for, constitute offences punishable u/s Sec. 13(2) r/w 13(1)(2) of the Prevention of Corruption Act, 1988 and u/s 109 IPC r/w Sec.13(2) r/w 13(1)(e) of the Precention of Corruption Act, 1988. Hence the charges.”

34. As per the F.I.R., and the charge sheet, the prosecution's main case is that the first accused, while working as a Deputy / Acting Chairman of V.O.C., Port Trust, Tuticorin favoured the alleged buyers in their transactions at Port Trust and in return, the alleged buyers agreed to purchase the property belonging to the mother of the first accused at an inflated price, so as to pass on their consideration to the first accused. It is not in dispute that the alleged buyers entered into a sale agreement with the fourth accused dated 25.11.2018, whereunder the fourth accused agreed to sell her 20 Acres 64 Cents and 533 sqft of land at Karisalkulam Village, Kariapatti Taluk, Virudhunagar District to the alleged buyers and that the alleged buyers agreed to purchase the land for the price of Rs.8.25 Crores on a condition that the fourth accused should get the lands reclassified from agricultural land to industrial purpose. It is also not in



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dispute that the alleged buyers apart from paying Rs.75 Lakhs in cash, gave Rs.7.5Crores by way of cheques to the fourth accused and the same was credited to the joint bank account of the fourth accused and the second accused in ICICI Bank, Kancheepuram. According to the prosecution, the said sale agreement dated 25.11.2018 and the entire transaction are sham transactions.

35. As rightly contended by the learned Counsel for the first accused, though the prosecution has alleged that the first accused favoured the alleged buyers in their transactions at V.O.C., Port Trust, they have not produced any iota of materials to show a prima facie case for the said charge/allegation. According to the defence, the prosecution examined one Shri.D.Gnanaraj @ SDK Rajan, Managing Partner of M/s Raja Agencies, and Managing Director of M/s Indian Tropical Agro Products, Tuticorin (L.W.72) and for the questions put by the Investigating Officer, he gave answers not supporting the case of the prosecution. When a specific question was put to him, whether the payment of Rs.8.25 Crores to Smt.Janaki was a consideration in respect of allowing their firm into the tender process, he replied in the negative and stated that there was no need to pay any consideration to the Port authorities for getting into the



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tender process and the said amount was given towards the purchase of land owned by Smt.Janaki.

36. As rightly pointed out by the learned Counsel for the first accused, except the above witness, no other witness came to be examined nor any other material was collected to show that the first accused favoured the alleged buyers either in the tender process or any other transactions they had at Port Trust. The learned Counsel would further submit that L.W.72 gave a definite reply that a particular tender asked by the Investigating Officer was not awarded to the alleged buyers' concern.

37. Now coming to the sale agreement dated 25.11.2018, even according to the prosecution, the land consisting of 20 Acres 64 Cents and 533 sqft at Karisalkulam Village, Kariapatti Taluk, subject matter of the sale agreement, was purchased during the period between 2002 and 2004, much before the check period. It is not the case of the prosecution that the said land was purchased by the fourth accused with the ill-gotten money of the first accused. Moreover, in the revision filed by the alleged buyers, this Court by observing that the property



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has been purchased by the said Janaki during the year 2002 to 2004 and therefore, there is no cloud in the title of the said Janaki.

38. As already pointed out, the prosecution's stand is that though the land had a lower market value, the alleged buyers agreed to purchase it at an inflated price, making the sale agreement a sham. Since the prosecution's case hinges on this being a sham sale with an inflated price, they must establish the land's actual market value was lower than Rs.8.25 Crores and the price was inflated to facilitate illegal consideration to the first accused.

39. Admittedly, the prosecution has not produced any iota of materials to show the market value of the said property at the relevant time. It is admitted by the prosecution that the land in question is adjacent to the Madurai-Tuticoriin four-lane National Highway. Though the prosecution has alleged that the fourth accused did not intend to reclassify the land from agricultural to industrial purpose, they have not shown the land's market value as agricultural land at that time.



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40. As rightly pointed out by the learned Counsel for the first accused, the Investigating Officer examined Sub-Registrars regarding the lands purchased by the fourth accused, but not the land in question. With no material showing Rs.8.25 Crores sale price does not reflect the market value, the very foundation of the prosecution's case seems to have crumbled.

41. Moreover, this case involves amassed wealth disproportionate to known income sources. If the land's market value was Rs.5 Crores, then Rs.3.5 Crores of the Rs.8.5 Crores sale price could be considered a bribe to the first accused.

42. Regarding corruption cases, if there's no direct evidence of corruption, but a public servant's wealth is disproportionate to their income, they can be proceeded against under the Prevention of Corruption Act for amassing assets disproportionate to known income sources.

43. In the case on hand, the only transaction that was canvassed is the sale agreement dated 25.11.2018 and passing of Rs.7.5 Crores to the fourth accused. It is evident from the submissions made on either side that the term embodied in



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the sale agreement dated 25.11.2018 that the fourth accused should get the lands reclassified from agricultural to industrial purpose within the stipulated period, was not complied and consequently, the sale was not completed and that therefore the alleged buyers demanded a refund. The matter went to arbitration with a retired District Judge as sole Arbitrator. The sole arbitrator passed an award in ARC No.2 of 2012 on 02.08.2012 directing the fourth accused to pay Rs.8,91,00,880/- within a period of two months from the date of receipt of a copy of the said award. When the award was not complied with, the alleged buyers filed an execution petition in E.P.No.50 of 2012 and in the District Court No.II, Kancheepuram. The learned District Judge passed an order dated 20.09.2013 attaching the amount available in the SB A/c of ICICI Bank, Kancheepuram, which was held in the joint names of the accused 2 and 4 and subsequently the order was made absolute on 10.10.2013. Thereafter the alleged buyers moved an application to send for the amount in the bank in E.A.No.22 of 2014 and the same was ordered on 15.04.2014 and consequently the E.P., was ordered to be closed on 17.02.2014. At that juncture, the CBI filed a petition in E.A.No.33 of 2015 to implead them as a party respondent in the execution proceedings and the same was allowed vide order dated 23.02.2016.



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44. Challenging the order impleading the CBI, the alleged buyers filed a revision petition in C.R.P.(NPD)No.1065 of 2016 and a learned Judge of this Court, considering the sale agreement transaction entered into between the revision petitioners (alleged buyers) and the second respondent (fourth accused), passed an order dated 28.04.2016, wherein it was observed as follows:

“6. It is an admitted case of all the parties that the revision petitioners are not the relatives / family members of Shri.A.Subbiah, IAS. It is not the case of CBI that the revision petitioners abated the offence alleged against the said IAS officer, during the relevant time.

7. It is not the case of the CBI that the properties standing in the name of the second respondent Smt.Janaki were purchased in the name of R2 with the ill-gotten money of the said IAS Officer. The period under scrutiny was 2007 to 2012, whereas the property had been purchased long prior to that. Therefore, there is no cloud in the title of R2.

8. Admittedly, the sale consideration by the revision petitioners had been paid during the year 2010-2011 i.e.between 13.08.2010 and 28.11.2011, i.e. long prior to the registration of the First Information Report in R.C.No.55 of 2012, i.e. Prior to 24.12.2012.

9. It is not the case of CBI that the second respondent herein parted with more money than is required and instead, the allegation is that the revision petitioners herein paid more money than what is required to be paid for the sale transaction. In any event, the fact remains that



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the sale transaction is not completed and the revision petitioners wanted only the return of the sale consideration paid.

10. Admittedly, the property had been purchased by the second respondent during the year between 2002 to 2004. The check period is between 2007 to 2012. Therefore, the property could not have been purchased from out of the tainted money. Even assuming that the property could have been purchased from out of the tainted money, then, the action to be taken is against the sale of property and not against retrieval of the property.

.....

12. The fact remains that major part of amount has been paid by the revision petitioners by cheque and only a small portion of the amount has been paid by way of cash.

13. It is the case of CBI that the money standing in the Bank Account of the second respondent is the subject matter of an offence and the revision petitioners should not be allowed to enjoy the fruits of the crime. This contention also cannot be accepted as the revision petitioners are not asking for any money from the pocket of the second respondent and what is asked for is the return of their own money paid by them earlier.”

.....

21. The party, who obtained a decree, on 02.08.2012, cannot be deprived of the fruits of the decree till in the year 2016. But, at the same time, when the CBI claims that there is a possibility of the



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money lying in Bank Deposit being a tainted money (which of course does not appear to be correct) in consideration of larger public interest and there being no personal interest, the Court should have protected the interest of CBI, not by allowing them to be impleaded, but by imposing appropriate conditions to secure the money at the later point of time (if need be).

45. The learned Judge, considering the submission made by the alleged buyers that they are ready to submit a bank guarantee and to protect the interest of the CBI, issued the following directions:

“(i) The petitioner shall furnish Bank Guarantee for a sum of Rs. 6,03,00,000/-, which is available in ICICI Bank, Kancheepuram, in Savings Bank A/c. No.606601508801 standing in the name of the second respondent. Such guarantee shall be furnished within a period of two weeks from the date of receipt of a copy of this order.
(ii) On such guarantee being furnished, the amount lying in Garnishee Bank is ordered to be sent for to the Executing Court and the said funds are ordered to be disbursed to the Revision Petitioners herein. The benefit of the order of impleadment passed by the lower Court is available to the CBI, only to the extent of availing the conditions imposed on the Revision Petitioners, i.e. Execution of Bank Guarantee as stated supra. No costs. Consequently, connected miscellaneous petition is closed.”



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46. Challenging the above order passed in the revision, the CBI filed a review petition in Review.Aplc.No.95 of 95 of 2016 and a learned Judge of this Court passed an order dated 11.01.2022 deleting paragraph No.11 and some words in paragraph No.21 of the order passed in C.R.P.No.1065 of 2016.

47. As rightly contended by the learned Counsel for the defence, the CBI has not chosen to challenge the remaining part of the revision order and as such, the said order has attained finality. As already pointed out, the prosecution in the charge sheet has stated that they will file supplementary charge sheet against the alleged buyers subject to the outcome of the review application in Rev.Aplc.No. 95 of 2016, pending before the High Court. As already pointed out, the review application was disposed of as early as on 11.01.2022, but the CBI has not filed any supplementary charge sheet against the alleged buyers till now.

48. As rightly contended by the learned Counsel for the first accused, the CBI's charge sheet reiterates their FIR stand, that the sale agreement dated 25.11.2018 is sham sale agreement. Since the alleged buyers are not added as accused in the charge sheet, the prosecution's stand cannot be sustained.



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49. It is pertinent to mention that the complainant in the F.I.R, taking note of the three properties purchased by the fourth accused for higher value during the check period and also the availability of amount of Rs.5,12,90,507/- in the joint bank account of the accused 2 and 4 has shown the assets at the end of the check period as Rs.9,69,85,040/- and the assets acquired during the check period as Rs.9,08,18,501/- and quantified the disproportionate asset during the check period at Rs.8,23,93,501/-, which comes to 690.93% of their known source of income. But in the charge sheet, the prosecution has shown the assets at the end of the check period at Rs.4,79,50,132/- and the assets acquired during the check period at Rs.3,75,73,215/- and quantified the disproportionate assets at Rs.3,28,35,665/-, which comes to 244.27% of their known source of income.

50. As rightly pointed out by the learned Counsel for the first accused, the CBI has included Rs.7.5 Crores received as sale advance from the alleged buyers by the fourth accused, while calculating the disproportionate assets as on 30.04.2012. As already pointed out, according to the prosecution, the amount of Rs.5,32,18,763/- available as on 30.04.2012 standing in the ICICI Bank was not taken into consideration for calculation of disproportionate assets on the ground



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that since the market value of the property which was purportedly agreed for sale is much lesser than the agreed sale consideration. But interestingly, the prosecution has added the sale price advanced by the fourth accused in purchasing some properties, which includes three properties of higher values. Even according to the prosecution, the sale prices for the said purchase of properties were transferred from the bank account of the fourth accused. The prosecution has also admitted that the loan of Rs.35Lakhs obtained by the third accused from her mother-in-law, fourth accused was by bank transfer. As rightly contended by the learned Counsel for the first accused, the sale price of Rs.8.25 Crores was paid to the fourth accused and the same was credited in the joint bank account of the accused 2 and 4 and through the said amount, the fourth accused purchased the properties during the check period.

51. Considering the above, as rightly pointed out by the learned Counsel for the first accused, the prosecution included Rs.2.92 Crores (part of Rs.8.25 Crores sale amount) as income, after excluding Rs.5.32 Crores. As rightly contended by the learned Counsel for the first accused, the CBI excluded Rs.5.32 Crores as liability and not income, making inclusion of Rs.2.92 Crores



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as income unsustainable. The prosecution has not explained why the said amount of Rs.2.92 Crores considered the family's or fourth accused's income.

52. As already pointed out, the prosecution valued assets at Rs.4,79,50,132 at check period-end, and after deductions, Rs.1,84,50,793 remains as noted by the trial Judge. The learned Special Public Prosecutor would submit that the learned trial Judge relied on the Department of Personnel and Training's communication, considering Rs.8.25 Crores advance received by the fourth accused (mother) as liability, calculating DA at 24.98%

53. No doubt, as rightly contended by the learned Special Public Prosecutor, the prosecution's calculation's correctness can be adjudicated during trial, if it involves defence evidence or expert advice. But simple calculation without defence materials, cannot be faulted, especially, when the prosecution has not shown any bias for the said calculation. Taking assets at end of check period as Rs.1,84,50,793/- and applying prosecution's calculations, disproportionate assets are Rs.33,48,926/- which works out to 24.9% of their own source of income.



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54. As already pointed out, it is the specific case of the defence that the second accused who is a Bank Manager is having independent income and the third accused who is the wife of the first accused, is also having independent income. As rightly pointed out by the learned Counsel for the defence, in the charge sheet, the prosecution has admitted the income received by the accused 2 to 4 and there is no material to show that the accused 2 and 4 were dependent on the first accused or that the third accused was dependent on the income of the first accused. Moreover, as already pointed out, neither the first accused nor the second accused purchased any property during the check period. The third accused was owning two house properties in Bangalore, obtained through gifts from her parents as well as from her mother-in-law before the check period and she purchased another house property allegedly through loan of Rs.35Lakhs given by the fourth accused and even according to the prosecution, the said amount was given by bank transfer.

55. As already pointed out, the fourth accused purchased some properties during the check period, using funds in her bank account obtained through the sale agreement transaction, now disputed by the prosecution. The learned Counsel for the second accused would submit that the substantial amount has



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already been refunded to the alleged buyers. As rightly contended by the defence and as rightly observed by the learned trial Judge, the prosecution quantified disproportionate assets by adding the assets of all the accused, It is pertinent to mention that there is absolutely no material to connect the first accused with the sale agreement dated 25.11.2018. It is not the case of the prosecution that the tainted or illgotten money of the first accused was utilised by the alleged buyers so as to help the first accused in converting the tainted money as good one.

56. The prosecution claimed the 4th accused's signature on the sale agreements first page differs from the rest, per expert opinion. Notably, the 4th accused did not challenge it during her life time. The prosecution alleged the 1st accused referred a tax consultant to the accused 2 and 4 for filing IT returns and the 2nd accused filed IT returns for the 4th accused. As rightly contended by the defence, there is nothing wrong for 1st accused referring a tax consultant to help his brother and mother (accused 2 and 4) for filing IT returns and it's quite natural for the 2nd accused, being the eldest son, helping his aged mother, to file IT returns. The prosecution also claimed that the 3rd accused did not file IT returns for some years during the check period. But according to the defence,



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she filed income tax returns for the other periods. Even if these objections have merit, they don't bolster the prosecution's case further. Crucially, in the counter filed to the discharge petition, CBI has stated that many assets were purchased from the funds given by the alleged buyers .

57. The learned Special Public Prosecutor would rely on the judgment of the Hon'ble Supreme Court in ***P.Nallammal and another Vs. State represented by the Inspector of Police***, reported in ***1999 SCC (Crl.)1133***, wherein the Hon'ble Apex Court has held that if a non-public servant is also a member of the criminal conspiracy for a public servant to commit any offence under the P.C., Act or if such non-public servant has abetted any of the offences which the public servant commits, such non-public servant is also liable to be tried along with the public servant.

58. He would also rely on the decision of the Hon'ble Supreme Court in ***State of Tamil Nadu Vs. R.Soundirarasu and others*** reported in ***(2023)6 SCC 768***, wherein the Hon'ble Apex Court has held that the term “known sufficient income” as per the explanation to Section 13(1)(e) means, the sources known to



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the prosecution and not the sources known to the accused and within the knowledge of the accused.

59. The legal position referenced is not disputed, but it is inapplicable here. As noted, the prosecution has not provided specifics or evidence showing the 1st accused acquired assets, except properties bought by the fourth accused using funds from the alleged sale transaction. Without evidence of the first accused acquiring assets, the question of other accused abetting him doesn't arise.

60. As per the Black's Law dictionary, the word “ground” would mean foundation or basis. In the case on hand, the foundation or the basis of the prosecution as already pointed out, is the alleged sale agreement, 'which' did not materialise, so the very foundation or the basis disappears. Hence, this Court has no hesitation to hold that there is no sufficient ground to proceed against the accused. Since there is no sufficient ground, Section 227 Cr.P.C., mandates that the accused shall be discharged. Hence, the impugned common order discharging all the accused cannot be found fault with. Consequently, this Court



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concludes that all the Criminal Revisions are devoid of merits and are liable to be dismissed.

61. In the result, all the Criminal Revision Cases are dismissed, confirming the common order dated 04.02.2025, passed in Crl.M.P.Nos.642 of 2021, 643 of 2021 and 644 of 2021 in C.C.No.5 of 2020, on the file of II Additional District Court (CBI Cases), Madurai,

28.11.2025

NCC : Yes/No
Index : Yes/No
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- To
1. II Additional District Court (CBI Cases), Madurai.
 2. The Inspector of Police,
CBI, ACB, Chennai
at Madurai.
 3. The Additional Public Prosecutor,
Madurai Bench of Madras High Court,
Madurai.



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K.MURALI SHANKAR, J.

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Pre-Delivery order made in
CrI.R.C.(MD)Nos.1260 to 1262 of 2025

28.11.2025