# BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

**Dated: 20.08.2025**

CORAM :

**THE HONOURABLE Dr. JUSTICE R.N.MANJULA**

**Crl.RC(MD)No.1062 of 2025**

Deepika J.Patel ... Revision Petitioner/ Petitioner/6th Accused

Vs.

The State of Tamilnadu By
The Inspector of Police,
CBI, BSFB,
Bengaluru,
In Crime No.RC 19(E)/2018
... Respondent/Respondent/Complainant

**PRAYER:** Criminal Revision filed under Sections 438 r/w 442 of BNSS to set aside the impugned order dated 20.01.2025 passed in Crl.M.PNo. 2293 of 2024 in C.C.No.7 of 2022 on the file of the II Additional District Judge for CBI, Madurai.

For Appellant : Mr.VR.Shanmuganathan
for Mr.S.Bala Karthick

For Respondent : Mr.N.Mohideen Basha

## ORDER

This Criminal Revision has been preferred challenging the order dated 20.01.2025 passed in Crl.M.P.No.2293 of 2024 in C.C.No.7 of 2022 on the file of the II Additional District Judge for CBI, Madurai.

**2.** The revision petitioner, who is the sixth accused, has filed a petition under Section 239 Cr.P.C before the trial court for discharging her from the charges in this case.

**3.** The case of the prosecution is that the accused persons entered into criminal conspiracy between themselves during the period between 2016-2018. In furtherance of the same, M/s.K.S.Patel and Sons had submitted an application dated 07.01.2016 represented by its alleged partners/A1 and A2. They produced false Income Tax returns including balance sheets, profit and loss accounts, projections, forged valuation report of the collateral property and fake no due certificate from the existing banker of the bank, thereby induced the bank further credit facilities, OCC and FLC/ILC/buyers credit facilities to the tune of Rs.27

Crores.

**4.** But the loan so obtained was diverted and misused for the purposes than the purpose for which it has been sanctioned. The loss caused to the bank on this score is nearly Rs.29.23 Crores. The petitioner/A6 has also played an active role by way of issuing a bogus Letter of Credit by discounting bills to the bank showing the sale of wood by M/s.K.S.Patel and sons. She used to sign in the Letter of Credit on every occasion on the instructions of the accused 1 and 2.

**5.** The learned counsel for the revision petitioner submitted that the petitioner has got nothing to do with the alleged scam and she did not play any role, except being the authorized signatory for some companies. He further submitted that there was no material to fix the petitioner in this case and none of the witnesses, except L.W.53, has spoken about the petitioner. L.W.53 has stated in his statement that he got the signatures of the petitioner on the bunch of LC documents sent by the first accused through couriers. As she has been the authorized signatory of

M/s.Karpaga Vinayaga and Co, her signature was obtained on the invoice, delivery order and bill of exchange. It is the argument of the learned counsel for the petitioner that, just because the petitioner, being the authorized signatory to affix her signature to certain documents of certain companies, no conspiracy can be presumed against her in the absence of any other material records against her, and hence, she should be discharged. It is his further contention that the petitioner is the wife of the youngest son of one Gopal K. Patel, who started the business originally along with his two brothers in the year 1971. Thereafter, a partition was carried out mutually and the firm was re-organized.

**6.** After the partition of business and the common properties, the respective owners has got nothing to do with the business affairs of each other and they became independent. It is submitted that even after the partition, the petitioner and her family continued to help generously to the first accused by way of making money transaction through RTGS. The sixth accused on the capacity of authorized signatory from 27.04.2015 will simply sign. She is a home maker. She was not involved in any business activities.

**7.** However, the learned counsel for the respondent submitted that the investigation revealed that the petitioner also had played an active role in cheating by way of issuing bogus Letters of Credit and discounting bills to the bank on several occasions. He further submitted that *prima facie* materials are available and hence, the accused cannot be discharged without entering into the trial.

**8.** Heard both sides and perused the records.

**9.** Even according to the petitioner, she is an authorized signatory of certain companies and she continues to affix her signatures on the LC documents sent by the first accused. If the petitioner is a third party, who is completely alien to the activities of the accused, she would not have been given the authorisation to sign on any important papers like cheques of the company.

**10.** The accused 1 and 2 are partners and the petitioner(6th accused), as the authorized signatory, had played an important role by affixing her signature on certain documents. A person, who has assumed such significance and relevance in the affairs of the company, cannot be believed to have played no role in its affairs.

**11**. The case has been registered by CBI on the basis of the written complaint dated 15.10.2018 given by the Zonal Manager, Andra Bank, Zonal Office, Coimbatore. Apart from the accused 1 and 2, who are said to be the partners of M/s. K.S.Patel and sons, the allegations have been made against the other accused A3, A4 and A5, who are the guarantors and who joined on collateral security, an Advocate, who had given opinion and the valuer. Originally, in the entire FIR, the name of the petitioner/A6 was not found. The investigation is said to have revealed the misutilization of the bank loans obtained for the purpose of running the saw mill, buying and selling of timber and allied business activities on the accused 1 and 2's concern M/s.K.S.Patel and sons. The Letters of Credit have been given in favour of related parties of M/s.K.S.Patel and sons and the funds were diverted to other concerns. As the request for the issue of three letter of credits in favour of M/s.Suriya Agencies, M/s.Karpaga Vinayaga and company, M/s.Balaji Associates have been given by stating the purpose of purchasing the imported teak woods. As the third accused is the Branch Head of the Andra Bank, Trichy Branch, they allowed the diversion of funds.

**12**. So far as the petitioner is concerned, she had affixed her signature in those bunch of LC documents in her capacity as the authorized signatory to one M/s.Karpaga Vinayaga and company. She had also affixed her signature in the delivery order and bill of exchange for another company in respect of M/s.Suriya Agencies.

**13**. L.W.53 is the Accountant of one M/s. Bhavani Saw Mill and she used to prepare the documents related to letter of credits, sales tax, income tax particulars and other documents relating to bank transactions. Her services were engaged by M/s.K.S.Patel and sons and the documents so produced at their instructions, she would get signatures from the sixth respondent. Only on the basis of the statement given by LW.53, the petitioner/A6 also has been implicated in the case. The sixth respondent is closely related to the accused 1 and 2 and she is not a stranger. Even in her statement, she had stated that they were doing joint family business and thereafter partitioned the business. However, theses facts and her connection to the letter of credits alleged to have been signed by the accused in the name of other companies like M/s.Karpaga Vinayaga and Co and M/s.Suriya Agencies. It can be established only when the documents are produced and the evidence is adduced on those aspects at the time of trial. Getting the funds of the bank through letter of credits issued by the accused 1 and 2 in the name of their alleged sister concerns, signature of the persons, who are in-charge of the alleged concern is very much vital.

**14.** Whether the petitioner/A6 had affixed her signature in her capacity as authorized signatory by knowing the impact of the transaction or not cannot be found out at this initial stage. It has to be seen whether the materials on the face of it makes out a case against the petitioner/A6 or not or materials now produced even when uncontroverted cannot prove the guilt against the accused. Only when such unworthy or blank materials are relied by the prosecution to charge the petitioner/A6, then the petitioner/A6 could have the strong reasons to seek for discharge. The courts cannot do a roving enquiry at this preliminary stage itself for the purpose of considering the prayer for discharge. The merits of the materials produced cannot be evaluated without the aid of a full-pledged trial. If *prima facie* materials are available to charge an accused for an offence under a specific provision, the trial court should be allowed to conduct trial.

**15.** In the instant case, there are also documentary evidence available in the form of expert reports and the bank witnesses, which would show that the petitioner/A6 has signed certain bogus and false documents such as delivery challans, and invoices of M/s.Suriya Agencies and M/s.Karpaga Vinayaka and Co for discounting letter of credits for nearly Rs.22 Crores of money.

**16.** The learned counsel for the appellant submitted that affixing signature by the petitioner/A6 could have been just mechanical without knowing and without being the party for the consequences. Such lack of knowledge cannot be presumed at this stage. As the foundational materials have been culled out against the petitioner/A6, money has been discounted by the bank only on her signatures affixed on the documents, it is premature to arrive at any conclusion as to the intention of the petitioner. The learned trial Judge has rightly analyzed the materials on the touch stone of *prima facie* worthiness. Hence, I don't feel that order of dismissal of discharge petition requires any interference.

**17.** For the above stated reasons, this revision petition is dismissed.

**20.08.2025**

Index : Yes/No
Internet : Yes/No
CM

To,
1.The Additional District and Sessions Court,
Ramanathapuram

2.The Inspector of Police,
Thondi Police Station,
Ramanathapuram District
(Crime No.42 of 2014)

3.The Additional Public Prosecutor
Madurai Bench of Madras High Court,
Madurai.

**Dr.R.N.MANJULA, J**

CM

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