IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 13.02.2026

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THE HONOURABLE MR.JUSTICE M.NIRMAL KUMAR

Crl.M.P.No.2411 of 2026
in Crl.A.No.166 of 2026

M.Gajalakshmi ... Petitioner

Vs.

The Inspector of Police,
Central Bureau of Investigation,
Anti Corruption Branch,
Sastri Bhavan, Chennai. ... Respondent

PRAYER: Criminal Original Petition is filed under Section 389(1) of Cr.P.C., to suspend the sentence of imprisonment passed by the Court of XXIV Additional City Civil and Sessions Judge for CBI Cases, Chennai in C.C.No.17 of 2013 dated 09.01.2026 and direct to release of the petitioner/appellant/A7 on bail with reasonable conditions pending disposal of the appeal.

For Petitioner	:	Mr.A.R.Nixon
For Respondent	:	Mr.K.Srinivasan Special Public Prosecutor (CBI)

ORDER

The petitioner/A7 in C.C.No.17 of 2013 convicted by the Trial Court by judgment dated 09.01.2026 filed this appeal and suspension of sentence petition.

2.The Trial Court convicted the petitioner for the offence under Sections 120(b) r/w. 409, 420 IPC and Section 13(2) r/w. 13(1)(d) of Prevention of Corruption Act and sentenced to undergo one year rigorous imprisonment and to pay a fine of Rs.5,000/-, in default, to undergo three months simple imprisonment and for the offence under Section 420 IPC sentenced to undergo one year rigorous imprisonment and to pay a fine of Rs.1,000/-, in default, to undergo three months simple imprisonment. Both the sentences to run concurrently.

3.The case of the prosecution is that A1 was working as Senior Manager, Syndicate Housing Finance, Mylapore Branch during the period May 2002 and May 2006, at that time, A3 in connivance with the petitioner/A7, A8, A9, A11 and A12 approached A1 and applied for Synd

Nivas Housing Loan by furnishing forged and fabricated income tax returns. In pursuance of the conspiracy, A1 sanctioned the loan and released the payment. By virtue of the said loan amount, the accused persons purchased the plots in their name but sold the plots to other accused without making any construction and obtained pecuniary advantage. By virtue of the above act, the Bank incurred heavy loss.

4.The contention of the learned counsel for the petitioner is that the petitioner is an innocent person and on the directions of her father/A5, the petitioner signed the loan document and she has not committed any offence. He would submit that the petitioner's father N.Devaraj/A5 had given a sworn statement that on his direction only, the petitioner signed the document. He further submitted that the real beneficiary is S.Kumar @ S.Vijayakumar/A3 who obtained the loan in his name. He would further submit that the loan amount was already repaid.

5.The learned Special Public Prosecutor (CBI) submitted that in this case A1 is the Loan Officer. The Bank Officials examined as witness have clearly stated that there is criteria and eligibility for Synd Nivas Housing

Loan and circular giving guidelines had been issued. The Chief Manager (Vigilance), Syndicate Bank conducted internal investigation with regard to the loan sanctioned by A1 and report filed confirming A1 is the Officer who sanctioned the loan without following the procedure. He would submit that the petitioner/A9 is the loanee and the income tax returns filed by the petitioner and other loanees proved to be forged. The seal and signature of Chartered Accountant also found to be forged. PW6 is the witness from the Chartered Accountant Association who confirmed there was no such Chartered Accountant registered in their Association whose name found in the income tax returns. Further, one of the Chartered Accountant appeared and had given evidence that he had not signed any income tax returns produced by the accused. The specimen signature of the witnesses and signature available in the documents were collected and sent to forensic expert. PW11/Forensic Expert had given a report confirming the forgery committed in this case. Loans have now become NPA and the Bank incurred heavy loss. Hence prayed for dismissal.

6.Considering the submissions made and on perusal of the materials, it is seen that the primary contention of the petitioner is that the petitioner is an innocent person and she had signed the loan document only on the directions of her father/A5 which is admitted by her father by giving a sworn statement. Further, the real beneficiary is A3 and the loan amount has already been repaid. The Trial Court already granted suspension of sentence to the petitioner. In view of the above, this Court is inclined to grant suspension of sentence till the disposal of the present criminal appeal.

7.Accordingly, the Substantive Sentence of Imprisonment imposed on the petitioner/A7 is suspended till the disposal of the appeal with the following conditions:

1)The petitioner/A7 is ordered to be enlarged on bail, on condition that she shall execute a bond for a sum of Rs.10,000/- (Rupees Ten thousand only) each with two common sureties for a likesum in both cases C.C.Nos.17 and 18 of 2013, each for a like sum to the satisfaction of the trial Court;

2)The petitioner shall appear before the Trial Court on the first working day of once in six months at 10.30 a.m. until the disposal of the criminal appeal.

3) If the petitioner is not able to appear before the Trial Court on that day, she shall make arrangements to file an application under Section 317 Cr.P.C. and shall appear before the Trial Court on any other day in lieu of the date of her absence as directed by the Trial Court.

8.In the result, this Criminal Miscellaneous Petition is ordered.

13.02.2026

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To

1.The Inspector of Police,
Central Bureau of Investigation,
Anti Corruption Branch,
Sastri Bhavan, Chennai.

2.The XXIV Additional city Civil and Sessions Court
(CBI Cases relating to Banks and Financial
Institution Scams)
Chennai.

3.The Special Public Prosecutor (CBI),
High Court, Madras.

M.NIRMAL KUMAR, J.

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