IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 22-01-2026

CORAM

THE HON'BLE MR JUSTICE M. NIRMAL KUMAR

CRL RC No. 2751 of 2025

Shri.V.Ramesh
S/o.Late Venkataswamy,
No.2/133, Pedda Elasagiri,
Bagapalli Post, Nallur Taraff,
Hosur Taluk, Krishnagiri District.

..Petitioner(s)

Vs

State Rep. by
The Inspector of Police,
CBI/ACB/CHENNAI.

..Respondent(s)

PRAYER: The criminal revision case filed under Section 438 r/w 442 of BNSS, 2023, to set aside the order passed in Crl.M.P.No.3881 of 2024 in C.C.No.5533 of 2023 (on the file of court of Additional Chief Metropolitan Magistrate, Egmore, Chennai) and consequently, release of seized amount Rs.28 lakhs with accrued interest now in the form of fixed deposit in the name of learned XI Additional and Special Judge for banks and financial institutions cases at Chennai.

For Petitioner(s): Mr.T.Sivananthan

For Respondent(s): Mr.K.Srinivasan
Special Public Prosecutor
For CBI Cases

ORDER

This criminal revision case has been filed to set aside the order passed in Crl.M.P.No.3881 of 2024 in C.C.No.5533 of 2023 (on the file of court of Additional Chief Metropolitan Magistrate, Egmore, Chennai) and consequently, release seized amount Rs.28 lakhs with accrued interest now in the form of fixed deposit in the name of learned XI Additional and Special Judge for banks and financial institutions cases at Chennai.

2.This Court on an earlier occasion i.e. 19.01.2026 passed the following order:

> The learned counsel for the petitioner submitted that the respondent initially registered a case in RC 032 2022 A 0009 on 19.08.2022 on a complaint lodged by Bank of Baroda, Puducherry. Based on the complaint, a case registered against the petitioner, his wife, Sonnamma, his son, Manjunath and unknown public servants and private persons for committing fraud of an amount of Rs.493.19 lakhs for the offences punishable under Sections 120(B) r/w 420, 420, 468 and 471 of I.P.C. and 13(2) r/w 13(1)(a) of the Prevention of Corruption Act (in short 'PC Act'). During investigation, on 02.09.2022, a search was conducted in the petitioner's house and cash of Rs.28 lakhs found and seized. This cash was deposited in Indian Bank, Harbour Branch by way of a Fixed Deposit. On conclusion of investigation, charge sheet filed against petitioner's son Manjunath alone and the named accused, i.e.,

V.Ramesh/petitioner and Sonnamma/wife were dropped. The reason given in the charge sheet is, the petitioner and his wife executed documents as co-borrowers for the mortgage. They executed documents as co-borrower on the insistence of the Bank officials and initially it was Manjunath, who applied for loan and the petitioner and his wife have nothing to do with the borrower.

2.He further submitted that the petitioner is running a Dairy Farm and Milk vending business. He had been supplying milk from his dairy farm and purchase milk from other villagers and sells the same to M/s.MRK Milk Dairy and Farm, who had given a letter and statement of accounts showing that during the period from January, 2021 to August, 2022, the petitioner's dairy farm received an amount of Rs.31,80,113/- by cash and through bank remittance and this Rs.28 lakhs forms part of it. Hence sought for return of the seized amount.

3.The learned Special Public Prosecutor submitted that on the complaint of Bank of Baroda, Puducherry, a case registered against the petitioner, his wife Sonnamma and son Manjunath and others. The complaint is that an amount of Rs.493.19 lakhs of Bank of Baroda has been cheated. This Bank of Baroda is now amalgamated and functioning as E-Vijaya Bank. During investigation, search was conducted in the petitioner's house and cash of Rs.28 lakhs found and seized. The main accused, Manjunath is residing with his father/petitioner and his mother Sonnamma under a common roof. This amount now deposited in Indian Bank, Harbour Branch as Fixed Deposit for a period of five years in the name of 'XI Additional Special Court-RC09A/2022/CBI/ACB-A2 & A3'.

4.He further submitted that in the charge sheet there is no reference of the petitioner having such huge income from selling the milk. In fact, the Firm M/s.Manjunath Milk Supply had taken credit limit of Rs.62 lakhs from Corporation Bank in March, 2015 and the business was not running properly and the Corporation Bank issued SARFAESI notice to the petitioner on 31.05.2017 to recover due amount of Rs.64.85 lakhs, which confirms that the milk business in the name of M/s.Manjunath Milk Supply is not running profitably. In such circumstances, the petitioner is now claiming that he was able to save Rs.28 lakhs within a short period of one and half years.

5.He further submitted that during investigation, neither Manjunath nor the petitioner were able to explain the source of the said amount of Rs.28 lakhs. Further the claim of the petitioner that this is the income from his business is not tenable, as the amount transferred towards the sale of milk was withdrawn completely within a day or two by the petitioner and a portion of this amount must have been used for purchasing feed for cattle and other expenses. Further no one would withdraw the amount received in the bank and keep it idle in the house for one and half years. During investigation, the petitioner was not able to produce any documents like ITR or any other contemporary business documents to show that the petitioner received the amount in his bank account during the period from January, 2021 to August, 2022.

6.According to the prosecution, the amount of Rs.28 lakhs seized during investigation is part of the crime proceeds. The accused, Manjunath got the loan amount of Rs.5 Crores disbursed from the E-Vijaya Bank on the basis of false and forged documents. Using the loan amount, he got the property documents of his factory released from M/s.Shriram City Union Finance Ltd. after closing the loan account with them. However, instead of depositing the property documents with E-Vijaya Bank as per the agreed terms and conditions, Manjunath sold the property to one Prakash Venkatesan, (Director of M/s.Essae Gears & Transmissions Private Limited), thereby, he cheated the bank. Three properties mortgaged for securing loan, two of which, situated in Nallur Village and one property in Zuzuvadi village. Out of the three properties, one property at Zuzuvadi village was sold to third person without the knowledge of the Bank. According to the prosecution, this amount is a sale proceeds received from Zuzuvadi property.

7.The learned counsel for petitioner submitted that Manjunath has already approached the bank for One Time Settlement (OTS) and his only plea is that his father/petitioner herein is now stepping in to help his son and the amount of Rs.28 lakhs seized from his residence will be used for reaching OTS and pay to the Bank. At this stage, he seeks small accommodation to file an affidavit and also collect some documents from the Bank to confirm that OTS is in process and the amount of Rs.28 lakhs can be utilised for OTS with the Bank.

8.Post the case on 22.01.2026."

3.In continuation of the abovesaid order passed by this Court on 19.01.2026, today learned counsel for the petitioner filed a typed set of papers dated 22.01.2026 listing five documents.

4.Learned counsel for the petitioner submitted that petitioner's bank account details show that the petitioner received the amount independently of his son, who is an accused in C.C.No.5533 of 2023, petitioner has nothing to do with his son's transactions and petitioner has independent transactions. Further, the petitioner's son Manjunath address and a letter to the Chief Manager, Bank of Baroda, requesting for grant of one time settlement to settle the loan account of a sum of Rs.2,00,00,000/-.

5.The learned counsel produced the letter of the Bank of Baroda dated 30.12.2025, wherein, bank rejected one time settlement proposal. His further contention is that CBI cannot act as a recovery agent for the bank. The petitioner earned the money independently from his own business and the petitioner's son has got nothing to do with this amount seized from the petitioner's residence.

6.The learned Spl. Public Prosecutor filed a counter and his objection, which extracted in para – 6 of the abovesaid order dated 19.01.2026. He further submitted that amount recovered from the house of the accused Manjunath during investigation and that, the petitioner is the father of the said Manjunath and they were unable to give any explanation with regard to the source of Rs.28,00,000/- seized from the house search, leading to infer that the fund is, either the other bank loan disbursed or proceeds of the sale of property, which the accused Manjunath was supposed to submit to the bank as mortgaged availed by him. He further submitted that during investigation, the petitioner's business with M/s.MRK Milk Dairy and Farm was also investigated and found that the petitioner owned some milking cows and also purchasing milk from other villagers and supply to Diary Firm. The amount received from his milk business was periodically credited to his bank account within 15 days of supply of milk. Further, submitted no person will withdraw this amount and keep it idle with him in cash for more than 1 ½ years. It was also found that the property, which was to be mortgaged, by his son was not remortgaged but it was sold to one Prakash, Venkatesan, Director of M/s. Essae Gears & Transmissions Private Limited. Further he submitted that the petitioner's contention are disputed facts, which can be decided only during trial. Seized amount already kept in an interest earning Fixed Deposit. The petitioner can very avail the benefit of the amount with interest, if he is able to prove during trial that the amount is untainted. The bank dismissed one time settlement proposal (OTS) and the amount may be retained in the Fixed Deposit.

7.Considering the above submissions, materials produced on record and the fact that a sum of Rs.28,00,000/-, already seized from the petitioner's house during house search of Manjunath kept in a Fixed Deposit, now, the petitioner's contention that it is his own money that cannot be decided at this stage and it can only be decided during trial in C.C.No. 5533 of 2023.

8.In view of the above, this Court is not inclined to entertain the petition and the criminal revision case is dismissed.

22-01-2026

Index : Yes/No
Speaking/Non-speaking Order
Neutral Citation: Yes/No
sms

To

1.The Inspector of Police,
CBI/ACB/CHENNAI.

2.The Public Prosecutor
High Court, Chennai.

M.NIRMAL KUMAR, J.

sms

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