REPORTABLE

IN THE SUPREME COURT OF INDIA
CRIMINAL APPELLATE JURISDICTION

CRIMINAL APPEAL NOS. 300-303 OF 2017

(Arising out of SLP(Crl.) Nos.6117-6120 of 2015)

STATE OF KARNATAKA … … APPELLANT(S)

:Versus:

SELVI J. JAYALALITHA & ORS. … RESPONDENT(S)

WITH

CRIMINAL APPEAL NOS. 304-307 OF 2017

(Arising out of SLP(Crl.) Nos.6294-6297 of 2015)

K. ANBAZHAGAN … … APPELLANT(S)

:Versus:

SELVI J. JAYALALITHA & ORS. ETC. … RESPONDENT(S)

AND

CRIMINAL APPEAL NOS.308-313 OF 2017

(Arising out of SLP(Crl.) Nos.6121-6126 of 2015)

K. ANBAZHAGAN … … APPELLANT(S)

:Versus:

INDO DOHA CHEMICALS & PHARMACEUTICALS

AND ORS. ETC. … … RESPONDENT(S)

AND

CRIMINAL APPEAL NOS.314-319 OF 2017

(Arising out of SLP(Crl.) Nos.7107-7112 of 2015)

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STATE OF KARNATAKA … … APPELLANT(S)

:Versus:

INDO DOHA CHEMICALS & PHARMACEUTICALS LTD. AND ORS. ETC. … … RESPONDENT(S)

J U D G M E N T

Pinaki Chandra Ghose, J.

1. Leave granted.

2. These appeals project a challenge to the judgment and order dated 11.5.2015 rendered by the High Court of Karnatka in the appeals preferred by the respondents herein, thereby acquitting them of the charge under Sections 120B and 109 of Indian Penal Code, 1860 (for short "IPC") read with Sections 13(1)(e) and 13(2) of the Prevention of Corruption Act, 1988 (for short "1988 Act") as framed against them and also resultantly setting-aside the order of the Trial Court for confiscation of properties, both movable and immovable, of

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the concerned firms, as mentioned therein. In the meantime, after the conclusion of the arguments, the respondent No.1 expired and, thus in law, the appeals against her have abated. Nevertheless, in view of the gamut of the imputations and the frame-work of the charges as well as the nature of the evidence, oral and documentary, available on records, reference to her role and involvement, based thereon in collaboration with other respondents would have to be essentially examined. The respondents-accused would hereinafter be referred to as respondents/accused/A1/A2/A3/ A4, as the case may be, contingent on the context.

3. Charges were framed against A1 – former Chief Minister of the State of Tamil Nadu and the co-accused viz. A2, A3 and A4 (respondents herein), for commission of the alleged offences punishable under Section 13(1)(e) read with Section 13(2) of the 1988 Act and further under Section 120-B and Section 109 of IPC. It is the case of the prosecution that A1 (since deceased) was the Chief Minister of Tamil Nadu from 24th June, 1991 till 13th May, 1996. Prior to this, she was a member of the Rajya Sabha from April, 1984 till 27th January,

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1989 and further she was a member of Tamil Nadu Legislative Assembly from 27th January, 1989 till 30th January, 1991. She also acted in the films during 1964-1972. Facts reveal that she was the daughter of late Smt. N.R. Sandhya, who also acted in films during 1960's. Smt. N.R. Sandhya died in the year 1971 and by virtue of her mother's Will dated 01.11.1971, A1 became the owner of the following properties viz.,

(i) Land and building at No.36, Poes Garden, Chennai-86;

(ii) House at Plot No.36, Door No.8/3/1099 in Sri Nagar Officer's Colony at Hyderabad City;

(iii) Lands totally measuring 10.20 acres in Sy.No.52 and Sy.No.50 of Jeedimetla village and Sy. No.93/1 of Pet Basheerabad Village in Metchal Taluk in Ranga Reddy Dist. of Andhra Pradesh with Grape Garden, Farm House and Servants quarters;

(iv) Land in Sy.No.93/2 to the extent of 3.15 acres in Pet Basheerabad village in Andhra Pradesh;

In addition to the above properties, A1 was also in possession of –

(v) Agricultural land measuring 3.43 acres in Cheyyur Taluk

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now in Anna Dist. (as per Doc. No.4564/81, dt.16.12.1981 of SRO North Madras);

(vi) An old Ambassador car and an old Contessa car;

(vii) A new Maruti car bearing registration No.TMA-2466 worth Rs.60,435/- and

(viii) Company shares.

Thus, the assets which were in the possession of A1 up to 1987 were found to be worth only Rs.7.5 lakhs. Besides, she also claimed to have possessed balance in her bank accounts to the extent of Rs.1 lakh and certain items of jewellery.

4. A2 – Tmt. Sasikala Natarajan is the wife of one Mr. M. Natarajan who had joined Government service as a Publicity Assistant in the Department of Information and Public Relation, Government of Tamil Nadu, in the year 1970 and thereafter promoted in succession eventually as Deputy Director in the year 1986 in the same department. He tendered his resignation from Government service on 1st November, 1988 which was accepted by the Government of

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Tamil Nadu with retrospective effect on 3rd April, 1991.

5. A2, as it appears from the facts, is the daughter one C. Vivekanandan, a Medical Compounder, and her marriage with said Natarajan was held in the early 1970's. A2 was initially an occasional visitor to the residence of A1 at No.36, Poes Garden, Chennai-86, and started permanently living there with A1 from 1988 onwards and was acknowledged and declared by A1 as her friend-cum-sister. A2 continued to live with A1 since then.

6. A3 – Tr. V.N. Sudhakaran is the son of A2's elder sister Smt. Vanithamani and T.T. Vivekanandan. He started residing at No.36, Poes Garden, Chennai-86 in the year 1992 while pursuing his studies at New College, Chennai. A1 had acknowledged and proclaimed A3 as her "foster son" and had conducted his marriage with one Sathiyalakshmi at Chennai on 7.9.1995, in a lavish celebrations.

7. A4, Tmt. J. Elavarasi is the wife of late V. Jayaraman, the elder brother of A2. The said V. Jayaraman was a Government

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servant and he died in December, 1991 due to electrocution while attending to works in the Grape Garden of A1 at Hyderabad. Following her husband's death, A4 came to live at No.36, Poes Garden, Chennai-86, from the beginning of 1992.

8. The case of the prosecution is that, as on 1.7.1991, A1 was found in possession of properties and pecuniary resources in her name and in the name of A2 Smt. N. Sasikala, who was living with A1 at No. 36, Poes Garden, Chennai to the extent of Rs.2,01,83,957/- including the properties acquired in the name of M/s. Jaya Publications, M/s. Sasi Enterprises and Namadhu MGR, which had been floated by A1 and A2 with themselves as partners. But, after 1.7.1991, there was sudden spurt in the acquisition of assets and during this period, A1 and A2 floated several firms in the names of A2, A3 and A4 viz.,

i. M/s. J. Farm Houses;
ii. M/s. J.S. Housing Development;
iii. M/s. Jay Real Estate;
iv. M/s. Jaya Contractors and Builders;
v. M/s. J.S. Leasing and Maintenance;

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vi. M/s. Green Farm Houses;

vii. M/s. Metal King;

viii. M/s. Super Duper TV (P) Ltd.,

ix. M/s. Anjaneya Printers Pvt. Ltd.,

x. M/s. Ramraj Agro Mills Ltd.,

xi. M/s. Signora Business Enterprises Pvt., Ltd.,

xii. M/s. Lex Property Development Pvt., Ltd.,

xiii. M/s. Riverway Agro Products Pvt., Ltd.,

xiv. M/s. Meadow Agro Farms Pvt., Ltd.,

xv. M/s. Indo Doha Chemicals & Pharmaceuticals Ltd.,

xvi. M/s. A.P. Advertising Services;

xvii. M/s. Vigneswara Builders;

xviii. M/s. Lakshmi Constructions;

xix. M/s. Gopal Promoters;

xx. M/s. Sakthi Constructions;

xxi. M/s. Namasivaya Housing Development;

xxii. M/s. Ayyappa Property Developments;

xxiii. M/s. Sea Enclave;

xxiv. M/s. Navasakthi Contractors and Builders;

xxv. M/s. Oceanic Constructions;

xxvi. M/s. Green Garden Apartments;

xxvii. M/s. Marble Marvels;

xxviii. Vinod Video Vision;

xxix. Fax Universal;

xxx. Fresh Mushrooms;

xxxi. M/s. Super Duper TV., and

xxxii. M/s. Kodanadu Tea Estate;

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9. The further case of the prosecution is that during the check period i.e. from 1.7.1991 to 30.4.1996, there were no business activities at all in respect of many of the above firms, and in respect of others, the activities were more in the nature of acquiring assets like lands, machinery, building etc., which were not production oriented. No income-tax returns were filed by these firms. No assessment for commercial tax has also been done with respect to the business of these firms. A1 also did not file her Income-tax returns for the assessment years 1987-88 to 1992-93 till November, 1992 and when this issue was sought to be raised in Parliament, A1 filed the income-tax returns for the above period in November, 1992. Subsequent to 1.7.1991, assets in the form of movable and immovable properties and pecuniary resources like bank deposits etc., were found acquired not only in the name of A1, but also in the names of A2, A3 and A4 and the firms floated in their names. Scrutiny of various bank accounts maintained in the names of A1 to A4 and in the names of the above firms disclosed that huge credits in cash had been frequently made

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into various accounts which were not commensurate with the income of the individuals and of the firms concerned. There were frequent transfers of amounts between one account to the others to facilitate illegal acquisition of assets. The huge quantum of such assets, when viewed in the context that A1 was holding the office of the Chief Minister and that A2, A3 and A4 were living under the same roof with A1 and not having sufficient means to acquire the assets in their names, established that the assets were actually acquired by A1.

10. It is further alleged that, pursuant to the criminal conspiracy between A1, a public servant and her associates viz., A2, A3 and A4, to acquire and possess properties and pecuniary resources by A1 in her name and in the names of A2, A3 and A4 and in the names of various firms floated by them, they amassed properties and pecuniary resources to the tune of Rs.66,64,73,573/- (later corrected as Rs.66,65,20,395/-), which was grossly disproportionate to the known sources of income of A1 and A2 to A4 during the check period from 1.7.1991 to 30.4.1996. According to the prosecution, the income from the known sources of A1 during

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this period, such as rental income, interest derived from various bank deposits and other deposits held by her in her name and in the names of A2, A3 and A4, agricultural income, loans and the salary received by her as Chief Minister of Tamil Nadu, worked out to a total of Rs.9,34,26,054/-, whereas during this period the expenditure incurred by A1 including repayment of principal amounts and interest on loan, and other outgoings were assessed at Rs.11,56,56,833/-. Thus, as on 30.4.1996, A1 being a public servant was found to have acquired and possessed pecuniary resources and properties in her name and in the names of A2, A3 and A4 and the firms floated by them, which were overwhelmingly disproportionate to her known sources of income to the extent of Rs.66,65,20,395/- (Rupees Sixty Six Crores Sixty Five Lakhs Twenty Thousand Three hundred and Ninety Five only) which is an offence of criminal misconduct within the definition of Sec.13(1)(e) punishable under Section 13(2) of 1988 Act and A2, A3, and A4 conspired with A1 and abetted the commission of the above offence.

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11. On 14.6.1996, Dr. Subramanian Swamy (PW-232), the then President of Janata Dal lodged a complaint against A1 before the Principal Sessions/Special Judge, Madras, under Section 200 of Cr.P.C., alleging that A1, after assuming the public office as Chief Minister of Tamil Nadu, had acquired properties and earned income disproportionate to her known sources of income. The said complaint was registered as Crl.M.P. No.3238 of 1996 and by order dated 21.06.1996, the Principal Sessions Judge/Special Judge directed investigation under Section 17 of 1988 Act and Section 202 of Cr.P.C. and further directed to collect necessary materials and submit a report before the Court within a period of two months. Pursuant to the said order, PW-240 - Smt. Letika Saran, a senior IPS Officer, took up the investigation, collected records and documents from various sources.

12. During the investigation, the said order passed by the Principal Sessions Judge/Special Judge was challenged before the High Court of Madras. The investigation was stayed for a brief period and thereafter the High Court was pleased to direct the Director of Vigilance and Anti Corruption, Madras

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(hereinafter also referred to as "DVAC") to take appropriate steps to investigate into the allegations made in the complaint and ultimately, an FIR was filed against A1 on 18.9.1996 as per Ext.P-2266.

13. During investigation, after conducting search of the residential premises of A1 and various other locations, the Investigating Officer found several incriminating materials and voluminous documents were seized and statements of a large number of witnesses were recorded. The incriminating evidence collected during such investigation disclosed the complicity of A2 to A4 in the alleged offence. Hence, an application was filed before the Special Judge on 22.01.1997 for addition of A2, A3 and A4 as co-accused and for incorporation of additional offences under Section 120-B of IPC read with Sections 13(2) and 13(1)(e) of 1988 Act and Section 109 of IPC. On completion of such investigation, PW-259 (Shri Nallamma Naidu) laid the charges against all the accused on 4.6.1997 which was duly registered as Spl. C.C. No.7/97 on the file of the IX Additional Sessions Judge (Special Court, I), Chennai.

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14. The ball was set into motion and following charges were framed by the Special Judge, Chennai:

> *Firstly:- That you A1 to A4 during the period between 1.7.1991 and 30.4.1996 in Chennai and other places in Tamil Nadu, you A1 being a public servant, along with you A2 to A4, were parties to a criminal conspiracy with the object of acquiring and possession pecuniary resources of income to the extent of Rs.66,65,20,395/- in the names of you A1 and in the names of you A2 to A4 and the thirty two (32) business enterprises floated in the names of A2 to A4, for which you (A1) could not satisfactorily account and you (A2 to A4) abetted A1 by holding a substantial portion of the pecuniary resources and property in your names (A2 to A4) on behalf of you and thereby you A1 to A4 committed an offence punishable u/Sec.s 120-B I.P.C. r/w 13(2) r/w 13(1)(e) of Prevention of Corruption Act, 1988 and within the cognizance of this Court.*
>
> *Secondly:- That you A1 in pursuance of the said criminal conspiracy, during the said period and the said places, being a public servant to wit the Chief Minister of the State of Tamil Nadu, acquired and possessed in your name and in the names of A2 to A4 and in the names of the business enterprises floated in the names of A2 to A4, pecuniary resources and property disproportionate to your known sources of income to the extent of Rs.66,65,20,395/- for which you could not satisfactorily account, and thereby you A1 committed an offence punishable u/Sec. 13(2) r/w 13(1)(e) of Prevention of Corruption Act, 1988 and within the cognizance of this Court.*
>
> *Thirdly:- That you A2 to A4 in pursuance of the said criminal conspiracy during the said period and the said places abetted A1 who was a public servant, by*

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intentionally aiding her in the possession of pecuniary resources and property disproportionate to her known sources of income and for which she could not satisfactorily account, by holding a substantial portion of the said pecuniary resources and property in your names and in the names of the business enterprises floated in your names, and thereby you A2 to A4 committed an offence punishable u/Sec. 109 I.P.C. r/w 13(2) r/w 13(1)(e) of Prevention of Corruption Act, 1988 and within the cognizance of this Court.

15. The charges were denied by the accused persons. During the pendency of the trial, the D.V. & A.C. was permitted further investigation under Section 173(8) of Cr.P.C. and was granted letters rogatory by the Designated Court for collecting evidence and materials relating to the alleged accumulation of disproportionate assets/wealth by A1 in conspiracy with A2 outside the country. On the basis of the evidence collected during further investigation, a separate FIR in Crime No.2/AC/2000 was filed by the prosecution on 2.9.2000 against A1 and A2 which culminated into a charge-sheet dated 23.3.2001 registered as Spl.C.C. No.2/2001.

16. Subsequent thereto evidence was recorded from time to time. Thereafter, steps were taken under Section 313 Cr.P.C.

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So far as A1 was concerned, she was permitted to answer a questionnaire which was delivered to her with a direction to answer it on 25.2.2003, which was adhered to by A1. A2 to A4 were also questioned as per Section 313 Cr.P.C. which was duly concluded on 26.2.2003. Thereafter, defence witnesses were examined. Thereafter, by its judgment dated 18.11.2003 in Transfer Petition (Criminal) Nos.77-78/2003, the Supreme Court transferred the said matter to the State of Karnataka and in terms of the said judgment, the Government of Karnataka by its order dated 27.12.2003 duly accorded sanction for establishment of the Special Curt at Bangalore and by Notification dated 19.02.2005, duly appointed Shri B.V. Acharya, Senior Advocate and former Advocate General of Karnataka as Public Prosecutor to conduct the said matter.

17. Thereafter, the said matter bearing Spl.C.C. No.7/1997 was renumbered as Spl.C.C. No.208/2004 and Spl.C.C. No.2/2001 was renumbered as Spl.C.C. No.209/2004 on the file of the Special Judge (i.e. 36th Addl. City Civil & Sessions Judge at Bangalore. Subsequent thereto certain steps were taken on behalf of the accused and the matter travelled up to

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this Court/Supreme Court whereafter the trial was resumed before the Special Judge. The accused were called upon to examine their witnesses and subsequently 99 witnesses were produced before the Court and concluded their evidence. Narration of all eventful factual interventions has been avoided being not decisively essential for the adjudication.

18. It appears that the Trial Court after hearing the parties culled out the following points for determination:

> *(a) Whether the prosecution proves beyond all reasonable doubt that A1, being a public servant acquired and possessed in her name and in the names of A2 to A4 and in the names of business enterprises floated in their names, pecuniary resources and assets of the value of Rs.66,65,20,395/- disproportionate to her known source of income during the check period from 01.07.1991 and 30.04.1996, which she could not satisfactorily account?*
>
> *(b) Whether the prosecution further proves beyond reasonable doubt that A1 to 4 were parties to a criminal conspiracy with the object of acquiring and possessing pecuniary resources and assets to the*

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extent of Rs.66,65,20,395/- in the names of A1 and in the names of A2 to 4 and the 32 business enterprises floated in the names of A2 to 4 and thereby committed the offence punishable u/Sec. 120-B of Indian Penal Code R/w. Sec.13 (2) R/w. Sec. 13 (1) (e) of Prevention of Corruption Act, 1988?

(c) Whether the prosecution further proves beyond all reasonable doubt that A2 to A4 abetted the commission of the above offence by intentionally aiding A1 in the acquisition and possession of pecuniary resources and properties disproportionate to her known source of income by holding substantial portion thereof in their names and in the names of 32 business enterprises floated in the names of A2 to A4, rendering them liable for conviction for the offence punishable u/Sec. 109 Indian Penal Code R/w. Sec. 13(2) R/w. Sec.13(1)(e) of Prevention of Corruption Act, 1988?

(d) *What order ?*

19. The Trial Court appraised the evidence adduced in respect of the points formulated by it and duly dealt with the charges framed against the accused. The Trial Court

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elaborately dealt with the matter after considering the evidence, facts as well as the judgments cited before it, the contentions raised and after dealing with all aspects of the matter, inter alia held that:

> ".....There is no argument from any quarters that the choice of the check period has caused any prejudice or disadvantage to the accused in any manner. Hence, in my view, the period of 5 years selected by the prosecution is reasonably sufficient to give a fair and comprehensive picture of the known source of income and pecuniary resources and property in the possession of the accused so to arrive at a fair decision on the issues involved in this proceedings."

20. From the facts it appears, the prosecution has listed the details of assets held by the accused at the beginning of the check period i.e. 1.7.1991 in **Annexure-I** (Ext.P-2327). The said Annexure is reproduced hereunder:

ANNEXURE – I
(ASSETS AS ON 1.7.1991)

Sl. No	Description of the property	Standing in the name of	Value of the property (Rs.)
1.	Land and building at No. 36, Poes Garden Chennai-86 (Sy. No. 1567 of Tenampet) purchased from R. Sarala	M/s Natya Kala Nikethan, rep. by Smt. N.R. Sandhya and Selvi J.Jayalalitha	1,32,009.00
2.	Door No. 8/3/1099, Ward No. 8, Block No. 3 in plot No. 36 to the extent of 651.18 Sq. Mtrs.	,,	50,000.00

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	building in Sri Nagar Officers Colony, Hyderabad city purchased from Koka Sambasiva Rao, S/o Hariprakash Rao at Door No. 8/3/1099 in Sri Nagar Officers Colony, Hyderabad city		
3.	Two Farm houses, Servant quarters and other buildings within the Grape garden compound in Jeedimetla village and Pet Basheerbad in Qut Bullapur (Mandal) of Ranga Reddy Dist., in Sy. No. 50 and 52/E of Jeedimetla village and Sy. No. 93E and 93 U of Pet Basheerbad village (Total extent 11.35 acres)	„	1,65,058.50
4.	Land in Sy. No. 93/3 to the extent of 3.15 acres(1.36 Hectares) at Pet Basheerbad village in Medchal Tq. in A-P.,	„	13,254.50
5.	Agricultural land measuring 3.43 acres in Cheyyhur village in Sy. No. 366/2,5,6 purchased from M.N. Venkatachala Mudaliar, S/o Natesa Mudaliar, No. 1046/8, Thiruvotriyur Main Road, Kaladipettai, Chennai.	Selvi J. Jayalalitha	17,060.00
6.	Land and flat No. 7, R.R. Flats, 3/4 , Antu Street, Santhome, Chennai-4 of Smt N. Sasikala C – Rs. 2,75,000/- S – Rs. 35,750/- F – Rs. 2,780/-	Smt. N. Sasikala	3,13,530.00
7.	Building at Door No. 19, Pattammal Street, Chennai in Plot No. 83, R.S. No. 4087, Extent 18907 Sq. ft. purchased from V.H. Subramanian, S/o H. Venkatasubban,15, Venkatraman Street, Srinivasa Avenue, Chennai-28	M/s Jaya Publications (Selvi J. Jayalaitha and Smt. N. Sasikala)	5,70,039.00

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8.	Shop No. 14, Ground Floor at 602, Anna Salai, Chennai-6 purchased from Mohd. Hanif, No. 7, Gulam Abbas Ali Khan, 1st Street, Thousland Lights, Chennai-6 in the name of M/s Sasi Enterprises C – Rs. 85,000/- S – Rs. 13,045/- F – Rs. 859/-	M/s Sasi Enterprises	98,904.00
9.	Undivided share of land only at Door No. 14, Khadar Navaz Khan Road, Nungambakkam in R.S. No. 58/51 to the extent of 68/12000 undivided share in 11 grounds and 736 Sq. ft. of land purchased from M/s Holiday Sports Pvt. Ltd., office at 14, Khadar Navaz Khan Road, Chennai-6	,,	2,10,919.00
10.	Land and building at Door No. 213/B, St. Mary's Road in Sy. NO. 72, New No. 212, Extent 1206 Sq.ft. Ft. purchased from K. Selvaraj, S/o Munusamy Naidu, 44, Vanniyampathy Street, Mandaveli, Chennai-28	Selvi J. Jayalalitha	3,60,509.00
11.	Shop No. 18 of 189 Sq. ft. in ground floor at Door No. 602, Mount Road together with 54/42656th of undivided share of land in 17 grounds and 1856 Sq. ft. in R. S. No. 3/10 and 3/11 of Block No. 71 of Mylapore purchased from Mustafa M. Lohani, S/o Moiz K. Lohani and 2 others of 134, Angappan Naikan Sreet, 3rd Floor, Chennai-1	,,	1,05,409.00
12.	Land and building at Tanjore in Sy. No. 1091 to the extent of 2400 Sq. Ft. purchased from V.N. Somasundaram, S/o V. Namachiayam, 14, Thilagar	M/s Sasi Enterprises (partners – Selvi J. Jayalaalitha	1,57,125.00

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	Street, Ayyappa Nagar, Trichy.	and Smt N. Sasikala)	
13.	Vacant site at H.D.Road, in 3rd Dvn, 6th Ward, Haar Nombu Chavadi in Tanjore to the extent of 5100 Sq. ft. in T.S. No.1091 purchased from K Loganathan, S/o K.N. Kuppusamy of 1279, Old Nellu Mettu St. East Gate, Tanjore.	M/s Sasi Enterprises	1,15,315.00
14.	Vacant site at Ward No. 6 in Mahar Nombu Chavadi to the extent of 8970 Sq. ft. in T.S. No. 1091 of Tanjore purchased from Muthu Lakshmi, W/o V.N. Somasundaram of No. 11 Thilagara Street, Ayyappan Nagar, Trichy.	,,	2,02,778.00
15.	Land and building at Abishekapuram, Ponnagar in Trichy in plot No. 102, 3rd Cross Road, New Ward No. K in Block No. 30, T.S. No. 107 (totally measuring 3525 Sq. ft. purchased from Mirasi of 22-A Willion Road, Cantonment, Trichy.	Smt. N. Sasikala	5,85,420.00
16.	Dry land to the extent of 3.23 acres in Sy. No. 402-2 of Sundarakottai village, Mannargudi Tq. Tanjore Dist., purchased from Ummool Pajriya Ammal, W/o Anwartheen Raouthar, Naina Mohd. Raouthar, S/o Anwardeen Raouthar, No. 4, Hussain Road, Koothannallore, Needamangalm, Tanjore.	M/s Sasi Enterprises	75,210.00
17.	Land and building at Thiru Vi. KAIndustrial Estate, Guindy in Sy. No. 55 & 56, Block No. VI, Extent 5658 Sq. ft. Shed No. C-8, Adyar	M/s Jaya Publications	5,28,039.00

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	purchased from K. Viswanathan, S/o S.K.R. Karuppan Chettiar, 184, Vembuliamman Koil Street, Union Carbide Colony, Kottivakkam, Chennai-41 – Sole prop. of M/s Heatex Equipments		
18.	Maruthi car bearing Reg. No. TMA 2466 (new)	Selvi J. Jayalalitha	60,435.00
19.	Contessa car bearing Reg. No. TN-09/0033	,,	2,56,238.00
20.	Swaraj Mazda van bearing Reg. No. TSI 9090	,,	1,76,172.67
21.	Trax jeep bearing Reg. No. TSJ 7299	,,	1,04,000.00
22.	Swaraj Mazda van bearing Reg. No. TSR 333	,,	2,99,845.00
23.	Trax jeep bearing Reg. No. TSJ 7200	,,	1,04,000.00
24.	Cash balance as on 1.7.1991 in Canara Bank at Kellys branch with SB Acc. No. 38746 opened on 30.12.1988 in the name of Smt. N. Sasikala	Smt. N. Sasikala	13,601.98
25.	Cash balance as on 1.7.1991 in Central Bank of India, Secunderabad with SB Acc. No. 20614 opened on 19.5.1989 in the name of Selvi J. Jayalalitha	Selvi J. Jayalalitha	9,18,210.29
26.	Cash balance as on 1.7.1991 in Canara Bank of Mylapore branch with CA No. 1952 opened on 23.10.1989 in the name of Namadhu MGR in which Selvi J. Jayalalitha and Smt. N. Sasikala are partners	Namadhu MGR	5,51,826.94
27.	Cash balance as on 1.7.1991 in Canara Bank of Mylapore branch	Smt. N. Sasikala	1,40,198.25

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	with SB Acc. No. 23218 opened on 23.5.1990 in the name of Smt. N. Sasikala		
28.	Cash balance as on 1.7.1991 in Canara Bank of Mylapore branch with CA No. 2047 opened on 26.9.1990 on transfer from Kellys branch in the name of Selvi J. Jayalalitha and Smt. N. Sasikala	M/s Jaya Publications rep. by Selvi J. Jayalalitha and Smt. N. Sasikala	7,83,860.97
29.	F.D. No. 451/1990, dt. 19.6.1990 with Canara Bank of Mylapore	,,	64,520.00
30.	Cash balance as on 1.7.1991 in the Bank of Madurai, Anna Nagar branch with SB Acc. No. 5158 opened on 28.2.1990 in the name of Selvi J. Jayalalith	Selvi J. Jayalalitha	2,57,886.25
31.	Cash balance as on 1.7.1991 in Canara Bank of Mylapore branch with CA No. 2018 opened on 12.10.1990 in the name of Selvi J. Jayalalitha	,,	2,40,835.02
32.	Cash balance as on 1.7.1991 in Canara Bank of Mylapore branch with SB Acc. No. 23832 opened on 16.4.1991 in the name of Selvi J. Jayalalitha	,,	5,20,396.45
33.	Cash balance as on 1.7.1991 in Canara Bank of Mylapore branch with CA No. 2061 opened on 21.3.1991 in the name of Sasi Enterprises in which both Selvi J. Jayalalitha and Smt. N. Sasikala are the partners	M/s Sasi Enterprises	2,29,578.49
34.	FD in Kothari Oriental Finance in the name of Selvi J. Jayalalitha	Selvi J. Jayalalitha	1,00,000.00
35.	,,	,,	,,
36.	,,	,,	,,
37.	FD with Sriram Finance in the name of	,,	3,00,000.00

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38.	,,	,,	5,00,000.00
39.	,,	,,	20,00,000.00
40.	,,	,,	7,00,000.00
41.	Investment in the form of Equity shares in Madras Oxygen and Acetylene Co., Ltd., Coimbatore by J. Jayalalitha's mother during 1969 and 1971and inherited by Selvi J. Jayalalitha	,,	
42.	Investment in the form of shares in Kunal Engineering Co., Ltd., Ambattur, Madras-58 by Selvi J. Jayalalitha on 22.5.1978 for 1000 shares which have secured 500 bonus shares on 18.2.1983	,,	
43.	Value of 2140 old sarees and other dresses found at No. 36, Poes Garden at the time of Search	,,	4,21,870.00
44.	86 items of jewels of Selvi J. Jayalalitha as evaluated by M/s VBC Trust on 31.3.1991	,,	17,50,031.00
45.	62 items of jewels claimed to be of Smt. N.Sasikala as evaluated by M/s VBC Trust on 31.3.1991	Smt. N. Sasikala	9,38,460.00
46.	Silver wear weighing 700 kgs (as per the IT returns filed by Selvi J. Jayalalitha) (value worked out at the rate of Rs. 4,000/- per kg.)	Selvi J. Jayalalitha	28,00,000.00
47.	Amount deposited in MIDS No. 716767, dt. 30.4.1990 of Bank of Madurai, Anna Nagar for 2 years by Selvi J. Jayalalitha which was in force as on 1.7.199	,,	10,00,000.00
48.	Cash balance as on 1.7.1991 in CDS – ITP Acc. No. 32 of Selvi J. Jayalalitha in Central Bank of India, T. Nagar branch, Chennai -	,,	21,389.00

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	17.		
49.	FD of Rs. 5 lakh deposited in Sriram Investments Ltd., deposited on 12.11.1990 by Selvi J. Jayalalitha from her SB Acc. No. 5158 o BOM, Anna Nagar branch which after subsequent renewals is to mature on 29.1.1998.	,,	5,00,000.00
50.	Advance amount paid for purchase of 72/12000 undivided share of land in 11 grounds and 1736 Sq. ft. in R.S. No. 58/5 at 14, Gems Court, Kadhar Navaz Khan Road, Nungumbakkam, paid by Ch. No. 513735, dt. 23.4.1990 of CB, Madras which was registered as document No. 641/1993 of SRO, Thousand Lights branch, dt. 28.7.1993)	M/s Sasi Enterprises	50,000.00
51.	MIDR No. 66/9 with Central Bank of India, Secunderabad deposited on 2.5.1990	Selvi J. Jayalalitha	3,00,000.00
52.	Cash balance as on 1.7.1991 in SB Acc. No. 38671 of Canara Bank, Kellys in the name of Selvi J. Jayalalitha	,,	1,80,031.22
Grand Total			**2,01,83,956.53**

21. The Trial Court also gave the details of the income, derived by the accused during the check period i.e.1.7.1991 to 30.4.1996, in Annexure-III, (being Ext.P-2329) which is set out hereunder:

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ANNEXURE-III

(Ex.P.2329)

(Income during the check period from 1.7.1991 to 30.4.1996)

Sl. No	Details of income	Amount (Rs.)	Exhibits
1.	Loan obtained from Indian Bank, Abhiramapuram in the name of M/s Sasi Enterprises of which the outstanding principal was Rs. 13,55,023/-	25,00,000	P.1258 - P.1260
2.	Loan obtained from Indian Bank, Abhiramapuram in the name of M/s J. Farm Houses of which the principal of Rs. 28 lakh was outstanding besides Rs. 1,23,041/- as interest;	28,00,000	P.1210 - 1212
3.	Loan obtained from Indian Bank, Abhiramapuram in the name of M/s J.S. Housing Development of which the principal of Rs. 7 lakh was outstanding besides Rs. 37,184/- as interest;	7,00,000	P.1171 P.1173
4.	Loan obtained from Indian Bank, Abhiramapuram in the name of M/s Jay Real Estate of which the entire principal of Rs. 5 lakh was outstanding besides Rs. 28,407/- as interest;	5,00,000	P.1161 P.1163
5.	Loan obtained from Indian Bank, Abhiramapuram in the name of M/s Anjaneya Printers Pvt., Ltd., of which the principal of Rs. 75 lakh was outstanding besides Rs. 8,81,477/- as interest;	75,00,000	P.1230 to 1233 1004
6.	Loan obtained from Indian Bank, Abhiramapuram in the name of Maha Subhalakshmi Kalyana Mandapam of which the principal of Rs. 17,86,000/- was outstanding besides Rs. 1,95,802/- as interest;	17,86,000	P.1355 to 1357

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7.	Loan obtained from Indian Bank, Abhiramapuram in the name of M/s Lex Property Development (P) Ltd., of which the outstanding principal was Rs. 83 lakh;	83,00,000	P.1328 - P.1330 P.1008
8.	Loan obtained from Indian Bank, Abhiramapuram in the name of Kodanadu Tea Estate of which the principal of Rs. 375 lakh was outstanding;	3,75,00,000	P.997 to P.1003
9.	Loan taken from Can Fin Homes on FD No. 352/1994-95 on 25.8.1995 by Selvi J. Jayalalitha.	75,00,000.00	P.548, P.550 – P.555, P.2287
10.	Income by way interest to Selvi J. Jayalalitha (vide her A/c in SB No. 23832 of CB/ Mylapore);	4,52,871.00	P.1377
11.	Income by way of interest to Selvi J. Jayalalitha (vide her Fixed Deposits in FD No. 1000/92 – Rs. 79,890/-; 1398/92 – Rs. 73,233/-; 237/93 – Rs. 54,247/-; 632/93 – Rs. 49,315/- of Canara Bank, Mylapore for Rs. 27 lakh credited in SB 23832 and CA 2018 of Canara bank, Mylapore of Selvi J. Jayalalaitha;	2,56,685.00	P.1377 P.1382
12.	Interest from Kothari Orient Finance Ltd., to Selvi J. Jayalalitha (vide FDR No. 47740 (53389) & 63848);	60,437.82	
13.	Interest paid from Kothari Orient Finance Ltd., to Selvi J. Jayalalitha (vide FDR Nos.48172, 53390 & 64308);	60,434.78	
14.	from Kothari Orient Finance Ltd., J. Jayalalitha (vide FDR Nos. 53391 & 64280);	50,434.78	

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15.	Interest from Can Finance to Selvi J. Jayalalitha (vide FDR No. 186/1991-92);	8,76,896.00	P.1377
16.	Interest from Can Finance to Selvi J. Jayalalitha (vide FDR No. 352/1994-95);	4,71,808.00	P.1377
17.	Interest from Sriram Investments to Selvi J. Jayalalitha (vide FDR No. 5006835) for Rs. 30 lakh;	6,53,818.00	P.1382
18.	Interest from Sriram Investments to Selvi J. Jayalalitha (vide FDR No. 5007694) for Rs. 15 lakh;	3,09,088.60	P.1382
19.	Interest from Sriram Investments to Selvi J. Jayalalitha (vide FDR No. 5015954 for Rs. 15 lakh	2,09,928.50	P.1382
20.	Interest from Sriram Investments to Selvi J. Jayalalitha (vide FDR No. 5015955 for Rs. 10 lakh;	1,39,947.80	P.1382
21.	Interest from Sriram Investments to Selvi J. Jayalalitha (vide FDR No. 5015956 for Rs. 5 lakh;	84,522.80	P.1382
22.	Interest from Sriram Investments to Selvi J. Jayalalitha (vide FDR No. 71533 for Rs. 5 lakh;	1,27,871.50	P.1382
23.	Interest from Sriram Investments to Selvi J. Jayalalitha (vide FDR No. 21330 for Rs. 5 lakh;	87,960.83	P.1382
24.	Interest from Sriram Investments to Selvi J. Jayalalitha (vide FDR No. 5025367 for Rs. 20 lakh;	1,34,977.00	P.1382
25.	Interest from Sriram Investments to Selvi J. Jayalalitha (vide FDR No. 45897 for Rs. 20 lakh;	4,76,023.27	P.1382
26.	Interest from Sriram Investments to Selvi J. Jayalalitha (vide FDR No. 47437 for Rs. 3 lakh;	2,06,237.00	P.1382
27.	Interest from Sriram Investments to Selvi J. Jayalalitha (vide FDR	5,02,207.00	P.1382

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	No. 73211 for Rs. 20 lakh;		
28.	Interest from Sriram Investments to Selvi J. Jayalalitha (vide FDR No. 31251 dt. 4.5.1990 for Rs. 7 lakh during the check period;	87,024.00	P.1382
29.	Interest paid to Selvi J. Jayalalitha (vide SB 5158 of Bank of Madurai, Anna Nagar, Chennai;	47,265.81.00	P.1960
30.	Interest paid to Smt. N. Sasikala (vide her SB 22792 of CBI, Secunderabad);	27,304.00	P.936 P.937
31.	Interest paid to Selvi J. Jayalalitha (vide SB 20614 of CBI, Secunderabad);	3,17,781.00	P.936 P.937
32.	Interest paid to Selvi J. Jayalalitha from Medium Term Deposit in CBI, Secunderabad (vide NPD 669 - Rs. 27,272.08; 68/33 – Rs. 77,162.40; 60/9 - Rs. 14,874/-; 70/9 – Rs. 42,143/-)	1,61,451.48.00	P.936 P.937
33.	Agrl. Income from Grape Garden, Hyderabad in favour of Selvi J. Jayalalitha;	5,78,340.00	P.938
34.	Income by way of clearings in the account in SB 20164 of CBI, Secunderabad in favour of Selvi J. Jayalalitha towards rental income for 36, Sri Nagar Colony, Hyderabad;	3,42,520.40	P.936
35.	Interest paid to Selvi J. Jayalalitha through SB 38671 of Canara Bank, Kellys Branch opened on 19.12.1988;	14,446.00	P.975
36.	Income from the monthly income deposit scheme of Selvi J. Jayalalitha from the deposit amount of Rs. 10 lakhl (vide MIDS No. 716767 dt. 30.4.1990)	82,600.00	P.1961 P.1960

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	of Bank of Madurai which lasted till 8.6.1992 though the FD matured on 30.4.1992 for which the interest was received through SB 38671 of Canara Bank, Kelly Branch of Selvi J. Jayalalitha		
37.	Interest from SB Acc. No. 23218 of Canara Bank, Mylapore to N. Sasikala;	1,89,761.00	P.1510
38.	Interest of Rs. 29,490/- from FDR No. 718/1992 of Canara Bank, Mylapore to Smt. N. Sasikala for Rs. 18 lakh; Rs. 53,260/- from FDR No. 954/1992; Rs. 48,822/- from FDR No. 1397/1992; Rs. 48,822/- from FDR No. 236/1993; Rs. 44,384/- from FDR No. 633/1993; & Rs. 32,340/- from FDR No. 868/1993;	2,57,118.00	P.1510 P.1519
39.	Interest from Can Finance in FDR No. 189/1991-92 for Rs. 25 lakh to N. Sasikala;	10,03,191.00	P.1510
40.	Income by way of clearing in SB 22792 of CBI, Secunderabad of Smt. N. Sasikala (rental income for No.16, Radhika Colony, Secunderabad);	2,23,000.00	P.937
41.	Interest paid to Smt. N. Sasikala through SB 38746 of Canara Bank, Kellys Branch;	3,901.00	P.977
42.	Interest from SB 24621 of Canara Bank, Mylapore to V.N. Sudhakaran;	24,323.00	P.1572
43.	Interest from FDR No. 1401/1992 of Canara Bank, Mylapore for Rs. 5 lakh to V.N. Sudhakaran;	13,562.00	P.1572

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44.	Interest from FDR 238/1993 of Canara Bank, Mylapore for Rs. 5 lakh by renewal of FDR 1401/1992;	12,329.00	P.1576
45.	Hire charges from ACT India Ltd., for the vehicle No. TSR 333 Swaraj Mazda van owned by V.N. Sudhakaran from 3.2.1993;	9,18,910.00	P.659
46.	Brokerage charges received by V.N. Sudhakaran for the deposits made by Selvi J. Jayalalitha in Can Fin. Homes Ltd., (vide FDR Nos. 186/1991-92 & 352/1994-95;	3,00,000.00	P.548
47.	Loan obtained by Smt. J. Elavarasi from Royapetta Benefit Fund (RBF Nidhi) Ltd., (vide HML/787, dt. 7.10.1995);	35,00,000.00	
48.	Hire charges received from ACT India Ltd., for the vehicle No. TN-01/H-9999 of Swaraj Mazda van owned by Smt. J. Elavarasi from 3.2.1993 to 30.4.1996;	6,26,410.00	P.658
49.	Interest paid to Smt. J. Elavarasi, guardian of Vivek by SB A/c.No. 25389 of Indian Bank, Abhiramapuram;	9,763.00	P.1613
50.	Income by way of monthly interest from 7/1991 to 4.6.1992 in respect of the FD of Rs. 7 lakh in Sriram Investments Ltd., (vide FD receipt No. 31251, dt.4.5.1990) deposited through Ch. No. 907521, dt. 4.5.1990 of Selvi J. Jayalalitha from her BOM Acc. of Anna Nagar;	90,807.59	P.126-132
51.	Salary of Selvi J. Jayalalitha as CM of Tamil Nadu at Re. 1/- per month drawn for 27 months;	27.00	P.694-697

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52.	Lease income of Indo Doha from SPIC in respect of SIPCOT Industries in Cuddalore (Rs. 1,22,40,000/-) from 14.12.1994 to 8.4.1996 after deducting payment to SPICOT (Rs. 72 lakh) and payment of Rs. 20 lakh to James Frederick for purchases of shares of INDAG Products Ltd.,	30,40,000.00	P.563, P.564
53.	Rental income from S7, Ganapathy Colony, Thiru-Vi-Ka Industrial Estate, "Guindy, building of Jaya Publications given on lease from January, 1993 to April, 1996 from SPIC.,	37,67,358.00	P.655-657
54.	Rental income from No. 19, Pattammal Street, Mandaveli, building of Selvi J. Jayalalitha given on lease from January, 1994 to April, 1996;	2,33,769.00	P.655-657
55.	Rental income from 21, Padmanabha Street, T. Nagar, Chennai, building of Anjaneya Printers Pvt., Ltd., given on lease Form July, 1995 to April, 1996;	3,82,500.00	X-2
56.	Interest derived in SB A/c No. 4110 of Indian Bank, Abhiramapuram in the name of Master Vivek;	10,213.00	P.1138
57.	Rental income and Rental advance derived for the house at No. 1, Murphy Street, Akkarai of J.S. Housing for the period from 07/1995 to 04/1996;	91,000.00	
58.	Rental income (including rental advance of Rs. 20,000/-) from Flat No. 7, Antu Street,	1,94,000.00	

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	Santhome, Mylapore (RR Flats) of Smt. N. Sasikala;		
59.	Rental income & advance from Shop No. 20 of No. 14, KhadarNavazkhan Rd. (Gem Court), Nungambakkam, Chennai for the period from 1/1992 to 4/1996 (Rs. 4000 x 4) + Rs. 4600 x 35) + Rs. 5300 x 13) + Rs. 25000);	2,70,900.00	
60.	Rental income & advance from No. 1, Wallance Garden, 1st Street, 4th Floor from 12/1994 to 04/1996 (Rs. 25000 x 17) + (Rs. 75000);	4,50,000.00	
61.	Rental income & advance from Shop No. 9, Khadar Navazkhan Rd. (Gem Court), Chennai for the period from 1/1992 to 4/1996 (Rs. 4000 x 49) + Rs. 4500 x 3) + (Rs. 45000 as advance)	2,01,000.00	
62.	Rental income & advance from Shop No. 8, Khadar Navazkhan Rd. (Gem Court), Chennai for the period from July, 1993 to 30.4.1996 (Rs. 3600 x 34) + (Rs. 21600 as advance)	1,44,000.0	
63.	Amounts received towards Family Benefit Fund & Gratuity by Smt. J. Elavarasi during August & October, 1993 & June, 1994 on the death of her husband V. Jayaraman;	1,01,231.00	P.991, P.994
64.	Net income from Maha Subhalakshmi Kalyana Mandapam, Arumbakkam, Chennai for the period from 8/1993 to 4/1996	14,50,097.60	P.1966
Grand Total		**9,34,26,053.56**	

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22. The Trial Court relied upon the oral and documentary evidence in respect of the said income and also the objections raised on behalf of the accused and thereafter came to the conclusion as follows:

> "Thus, answering the objections raised by the accused as above and in the light of the above discussion, my finding on the total income of the accused during the check period is as under:

Total income computed	
as per Annexure III –	Rs.9,34,26,053.56
Less: Item No.55 -	Rs. 35,000.00
Less: Item No.60 -	Rs. 1,22,750.00
	Rs.9,30,68,303.56
Add: Item No.29 -	Rs. 4,427.19
Add: Item No.27 -	Rs. 1,15,640.00
Add: Item No.48 -	Rs. 6,60,064.00
Add: Item No.52 -	Rs. 48,35,000.00
Add: Item No.33 (Grape Garden)-	Rs. 4,21,660.00
Total income -	**Rs.9,91,05,094.75**

Thereafter, the Trial Court dealt with the expenditure incurred between the check period which is specifically stated in Annexure-IV (Ext.P-2330) which is set out hereunder:

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EXPENDITURE INCURRED BETWEEN 1.7.1991 & 30.04.1996

ANNEXURE - IV (Ex.P.2330)

Sl. No.	Details of Expenditure	Amount in (Rs)	Exhibits	Witnesses
1	Amount paid towards interest in respect of the loan of Rs.1,50,00,000/- availed by M/s. Jaya Publications from Indian Bank, Abirampuram, while closing the loan account on 25.06.1994 (Apart from the principal amount of Rs.1,50,00,000/-)	50,93,921	P.1027	PW.182
2	Repayment of Loan availed by M/s. Sasi Enterprises from Indian Bank, Abirampuram Rs.11,44,977.00 (P) Rs. 6,87,706.00 (I) Rs.18,32,683.00	18,32,683	P.1260	PW.182
3.	Payment of interest on loan of Rs.28,00,000/- availed by J Farm Houses from Indian Bank Abirampuram	23,774	P.1212	PW.182
4.	Payment of Interest on loan of Rs.7,00,000/- availed by M/s. J S Housing Development from Indian Bank, Abirampuram.	11,887.00	P.1173	PW.182
5.	Payment of interest on loan of Rs.5,00,000/- availed by M/s. Jay Real Estate, from Indian Bank, Abirampuram	11,887	P.1163	PW.182
6.	Payment of interest on loan of Rs.75,00,000/- availed by M/s. Anjaneya Printers (P) Ltd.,	11,81,425.16	P.1233	PW.182
7	Payment of interest on loan of Rs.17,86,000/- availed by M/s. Mahasubha Lakshmi Kalyana Mandapam, from Indian Bank, Abirampuram.	3,84,400.00	P.1356	PW.182

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8	Payment of interest on loan of Rs.83,00,000/- availed by M/s. Lex Property Development (P) Ltd., from Indian Bank, Abirampuram.	17,52,069.00	P.1330	PW.182
9	Amount paid to corporation of Madras towards sanction of building plan in respect of M/s Jaya Publications for change of roof at MF-9, Guindy Industrial Estate, Guindy (paid on 14.2.94)	13,840.00	P.65	PW.20
10	Amount paid to Corporation of Madras towards sanction of building plan in respect of M/s. Anjaneya Printers (P) Ltd., at No.21, Padmanabha Street, T. Nagar, Chennai-17 (paid on 14.2.94)	14,560.00	P.64	PW.20
11	Amount paid to Corporation of Madras towards building plan in respect of M/s. Lex Property Development (P) Ltd., No.149, and 150, TTK Road, Chennai – 18 (Paid on 20.12.95)	1,45,320.00	P.51	PW.19 PW.20
12	Amount paid to Corporation of Madras for building plan at No.36, Poes Garden for additional construction (paid on 11.12.91)	12,700.00	P.58	PW.20
13	Amount paid to Corporation of Madras for building plan at No.5, Murugesan Street, T. Nagar, Chennai (Paid on 7.11.95)	70,140.00	P.54	PW.19 PW.20
14	Amount paid to Corporation of Madras for building plan (M/s. Jaya Publications) at No.19, Pattammal Street, proposed additions and regularization of the existing building (Paid on 3.3.93)	1,350.00	P-63	PW.20

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15	Amount paid to Corporation of Madras towards sanction of building plan in respect of M/s. Jaya Publications at Plot No.S-7, Ganapathy Colony, Guindy Industrial Estate, paid on 19.3.92	99,295.00	P-55, 56	PW.19
16	Amount paid to Corporation of Madras for building plan at 226,735.00 P.48 to 50 & 59 PW.19 PW.20 Spl.C.C.208/2004 296 No.36, Poes Garden, Additional Block, (paid on 22.11.91, 7.12.92, 10.2.93 and 19.2.93) Rs. 2850.00 550.00 2,250.00 21,085.00 26,735.00	26,735.00	P.48 to 50 & 59	PW.19 PW.20
17	Amount paid to Corporation of Madras for building plan at No.36, Poes Garden, for additions of Security room (Paid on 19.2.93)	10,925.00	P-60	PW.20
18.	Amount paid to Corporation of Madras for building plan at No.48, Inner Ring Road, Ekkatuthangal, Guindy (i.e., M/s. Sastri Nuts and Plates Manufacturing (P) Ltd., (Paid on 26.11.93) M/s. Anjaneya Printers (P) Ltd.,	29,850.00	P-61	PW.20
19	Amount paid to Corporation of Madras towards building plan sanction in respect of the proposed alterations to the existing building at Door No.212, 213 St. Mary's Road, Mylapore, Chennai – 4 of Selvi J. Jayalalitha (paid on 5.2.92)	1,785.00	P-62	PW.20
20	Amount paid to MMDA for building plan Approval at Plot No.6, Thiru – vi – Ka Industrial Estate, Guindy, (paid on 20.2.96)	4,76,525.00	P-66	PW.19 PW.20

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21	Amount paid towards demolition cost of the old building at Door No.213, St. Mary's Road, Mandaveli, Chennai – 28.	18,570.00	P-676	PW.117 PW.20
22	Interest paid towards loan account No.787 dt.7.10.95 of RBF Nidhi Ltd., upto the end of Check period for the loan of Rs.35 lakhs taken by Tmt. J. Elavarasi.	4,41,569.00		PW.211
23	Amount paid to Five Star Departmental Stores from SB 23218 of Canara Bank, Mylapore of Tmt. N. Sasikala	1,01,315.70	P-823 to 832	PW.154 PW.201 .
24	LIC premium payment made by Tmt. N. Sasikala from SB 23218 of Canara Bank Mylapore (26.3.92)	13,960.50		PW.201
25	Payment made towards DD commission from SB 23218 of Canara Bank, Mylapore for purchasing DD for Rs.9,35,000/- on 13.7.95	600.00		PW.201
26	Amount paid to Salam Stores on 3.11.92 from SB A/c. 23832 of Selvi J. Jayalalitha of Canara Bank, Mylapore	9,617.00		PW.201 PW.120
27	Amount paid to Five Star Departmental Stores from C.A-2196 of Canara Bank, Mylapore of Tmt. N. Sasikala during 1992-95	75,198.12	P-823 to 856, P.1519	PW.154 PW.201
28	Amount paid to Alagu Security Services from CA 2196 of Canara Bank, Mylapore of Tmt. N. Sasikala on 13.2.95, 22.12.95, 10.1.96 and 17.4.96	9,950.00	P.1519 P.1533	PW.201
29	Expenditure incurred towards purchase of books from American Book House, Higginbothams and India Book House by Tmt. N. Sasikala from her C.A 2196 of Canara Bank, Mylapore Account on 3.2.94 and 21.2.94	4,074.10	P.1519 P.1527 P.1537	PW.201

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30	Amount paid to Latham India from CA 2196 of Canara Bank, Mylapore of Tmt. N. Sasikala on 22.7.95	9,065.00	P.1519 P.1538	PW.201 .
31	Amount paid to V.G.Paneerdoss from CA 2196 of Canara Bank, Mylapore of Tmt. N. Sasikala on 6.11.95	13,450.00	P.1519 P.1539	PW.201 .
32	Amount paid to (Rajasekaran & Co.) Auditor from CA 2196 of Canara Bank, Mylapore of Tmt. N. Sasikala on 28.1.93, 28.3.95, 3.11.95	1,26,500.00	P.1519 P.1540 to P.1543	PW.201 .
33	Amount paid to Keerthi from CA 2196 of Canara Bank of Mylapore of Tmt. N. Sasikala on 11.12.92	6,633.00	P-1519 P.1544	PW.201
34	Amount paid to Khuzeema Manuwala from CA 2196 of Canara Bank Mylapore of Tmt. N. Sasikala on 14.12.92	7,165.00	P.1519, 1545	
35	Amount paid to LIC of India on 31.3.93 and 30.3.94 from CA 2196 of Canara Bank, Mylapore of Tmt. N. Sasikala (13748.60 x 2) towards policy No.750405742	27,497.20	P-1519	PW.201
36	LIC premium paid for March '95 in Policy No.750405742 of Tmt. N. Sasikala	13,748.60	Ex.P.1546	Doc.1013 Letter of LIC, Trichy Dt.23.4.92
37	Amount paid to United India Insurance on 31.3.93, 13.4.93, 4.8.93, 18.3.94, 24.3.95 and 17.4.96 from CA 2196 of Canara Bank of Mylapore of Tmt. N. Sasikala	1,02,039.00	P.1519 P.1548 to 1553	PW.201
38	Amount paid towards L.F. charges and DD commission from CA 2196 of Canara Bank, Mylapore of Tmt. N. Sasikala on 1.12.92, 6.9.93, 14.10.93, 1.10.94, 7.10.94 and 31.12.94.	410.00	P-1519	PW.201

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39	Amount debited towards interest for T.O.D. from CA 2196 of Canara Bank, Mylapore of Tmt. N. Sasikala on 10.3.92, 6.9.93, 14.10.93, 1.10.94, 7.10.94 and 31.12.94	3,170.00	P-1519	PW.201
40	Amount paid to Abbas from CA 2018 of Canara Bank, Mylapore of Selvi J. Jayalalitha on 2.9.95	23,800.00	P-1382 P-1383	PW.201
41	Amount paid to Balus Colour Lab from CA 2018 of Canara Bank, Mylapore of Selvi J. Jayalalitha on 28.9.95	54,660.00	P-1382 P-1009	PW.178 PW.201
42	Amount paid to BPL Gallery from CA 2018 of Canara Bank Mylapore of Selvi J. Jayalalitha on 19.9.95	1,28,530.00	P-1382 P-1384	PW.201
43	Amount paid to Purnendupal from CA 2018 of Canara Bank, Mylapore of Selvi J. Jayalalitha on 20.9.95	1,00,000.00	P-1382 P-1385	PW.201
44	Amount paid to Chandrasekar from CA 2018 of Canara Bank, Mylapore of Selvi J. Jayalalitha on 12.3.96	25,000.00	P-1382	PW.201
45	Amount paid to Tmt. N. Sasikala on behalf of Tr. M. Jayaraman towards his share for obtaining the dealership in SPIC Jyothi.	1,50,000.00		PW.198
46	Amount paid to K. Damodarasamy Naidu, from CA 2018 of Canara Bank, Mylapore of Selvi J. Jayalalitha	18,700.00	P-1382 P-1386	PW.201
47	Amount paid to Dr. Giri's Museum from CA 2018 of Canara Bank, Mylapore of Selvi J. Jayalalitha on 20.9.95	57,250.00	P-1382 P-1387	PW.186 PW.201
48	Amount paid to HCL Limited from CA 2018 of Canara Bank, Mylapore of Selvi J. Jayalalitha on 7.9.95	1,000.00	P-1387 P-1382	PW.201 PW.167
49	Amount paid to J. Haridoss from CA 2018 of Canara Bank, Mylapore of Selvi J. Jayalalitha on 13.7.93	5,100.00	P-1382 P-1388	PW.201

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50	Amount paid to Tvl. J.K. Brothers from CA 2018 of Canara Bank, Mylapore of Selvi J. Jayalalitha on 11.1.96 and 5.3.96 (Rs.27,000 + 82,800)	1,09,800.00	P-1382 P-1389	PW.201
51	Amount paid to Tr.K.K.Venugopal from CA 2018 of Canara Bank, Mylapore of Selvi J. Jayalalitha on 11.8.93, 18.8.93, 14.10.93, 5.11.93, 20.12.93 and 11.4.94	5,95,000.00	P-1382 P-1390 to 1394	PW.201
52	Amount paid to Tr. K.V. Viswanathan, from CA 2018 of Canara Bank Mylapore of Selvi J. Jayalalitha on 21.8.93	20,000.00	P-1382 P-1395	PW.201
53	Amount paid to Tvl. Kapoors from CA 2018 of Canara Bank Mylapore of Selvi J. Jayalalitha on 30.9.95	1,30,779.40	P-1382 P-1396 P-678	PW.118 PW.201
54	Amount paid to Tvl. Kapoors by cheque on 15.7.95 (Cheque No.082199 of Canara Bank)	12,721.00	P-1519 P-1554 P-678	PW.118 PW.201
55	Amount paid by cash to Tvl. Kapoors on 4.5.95 and 7.6.95	44,264.00	P-678	PW.118
56	Amount paid to Tr. Kishore from CA 2018 of Canara Bank Mylapore of Selvi J. Jayalalitha on 10.10.95	25,000.00	P-1382 P-784	PW.146 PW.201
57	Amount paid to tmt. Latha Krishnnamoorthy from CA 2018 of Canara Bank, Mylapore of Selvi J. Jayalalitha on 4.9.95	75,000.00	P-1382 P-1397	PW.201
58	Amount paid to MMWSS Board from CA 2018 of Canara Bank Mylapore of Selvi J. Jayalalitha 12.12.91 to 6.12.95	37,046.00	P-1382 P-1398 to 1411	PW.146 PW.201
59	Amount paid to Tr. G. Mohan from CA 2018 of Canara Bank Mylapore of Selvi J. Jayalalitha on 29.4.95	20,000.00	P-1382	PW.148 PW.201

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60	Amount paid to Madurai Kamaraj University from CA 2018 of Canara Bank Mylapore of Selvi J. Jayalalitha on 21.7.93	5,00,000.00	P-1382 P-1412	PW.108 PW.201
61	Amount paid to New India Assurance from CA 2018 of Canara Bank Mylapore of Selvi J. Jayalalitha on 1.8.92	9,517.00	P-1382 P-1413	PW.201
62	Amount paid to Corporation of Madras from CA 2196 of Canara Bank Mylapore of Tmt. N. Sasikala on 22.2.93, 24.2.93, 15.10.93 and 14.2.94	1,858.00	P-1519	PW.201
63	Amount paid to Tvl. Moulis Advertisers from CA 2018 of Canara Bank, Mylapore of Selvi J. Jayalalitha on 18.9.95	11,00,000.00	P-1382 P-1284	PW.183 PW.201
64	Amount paid to Tr. K.A-Panchapakesan from CA 2018 of Canara Bank Mylapore of Selvi J. Jayalalitha on 3.11.95	10,000.00	P-1382 P-1414	PW.201
65	Amount paid to Tr. K.Prem Chand from CA 2018 of Canara Bank Mylapore of Selvi J. Jayalalitha on 12.4.93	1,78,279.80	P-1382 P-1415	PW.201
66	Amount paid to Tvl. Rajasekaran & Co. from CA 2018 of Canara Bank Mylapore of Selvi J. Jayalalitha on 9.3.93, 20.1.95, 9.3.95 and 3.11.95	2,36,120.00	P-1382 P-1416 P-1417	PW.201
67	Amount paid to Tr. Ramamurthy from CA 2018 of Canara Bank Mylapore of Selvi J. Jayalalitha on 21.5.92	12,075.00	P-1382 P-1418	PW.201
68	Amount paid to Tr. Ramgopal from CA 2018 of Canara Bank Mylapore of Selvi J. Jayalalitha on 27.5.92	12,075.00	P-1382 P-1419	PW.201
69	Amount paid to Tr. Ramson's from CA 2018 of Canara Bank Mylapore of Selvi J. Jayalalitha on 5.8.95	6,447.00	P-1382 P-1420	PW.201

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70	Amount paid to Ramnad District Consumer Forum from CA 2018 of Canara Bank Mylapore of Selvi J. Jayalalitha on 6.6.92 (Two entries)	5,940.00	P-1382	PW.201
71	Amount paid to Tmt. Rangammal from CA 2018 of Canara Bank Mylapore of Selvi J. Jayalalitha on 1.2.92, 29.4.92, 26.9.92, 3.4.93, 8.10.93, 30.12.94 and 20.5.95. (Rs.3000+12000+7000+3000+4000+7000+7000)	46,000.00	P-1382 P-818, 819	PW.201 PW.152 M.O.637 PW.126
72	Amount paid to Tr. Rangasamy from CA 2018 of Canara Bank Mylapore of Selvi J. Jayalalitha on 15.11.95	35,000.00	P-1382 P-1421	PW.201
73	Amount paid to A-P.Telecom from CA 2018 of Canara Bank, Mylapore of Selvi J. Jayalalitha on 27.01.1996	8,915.00	P-1382 P-1422	PW.201
74	Amount paid to Tvl.Rock Advertising from CA 2018 of Canara Bank Mylapore of Selvi J. Jayalalitha on 20.9.95 (two entries)	2,77,666.00	P-1382 P-1423	PW.201 PW.188 M.O.1593
75	Amount paid to R.O.Corporation of Madras from CA 2018 of Canara Bank Mylapore of Selvi J. Jayalalitha between 4.9.91 to 27.6.95	2,19,566.80	P-1382 P-1424 to 1432	PW.201
76	Amount paid to Salam Stores from CA 2018 of Canara Bank Mylapore of Selvi J. Jayalalitha from 9.7.91 to 6.12.95	12,73,642.00	P-680 P-1382 To P-1452	PW.201 PW.120
77	Amount paid to Romaga Foam from CA 2018 of Canara Bank Mylapore of Selvi J. Jayalalitha from 9.7.91 to 6.12.95	75,352.00	P-1382 P-1453	PW.201
78	Amount paid to C. Sango from CA 2018 of Canara Bank Mylapore of Selvi J. Jayalalitha on 19.4.94	10,258.56	P-1382 P-1454	PW.201

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79	Amount paid to SBKC Carrier from CA 2018 of Canara Bank Mylapore of Selvi J. Jayalalitha on 6.1.95 and 1.12.95	42,400.00	P-1382 P-1455	PW.201
80	Amount paid to SE, MEDC from CA 2018 of Canara Bank Mylapore Selvi J. Jayalalitha between 10.7.91 and 6.11.95	58,463.00	P-1382 P-1456 to 1462	PW.201
81	Amount paid to Tr. V.Selvaraj from CA 2018 of Canara Bank Mylapore of Selvi J. Jayalalitha on 29.7.95 and 2.12.95	13,000.00	P-1382 P-820 P-821	PW.152 PW.201 M.O.637 – Page 223
82	Amount paid to SMCS Ltd., from CA 2018 of Canara Bank, Mylapore of Selvi J. Jayalalitha on 29.11.95	8,017.25	P-1382 P-1463	PW.201
83	Amount paid to Tr. D.Swameswara Rao from CA 2018 of Canara Bank Mylapore of Selvi J. Jayalalitha on 26.05.95	1,00,000.00	P-1382 P-1464	PW.201
84	Amount paid to Tr. Ram Jethmalani from CA 2018 of Canara Bank Mylapore of Selvi J. Jayalalitha on 19.7.95 and 9.9.95	2,00,000.00	P-1382 P-1465 P-1466	PW.201
85	Amount paid to Venkateswara Cine from C.A- 2018 on 14.10.1995	14,000.00	Ex.P1382, P.783	
86	Amount paid to Adyar Gate Hotel from C.A- 2018 on 19.09.95	1,75,246.25	Ex.P.1382, P.1467	
87	Amount paid to Agarwal Sweets from CA 2018 of Canara Bank Mylapore of Selvi J. Jayalalitha on 23.5.92	12,000.00	P-1382	PW.201
88	Amount paid to Vijaya Lakshmi Sweets from CA 2018 of Canara Bank Mylapore of Selvi J. Jayalalitha on 29.5.92	12,320.00	P-1382 P-1468	PW.201

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89	Amount paid to Annapoorna Cafeteria from CA 2018 of Canara Bank Mylapore of Selvi J. Jayalalitha on 21.5.97	19,600.00	P-1382 P-1469	PW.201
90	Amount paid to Egmore Bhavan from CA 2018 of Canara Bank Mylapore of Selvi J. Jayalalitha on 15.5.92	19,300.00	P-1382	PW.201
91	Amount paid to Arasan Sweets from CA 2018 of Canara Bank Mylapore of Selvi J. Jayalalitha on 21.5.92	16,225.00	P-1382 P-1470	PW.201
92	Amount paid to Vasantha Bhavan from CA 2018 of Canara Bank Mylapore of Selvi J. Jayalalitha on 27.5.92	11,160.00	P-1382 P-1471	PW.201
93	Amount paid to Archana Sweets from CA 2018 of Canara Bank Mylapore of Selvi J. Jayalalitha on 21.5.92	75,675.00	P-1382 P-679	PW.201 PW.119
94	Amount paid to Arya Bhavan Sweets from CA 2018 of Canara Bank Mylapore of Selvi J. Jayalalitha on 22.5.92	77,580.00	P-1382	PW.201
95	Amount paid to Welcome Hotel from CA 2018 of Canara Bank Mylapore of Selvi J. Jayalalitha on 9.5.92	22,000.00	P-1382 P-1473 X-18	PW.201 PW.112
96	Amount paid to Ashok Bhavan from CA 2018 of Canara Bank Mylapore of Selvi J. Jayalalitha on 3.6.92	21,250.00	P-1382	PW.201
97	Amount paid to Bombay Milk Bar from CA 2018 of Canara Bank Mylapore of Selvi J. Jayalalitha 25.5.92	7,500.00	P-1382	PW.201
98	Amount paid to Bombay Sweet Stall from CA 2018 of Canara Bank Mylapore on 25.9.92	15,000.00	P-1382	PW.201
99	Amount paid to Central Café from CA 2018 of Canara Bank Mylapore of Selvi J. Jayalalitha on 30.5.92	48,645.00	P-1382 P-1474	PW.201

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100	Amount paid to Coffee House from CA 2018 of Canara Bank Mylapore of Selvi J. Jayalalitha on 27.5.92	17450.33	P-1382 P-1475	PW.201
101	Amount paid to Devanathan Sweets, from CA 2018 of Canara Bank Mylapore of Selvi J. Jayalalitha on 23.5.97	18,042.00	P-1382	PW.201
102	Amount paid to Ganapathy Vilas from CA 2018 of Canara Bank Mylapore of Selvi J. Jayalalitha on 26.5.92	12,996.00	P-1382	PW.201
103	Amount paid to Hotel Akash from CA 2018 of Canara Bank Mylapore of Selvi J. Jayalalitha on 3.6.92	18,422.00	P-1382	PW.201
104	Amount paid to Jothi Ananda Bhavan on 4.6.92 from CA 2018 of Canara Bank Mylapore of Selvi J. Jayalalitha	8,840.00	P-1382	PW.201
105	Amount paid to Lakshmi Vilas from CA 2018 of Canara Bank Mylapore of Selvi J. Jayalalitha on 4.6.92	1,880.00	P-1382	PW.201
106	Amount paid to Master Bakery from CA 2018 of Canara Bank Mylapore of Selvi J. Jayalalitha on 27.5.92	9,091.50	P-1382 1476	PW.201
107	Amount paid to Sri. Jayaram Sweets from CA 2018 of Canara Bank Mylapore of Selvi J. Jayalalitha on 1.6.92	10,224.00	P-1382 P-1477	PW.201
108	Amount paid to Mayil Mark Mittai Kadai from CA 2018 of Canara Bank Mylapore of Selvi J. Jayalalitha on 1.6.92	39,000.00	P-1382 P-1478	PW.201
109	Amount paid to Nandini from CA 2018 of Canara Bank Mylapore of Selvi J. Jayalalitha on 15.5.1992	21,000.00	P-1382 X-15 to 17	PW.201 PW.111

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110	Amount paid to New Rama Café from CA 2018 of Canara Bank Mylapore of Selvi J. Jayalalitha on 26.5.92	74,342.25	P-1382	
111	Amount paid to New Agarwal from CA 2018 Canara Bank Mylapore of Selvi J. Jayalalitha on 26.5.92	14,000.00	P-1382	
112	Amount paid to New Bombay Sweets from CA 2018 of Canara Bank Mylapore of Selvi J. Jayalalitha on 21.5.92	15,150.00	P-1382 P-1479	
113	Amount paid to Ramalakshmi Sweets from CA 2018 of Canara Bank Mylapore of Selvi J. Jayalalitha on 3.6.92	16,637.40	P-1382	
114	Amount paid to Roland Bakery from CA 2018 of Canara Bank Mylapore of Selvi J. Jayalalitha on 18.6.92	13,302.90	P-1382	
115	Amount paid to Salem Café from CA 2018 of Canara Bank Mylapore of Selvi J. Jayalalitha on 21.5.92	13,520.00	P-1382 P-1480	
116	Amount paid to AGK Travels from CA 2018 of Canara Bank Mylapore of Selvi J. Jayalalitha on 28.9.95	15,814.00	P-1382 P-1370	PW.201 PW.199
117	Amount paid to Anchor Cabs from CA 2018 of Canara Bank Mylapore of Selvi J. Jayalalitha on 28.9.95	19,211.00	P-1382 P-1286	PW.201 PW.185
118	Amount paid to Annamalai Bus from CA 2018 of Canara Bank Mylapore of Selvi J. Jayalalitha on 27.7.93 and 12.3.94	47,790.30	P-1382 P-1481 P-1482	PW.201
119	Amount paid to Govind Cabs from CA 2018 of Canara Bank Mylapore of Selvi J. Jayalalitha on 29.9.95	15,903.00	P-1382 P-1483	PW.201
120	Amount paid to Vincent Travels from CA 2018 of Canara Bank Mylapore of Selvi J. Jayalalitha on 28.9.95	27,502.00	P-1382	PW.201

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121	Amount paid as interest towards T.O.D. between 27.1.92 and 3.11.95 from CA 2018 of Canara Bank Mylapore of Selvi J. Jayalalitha	11,861.00	P-1382	PW.201
122	Expenditure incurred by way of DD Commission from CA 2018 of Canara Bank Mylapore of Selvi J. Jayalalitha on 25.1.93, 27.9.94, 2.5.95, 1.9.95, 22,8.95 and 17.10.95	5,011.00	P-1382	PW.201
123	Expenditure incurred by way of folio charges from CA 2018 of Canara Bank Mylapore of Selvi J. Jayalalitha on different dates	575.00	P-1382	PW.201
124	Amount paid to CM's Relief Fund from CA 2018 of Canara Bank Mylapore of Selvi J. Jayalalitha on 5.10.93	1,00,008.00	P-1382 P-1484	PW.201
125	Amount paid to Kanagabisheka Samith from CA 2018 of Canara Bank Mylapore of Selvi J. Jayalalitha on 26.3.93	1,08,000.00	P-1382 P-1485	PW.201
126	Amount paid to Sacred Heart Higher Secondary School from CA 2018 of Canara Bank Mylapore of Selvi J. Jayalalitha on 8.9.92	1,00,000.00	P-1382	PW.201
127	Amount paid to Rama Anchaneya Trust from CA 2018 of Canara Bank Mylapore of Selvi J. Jayalalitha on 12.5.94	1,00,008.00	P-1382 X-12, 13, 14	PW.201 PW 110
128	Amount paid to Tamilaga Inipagam from CA 2018 of Canara Bank Mylapore of Selvi J. Jayalalitha on 1.6.92	27,000.00	P-1382 P-1486	PW.201
129	Amount paid to TNG Music Academy from CA 2018 of Canara Bank Mylapore of Selvi J. Jayalalitha on 21.12.91	1,00,000.00	P-1382	PW.201 PW.109

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130	Amount paid to President of Thevar Peravai from CA 2018 of Canara Bank Mylapore of Selvi J. Jayalalitha on 3.1.94	1,00,000.00	P-1382 P-1487	PW.201
131	Amount paid to R.V. Tower from CA 2018 of Canara Bank Mylapore of Selvi J. Jayalalitha on 17.3.92	50,000.00	P-1382 P-1488	PW.201
132	Amount paid to Warla Trust from CA 2018 of Canara Bank Mylapore of Selvi J. Jayalalitha on 14.9.93	1,00,000.00	P-1382 P-1489	PW.201
133	Amount paid to Tamil Nadu Films from CA 2018 of Canara Bank Mylapore of Selvi J. Jayalalitha on 20.9.95 49,500.00P – 1382 P-1490 PW.201 134 Amount paid to A-K. Vijaya Shankar from CA 2018 of Canara Bank Mylapore of Selvi J. Jayalalitha on 17.9.93, 5.4.95, 22.7.95, 20.8.94 & 26.10.95	49,500.00	P-1382 P-1490	PW.201
134	Amount paid to A-K. Vijaya Shankar from CA 2018 of Canara Bank Mylapore of Selvi J. Jayalalitha on 17.9.93, 5.4.95, 22.7.95, 20.8.94 and 26.10.95	80,000.00	P-1382 P-1491 To 1494	PW.201
135	Amount paid to Sun Shine from CA 2018 of Canara Bank Mylapore of Selvi J. Jayalalitha on 9.10.95	76,450.00	P-1382 P-1496	PW.201
136	Amount paid to Tr. Saminathan from CA 2018 of Canara Bank Mylapore of Selvi J. Jayalalitha on 15.9.95 and 10.10.95	94,000.00	P-1382 P-1496	PW.201
137	Amount paid to Tamil Nadu Government Fund from CA 2018 of Canara Bank Mylapore of Selvi J. Jayalalitha on 11.1.92	1,08,000.00	P-1382	
138	Amount paid to United India Insurance from CA 2018 of Canara Bank Mylapore of Selvi J. Jayalalitha on 9.1.92, 28.3.92, 31.3.93, 29.7.93, 18.3.94, 16.3.95 and 24.3.95	1,32,796.00	P-1382 P-1497 to 1500	

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139	Amount paid to VI G Tech from CA 2018 of Canara Bank Mylapore of Selvi J. Jayalalitha on 10.1.96	91,157.64	P-1382 P-1018	PW.201 PW.180
140	Amount paid to Chinna Thambi from CA 2018 of Canara Bank Mylapore of Selvi J. Jayalalitha on 29.5.92	7,500.00	P-1381 P-1389	PW.201
141	Amount paid to Vision Hire from CA 2018 of Canara Bank Mylapore of Selvi J. Jayalalitha on 3.3.93	2,50,000.00	P-1381 P-1501	PW.201
142	Amount debited from CA 2018 of Canara Bank Mylapore of Selvi J. Jayalalitha towards Indian Bank Account Government transactions on 28.8.95	15,90,726.00	P-1382 P-1502	PW.201
143	Amount paid to Post Master T. Nagar from CA 2196 of Canara Bank Mylapore of Tmt. N. Sasikala on 30.6.95	399.00	P-1382 P-1503	PW.201
144	Amount paid to Madras Telephones from CA 2196 of Canara Bank Mylapore of Tmt. N. Sasikala on 30.8.94 and 23.3.94	9,301.00	P-1519 P-1555	PW.201
145	Amount paid to MMWSSB from CA 2196 of Canara Bank Mylapore of Tmt. N. Sasikala between 7.4.93 and 16.3.95.	2,285.00	P-1519 P-1556 to P-1565	PW.201
146	Amount paid to Marine Waves from CA 2196 of Canara Bank Mylapore of Tmt. N. Sasikala on 27.2.93	8,000.00	P-1519 P-1568	PW.201
147	Amount paid to SE, MDC from CA 2196 of Canara Bank Mylapore of Tmt. N. Sasikala on 24.1.96	14,313.00	P-1519 P-1569	PW.201
148	Amount paid to Corporation of Madras of MS from SB 23218 of Canara Bank Mylapore of Tmt. N. Sasikala on 20.6.92	1,393.95	P-1510	PW.201
149	Amount paid to R.O. Corporation from SB 23218 of Canara Bank Mylapore of Tmt. N. Sasikala on 5.9.91	1,858.60	P-1510	PW.201

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150	(i) Amount paid in cash to M/s. Nathella Anjaneyalu Chetty and Sons, towards cost of Silver items for Puja purposes silver Kavacham for Vinayaga Idol situated in front of Poes Garden residence for Gold Polishing and blass plates on the main doors of Poes Garden and towards the cost of six gold necklaces during Sept to Nov. 1995. Rs.1,52,000 (ii) Amounts paid to M/s. Nathella Anjaneyalu Chetty and Sons by cheque No.93293 and 93294 of Canara Bank Mylapore towards cost of two pairs of Gold Ear studs, studded with Diamonds (Vide bill No.45598 and 45599 – Rs.4,36,978/-)	5,88,978.00	P-1510 P-1570 P-1571 P-2262 P-2263	PW.201 PW.238 PW.238
151	Amount paid to Tvl. N. Rajasekaran and Sons from SB 24621 of Canara Bank Mylapore of Tr. VN Sudhakaran on 28.1.93	30,000.00	P-1572 P-1574	
152	Amount paid to United India from SB 24621 of Canara Bank, Mylapore of V.N.Sudhakaran	5,710.00	P-1572 P-1575	
153	Amount paid to S. Srinivasan from CA 2220 of Canara Bank Mylapore of Tr. VN Sudhakaran on 21.10.94	4,500.00	P-1576 P-1590	
154	Amount paid to R. Loganathan from CA 2220 of Canara Bank Mylapore of Tr. VN Sudhakaran on 28.2.94	3,000.00	P-1576 P-1591	
155	Amount paid to United India from CA 2220 of Canara Bank Mylapore of Tr. VN Sudhakaran on 18.3.94, 24.3.95, 6.12.95 and 27.3.96	32,087.00	P-1576 P-1592 to 1595	
156	Amount paid to OM Enterprises from CA 2220 of Canara Bank Mylapore of Tr. VN Sudhakaran on 13.3.96	36,105.00	P-1576	

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157	Amount paid to Tr. P. Raghur from CA 2220 of Canara Bank Mylapore of Tr. VN Sudhakaran on 13.8.94	2,500.00	P-1576 P-1596	PW.201 PW.96
158	Amount paid to SAI Bhas from CA 2220 of Canara Bank Mylapore of Tr. VN Sudhakaran on 21.10.94	4,500.00	P-1576 P-1597	
159	Amount paid to Tr. Sampath from CA 2220 of Canara Bank Mylapore of Tr. VN Sudhakaran on 26.10.95	34,960.00	P-1576 P-1598	
160	Amount paid to Madras Telephones from CA 2220 of Canara Bank Mylapore of Tr. VN Sudhakaran on 19.9.95, 7.11.95, 26.2.96 and 26.4.96 (Rs.399 x 5)	1,995.00	P-1576 P-1599 to 1603	
161	Amount debited towards DD Commission from CA 2220 of Canara Bank Mylapore of Tr. VN Sudhakaran on 16.7.93, 17.1.94, 19.1.94 and 14.5.94	300.00	P-1576	
162	Interest paid towards TOD from CA 2220 of Canara Bank Mylapore of Tr. VN Sudhakaran on 31.12.94, 15.12.95 and 7.3.96 (813 + 930 + 360)	2,103.00	P-1576	
163	Amount paid to Tr. Krishna from CA 2220 of Canara Bank Mylapore of Tr. VN Sudhakaran on 9.11.94	2,500.00	P-1576 P-1604	
164	Amount paid to Post Master from CA 2220 of Canara Bank Mylapore of Tr. VN Sudhakaran on 30.6.96	399.00	P-1576 P-1605	
165	Amount paid to upfront from CA 2220 of Canara Bank Mylapore of Tr. VN Sudhakaran on 27.10.95	3,500.00	P-1576 P-1609	
166	Amount paid to Tr. Anilkumar from CA 2219 of Canara Bank Mylapore of Tmt. J. Elavarasi.	2,500.00	P-1618 P-1619	PW.201 PW.97
167	Amount paid to Tr. Narayana Rao from CA 2219 of Canara Bank Mylapore of Tmt. J. Elavarasi. On 6.10.94	4,500.00	P-1618 P-1620	PW.201 PW.195

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168	Amount paid to Tr. G. Prabhakar Reddy from CA 2219 of Canara Bank Mylapore of Tmt. J. Elavarasi. On 12.8.94	2,500.00	P-1618 P-1621	PW.201
169	Amount paid to Tr. P.V.Ravikumar from CA 2219 of Canara Bank Mylapore of Tmt. J. Elavarasi. On 28.9.94	1,000.00	P-1618 P-1622	PW.201 PW.114
170	Amount paid to Tr. Suresh Bhatia from CA 2219 of Canara Bank Mylapore of Tmt. J. Elavarasi. On 14.3.95	2,00,000.00	P-1618 P-1623	PW.201
171	Amount paid to Tr. R. Vijayan from CA 2219 of Canara Bank Mylapore of Tmt. J. Elavarasi. On 27.4.95	2,000.00	P-1618	PW.201
172	Amount paid to Tr. A-K.Vijaya Shankar from CA 2219 of Canara Bank Mylapore of Tmt. J. Elavarasi. On 5.4.95	20,000.00	P-1618 P-1624	PW.201
173	Amount paid to Milan Jothi from CA 2219 of Canara Bank Mylapore of Tmt. J. Elavarasi. On 21.3.94	12,500.00	P-1618 P-785 to 787	PW.201 PW.147
174	Amount paid to United India Insurance from CA 2219 of Canara Bank Mylapore of Tmt. J. Elavarasi. On 18.3.94, 24.3.95 and 27.3.96	21,494.00	P-1618 P-1625	PW.201
175	Amount paid to MMSWWB from CA 2219 of Canara Bank Mylapore of Tmt. J. Elavarasi. On 2.6.95	17,305.00	P-1618	PW.201
176	Amounts debited from CA 2219 of Canara Bank Mylapore of Tmt. J. Elavarasi towards cheque book and DD Commission etc., on different dates	1,203.00	P-1618	PW.201

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177	Amount paid to MMDA for allotment of a plot at Door No.E-83, Besant Nagar, by A-3 on 3.3.93 and development charges Rs.1500/- on 3.3.93 and scrutiny fee of Rs.475/- on 1.3.93. Plot cost Rs.2,88,750.00 Dev. Ch. Rs. 1,500.00 Scrutiny fee Rs. 475.00 Rs.2,90,675.00	2,90,675.00	P-725 P-718 P-726 P-727	PW.128
178	Income Tax remitted by Selvi J. Jayalalitha for A-Y. 1987-88 Rs.2675.00 (11/92) Rs.227770.00 (28.8.95)	25,445.00		PW.227
179	Income Tax remitted by Selvi J. Jayalalitha for A-Y. 1988-89 Rs.9282.00 (11/92) Rs.554200.00 (28.8.95)	5,63,482.00		PW.227
180	Income Tax remitted by Selvi J. Jayalalitha for A-Y. 1989-90 Rs.9905.00 (11/92) Rs.808256.00 (28.8.95)	8,18,161.00		PW.227
181	Income Tax remitted by Selvi J. Jayalalitha for A-Y. 1990-91 Rs.61549.00 (11/92) Rs.500000.00 (20.11.95) Rs.500000.00 (8.12.95) Rs.500000.00 (18.01.96) Rs.500000.00 (25.02.96) Rs.500000.00 (19.03.96) Rs.500000.00 (24.04.96)	30,61,549.00		PW.227
182	Income Tax remitted by Selvi J. Jayalalitha for A-Y. 1991-92 Rs.378065.00 (20.11.92) Rs.1000000.00 (1.10.94) Rs.500000.00 (26.12.94) Rs.700000.00 (22.1.94)	25,78,065.00		PW.227

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183	Income Tax remitted by Selvi J. Jayalalitha for A-Y. 1992-93 Rs.3891.45 (23.11.92) Rs.3343.00 (11.2.93)	3,92,488.00		PW.215 PW.227 PW.228
184	Income Tax remitted by Selvi J. Jayalalitha for A-Y. 1993-94 Rs.523757.00 (15.12.92) Rs.349171.00 (16.3.93) Rs.15442.00 (13.3.96)	8,88,370.00		PW.215 PW.227 PW.228
185	Income Tax remitted by Selvi J. Jayalalitha for A-Y. 1994-95 Rs.87158.00 (15.9.93) Rs.87158.00 (15.12.93) Rs.116212.00.(15.3.94)	2,90,528.00		PW.215 PW.227 PW.228
186	Income Tax remitted by Selvi J. Jayalalitha for A-Y. 1995-96 Rs.87158.00 (15.9.94) Rs.87158.00 (15.12.94) Rs.116212.00.(15.3.95)	2,90,528.00		PW.215 PW.227 PW.228
187	Income Tax remitted by Selvi J. Jayalalitha for A-Y. 1997-98 Rs.87158.00 (13.9.95) Rs.87158.00 (8.12.95) Rs.116212.00.(14.3.96)	9,24,316.00		PW.215 PW.227 PW.228
188	Wealth tax remitted by Selvi J. Jayalalitha for A-Y. 1987-88 during 11/92	34,381.00		PW.215 PW.227 PW.228
189	Wealth tax remitted by Selvi J. Jayalalitha for A-Y. 1988-89 during 11/92	89,619.00		PW.215 PW.227 PW.228
190	Wealth tax remitted by Selvi J. Jayalalitha for A-Y. 1989-90 during 11/92	2,68,475.00		PW.215 PW.227 PW.228
191	Wealth tax remitted by Selvi J. Jayalalitha for A-Y. 1990-91 during 11/92	6,02,757.00		PW.215 PW.227 PW.228
192	Wealth tax remitted by Selvi J. Jayalalitha for A-Y. 1991-92 on 23.11.92	7,18,542.00		PW.201

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193	Wealth tax remitted by Selvi J. Jayalalitha for A-Y.1992-93 on 23.11.92	13,51,590.00		PW.201
194	Income Tax remitted by Tmt. N. Sasikala for A-Y. 1991-92 during 2/93	2,23,750.00		PW.215 PW.227 PW.228
195	Income Tax remitted by Tmt. N. Sasikala for A-Y. 1992-93 during 2/93	3,00,550.00		PW.215 PW.227 PW.228
196	Income Tax remitted by Tmt. N. Sasikala for A-Y. 1993-94 during 13.3.96	7,62,151.00		PW.215 PW.227 PW.228
197	Wealth Tax remitted by Tmt. N. Sasikala for A-Y. 1991-92 during 2/93	14,240.00		PW.215 PW.227 PW.228
198	Wealth Tax reitted by Tmt. N. Sasikala for A-Y. 1992-93 during 2/93	1,17,955.00		PW.215 PW.227 PW.228
199	Expenditure by way of DDs and P.Os taken in favour of Tr. Syed Saleem of Pet Basheerabad. 7045 x 4 = 28100.00 7035 x 5 = 35175.00 63,355.00 From the SB 20614 of CBI Secunderabad of Selvi J. Jayalalitha during the check period	63,355.00	P-936	PW.164
200	Amount paid to Tr. Ravinder Reddy through Andhra Bank, Basheerabad Branch (SB 2803) from SB 20614 of CBI Secunderabad of Selvi J. Jayalalitha during check period 1035 x 6 = 60210 10040 x 13 = 130520 190730	1,90,730.00	P-936	PW.164
201	Amount paid to J.R. Rao on 1.2.95 from SB 20614 of CBI Secunderabad of Selvi J. Jayalalitha	76,337.00	P-936	PW.164
202	Amount paid to Thirumala Fertilizers from SB 20614 of CBI Secunderabad of Selvi J. Jayalalitha on 11.1.94	3,835.00	P-936	PW.164
203	Tax deducted at source in respect of MIDR 66/9 on 26.3.92	3,332.00	P-936	PW.164

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204	Amount paid towards BPO Commission from CA 1068 of Indian Bank, Abirampuram of Tr. VN Sudhakaran on 21.12.94	301.00	P-1111	PW.182
205	Amount paid towards I.C. Charges and Folio Charges from CA 1068 of Indian Bank, Abirampuram of Tr. VN Sudhakaran on 16.4.94, 13.5.94, 15.3.95, 28.3.95 and 31.3.95	125.00	P-1111	PW.182
206	Amount paid to Temporary OD as interest from CA 1068 of Indian Bank, Abirampuram on 31.12.94	388.00	P-1111	PW.182
207	Amount paid to Tr. Srinivasalu on 12.5.95 from CA 1068 of Indian Bank, Abirampuram of Tr. VN Sudhakaran.	4,410.00	P-1111	PW.182
208	Amount paid to Tr. A-K.Vijaya Shankar from CA 1171 of Indian Bank, Abirampuram of Tmt. J. Elavarasi. On 22.7.95	20,000.00	P-1109	PW.182
209	Amount paid to Tr. D. Srinivasan from CA 1171 of Indian Bank, Abirampuram of Tmt. J. Elavarasi. On 7.2.96	1,40,000.00	P-1109	PW.182
210	Amount paid to Tr. Dasan from CA 1171 of Indian Bank, Abirampuram of Tmt. J. Elavarasi 14.10.95	1,052.00	P-1109	PW.182
211	Amount paid to Tr. Ramadoss from CA 1171 of Indian Bank, Abirampuram of Tmt. J. Elavarasi on 14.10.95	5,845.00	P-1109	PW.182
212	Amount paid to Tr. Ramson's from CA 1171 of Indian Bank, Abirampuram of Tmt. J. Elavarasi on 26.10.95	9,963.00	P-1109	PW.182
213	Amount paid to Tr. Vedagiri from CA 1171 of Indian Bank, Abirampuram of Tmt. J. Elavarasi on 3.11.95	20,000.00	P-1109	PW.182

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214	Amount paid to Tr. Veerasamy from CA 1171 of Indian Bank, Abirampuram of Tmt. J. Elavarasi on 7.11.95	3,500.00	P-1109	PW.182
215	Amount paid to Tr. Durai Samy Nadar from CA 1171 of Indian Bank, Abirampuram of Tmt. J. Elavarasi on 8.11.95, 12.12.95, 7.2.96, 9.9.96 and 14.3.96 (Rs.13500 + 13150 + 27025 + 10800 + 27550)	92,025.00	P-1109	PW.182
216	Amount paid to Tmt. Lakshmi from CA 1171 of Indian Bank, Abirampuram of Tmt. J. Elavarasi on 4.12.95	591.60	P-1109	PW.182
217	Amount paid to Tr. D. Vimal Kumar from CA 1171 of Indian Bank, Abirampuram of Tmt. J. Elavarasi on 29.3.96	21,000.00	P-1109	PW.182
218	Amount paid to Supdt. Engineer from CA 1171 of Indian Bank, Abirampuram of Tmt. J. Elavarasi. On 24.1.96	1,434.00	P-1109	PW.182
219	Amount paid to telephone departments from CA 1171 to Indian Bank, Abirampuram of Tmt. J. Elavarasi. On 29.12.95, 24.1.96 and 23.3.96 (Rs.399 x 3)	1,197.00	P-1109	PW.182
220	Amount paid towards interest for T.O.D from CA 1171 of Indian Bank, Abirampuram of Tmt. J. Elavarasi. On 17.9.95 and 31.12.95 (Rs.6455 + 9715)	16,170.00	P-1109	PW.182
221	Amount paid to DD Commission and other charges from CA 1171 of Indian Bank, Abirampuram of Tmt. J. Elavarasi. On 19.10.95, 7.2.96, 9.2.96, 14.2.96, 15.3.96 and 31.3.96	6,865.00	P-1109	PW.182

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222	Amount paid to Tele Communication Department. From SB 4119 of Indian Bank, Abirampuram of J. Vivek s/o. Tmt. J. Elavarasi. On 14.7.95	13,072.50	P-1138	PW.182
223	Amount paid to Tr. M. Natarajan, Tamilarasi Press from CA 1053 of Indian Bank, Abirampuram of M/s. Anjaneya Printers (P) Ltd., towards the loan A/c in Indian Bank, Abirampuram in respect of the loan availed by Tamilarasi Publication (P) Ltd., on 25.6.94	40,96,565.00	P-1238 P-1226	PW.182
224	Amount paid to Tamilarasi Private Limited Account No.CA 372 of Indian Bank, Abirampuram from CA 1053 of Indian Bank, Abirampuram of M/s. Anjaneya Printers (P) Ltd., on 14.7.94	12,03,435.00	P-1226 P-1239	PW.182
225	Other items of household expenditure of Selvi J. Jayalalitha at Poes Garden as per the following particulars. i. Salary for Tr. Jayaraman at Rs.3000/- per month from 9/93 to 10/96 (37 months) - Rs.1,11,000/- ii. Salary for Tr. Vijayan from 6/91 to 4/96 at Rs.1500/- per month for 59 months -Rs.88,500/- iii. Salary for 6 drivers from 6/91 To 4/96 at Rs.1,500/- per month 16,15,500.00 PW.198	16,15,500.00		PW.198

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	For 59 months - Rs.5,31,000/- iv. Salary for Electrician for 6/91 to 4/96 at Rs.1,500/- per month for 59 months. - Rs.88,500/- v. Salary for two sweepers from 6/91 to 4/96 at Rs.750/- per month for 59 months. - Rs. 88,500/- vi. Salary for Cook Tr. Selvaraj at Rs.750/- per month for 59 months from 6/91 to 4/96 - Rs. 44,250/- vii. Salary for Tmt. Rajamma, cook at Rs.500/- per month for 59 months from 6/91 to 4/96 - Rs. 29,500/- viii. Salary for 7 Assistant Maids (Male and Female servants) at Rs.200/- per month for 59 months from 6/91 to 4/96 - Rs. 82,600/- ix. Salary for Dhoby at Rs.3000/- per month for 59 months from 6/91 to 4/96 - Rs.1,77,000/- x. Milk expenditure 18 Ltrs. Per day At Rs.7.50 per litre for 59 months From 6/91 to 4/96 - Rs.2,38,950/- xi. Telephone Bill for Phone No.4991414 for 59 months from 6/91 to 4/96 at Rs.1000/- per month (Average bill amount) - Rs. 59,000/- xii. Flowers purchased for 59 months For 59 months at Rs.1,300/- per month 6/91 to 4/96 - Rs. 76,700/-			

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226	Expenditure incurred in connection with the marriage of foster son Tr. VN Sudhakaran with Tmt. Sathiyalakshmi on 7.9.95 A- Expenditure incurred for erection of marriage pandal over and above the admitted / recorded payments (as estimated by P.W.D authorities) Rs.5,21,23,532.00 b. Expenditure incurred towards cost of food, mineral water and thambulam (assessment based on available materials) Rs. 1,14,96,125/- c. 34 Nos. TITAN Watches purchased on cash payment. Rs.1,34,565.00 d. Amount paid to Tr. Syed Bawker towards stitching charges for wedding dress of Tr. VN Sudhakaran - Rs.1,26,000/- e. Amount paid for purchase of 100 silver plates (paid by Tmt. N. Sasikala) Rs.4,00,000 f. Postal expenses for dispatch of 56,000 wedding invitations – Rs.2,24,000	6,45,04,222.00	P-1019 P-1371 to P-1376 P-1292	PW.181 PW.200 PW.192 PW.196 PW.238 PW.189 PW.228
227	Kodanad Tea Estate in S.No.168 of Kothagiri Village i. Expenditure incurred for	12,20,310.00	P-1964 P-1965	PW.205

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	construction of bunglow structure – Foundation only – Rs. 7,00,000/- ii Expenditure incurred towards laying HDPE Pipes Rs. 5,20,315/-			
228	Amount paid by Tmt. N. Sasikala to Tr. V.N. Kanniyappan, Proprietor, Lakshmi Marbles, Choolaimedu, Chennai – 94 towards the cost of marbles and blaze titles supplied to Sengamala Thayar Memorial College for Women at Mannargudi.	10,82,420.00	P-1382 P-1109	PW.190
229	Amount spent towards electricity power connection for 31-A Poes Garden (new residence) for SC Account Nos.203-43-209 SC Connection charge Rs.1,400/- security deposit Rs.1,000/- Electricity consumption charges upto 30.4.96 – Rs.30,210/-	40,690.00	P-67	PW.21
230	Amount spent for securing electricity power connection in respect of SC No.208-43-216 to 208-43-219 for 31-A Poes Garden at the rateof Rs.6,400/- per service connection	25,600.00	P-67	PW.21
231	Amount paid to Tr. Rajesekaran from SB A/c. No.25389 of Canara Bank Mylapore of Tmt. J. Elavarasi. On 28.1.93	30,000.00	P-1613 P-1614	PW.201
232	Amount paid to United India Insurance Company from SB No.25389 of Tmt. J. Elavarasi. On 31.3.93	9,369.00	P-1613 P-1615	PW.201
233	Amount paid to Tr. Subbarama Reddy from SB A/c. No.25389 Canara Bank Mylapore of Tmt. J. Elavarasi. On 12.5.95	4,410.00	P-1613 P-1616	PW.201

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234	Amount paid to Tr. Srinivasalu Reddy from S.B. A/c. No.25389 Canara Bank Mylapore of Tmt. J. Elavarasi. On 12.5.95	4,590.00	P-1613 P-1617	PW.201
235	Amount spent towards providing extra amenities in Swaraj Mazda Vans (Three) TN -09/H-3541, TN-09/ H-3595 and TN-09/H-3506 of M/s. Anjaneya Printers (P) Ltd., paid to Tr. Mohan, Nikhil enterprises, Chennai - 1 4	7,50,000.00	P-1940 P2031	PW.201 PW.148
236	Expenditure towards electricity consumption charges in respect of SC No.211-11-179 dt 1.8.75 of Jaya Publications at C-8, Thiru-vi-ka Industrial Estate, Chennai – 32 for the check Period	2,27,750.00	P-805	PW.149
237	Expenditure towards electricity consumption charges in respect of S.C. No.211-11-180 dt. 1.8.75 of Namadhu MGR at C-8 Tr-vi-ka Industrial Estate for the check period	27,529.00	P-806	PW.149
238	Expenditure towards electricity consumption charges in respect of SC No.211-11-261 dt 17.3.90 at MF-9, Guindy Industrial Estate, Chennai – 32 in the name of M/s. Jaya Publications.	2,69,102.00	P-798	PW.19
239	Expenditure towards electricity consumption charges for the premises of M/s. Jaya Publications at MF-9, Industrial Estate Chennai-32 for the check period (including deposit of Rs.12,000)	97,381.00	P-789	PW.149

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240	Expenditure towards electricity consumption charges including deposits in respect of the premises of M/s. Anjaneya Printers (P) Ltd., at No.48, Jawaharlal Nehru Road, Chennai – 97	1,594.00	P-804	PW.149
241	Expenditure towards electricity consumption charges and deposits in respect of SC No.211-11-273 of M/s. Jaya Publications for the period from 9/92 to 12-93	1,08,138.00	P-807	PW.149
242	Expenditure towards electricity consumption charges and deposits in respect of SC No.211-11-303 of M/s. Sasi Enterprises at A-28, Industrial Estate, Chennai – 32 for the check period	58,889.00	P-808	PW.149
243	Expenditure towards electricity consumption charges of M/s. Anjaneya Printers (P) Ltd., in the name of the following service connections viz., i. M/s. Sastri Manufacturers, SC No.211-05-141 for the period 9/93 to 4/96 – Rs. 1,33,766/- ii. M/s. Sastri Manufacturers, SC No.211-05-142 for the period 9/93 to 2/95 (disconnected) – Rs. 1,447/- iii. M/s. Uni Offset Printers SC No.211-05-273 for the period 9/93 to 4/96 – Rs. 1,82,127/- iv. M/s. Amar Enterprises SC No.211-05-275 for the period 9/93 to 4/96 – Rs. 4,21,093/-	7,38,433.00	P-800 To 803	PW.149

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244	Amount paid to (over and above the document value concerned in document No.282/94 dt. 27.6.94 of SRO North Madras) M/s. Fiesta Properties (P) Ltd., by M/s. Jaya Publications towards the cost of acquisition of flat at Door No.9899 of Luz Church Road, Chennai – 4 Total	4,63,000.00 11,56,56,833.41	P-1903 P-1924 P-1925 P-1935 P-1903 P-1933 To P-1935	PW.30 PW.201
245	Vijayasekar Services	44,341.35		
246	Thevar Automobiles	9,73,452.00		
247	Kumaran Silks	4,84,712.00		
248	James Fredrich	30,00,000.00		
Grand Total		**12,00,59,338.76**		

It appears that the aforementioned expenditures are classifiable as follows:

(a) Amounts paid towards interest in respect of the loan.

(b) Amounts paid to Corporation of Madras towards sanction of building plan.

(c) Amounts paid to Corporation, MMWSSB.

(d) Amounts paid for the purchase of provisions.

(e) Amounts towards LIC premium.

(f) Amounts paid towards DD Commission.

(g) Amounts paid to telecom and Electricity Department.

(h) Income Tax and Wealth Tax.

(i) Household Expenses.

(j) Marriage Expenses.

(k) Other outgoings.

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23. The Trial Court after analyzing oral and documentary evidence came to the conclusion that the accused have not disputed the loan transactions and as a result whereof it held that the prosecution has proved Item Nos.1 to 8 of Annexure-IV. In respect of Item Nos.9 to 21, the Trial Court after duly considering the evidence, both oral and documentary, held that the accused did not dispute the statutory permission obtained by them for constructing new buildings and addition of the building as noted in Exts.65, 64, 51, 54, 63, 56, 48, 49, 50, 59, 60, 61, 62, 66 and 76, respectively and therefore, it appeared that the receipts for such payments and the proceedings maintained by the concerned municipal authority had been established by the prosecution. Similarly, the Trial Court held that payments made with respect to item Nos.23 to 35, 37 to 44, 46, 48 to 54 & 56 to 176 had been proved by the prosecution. The corresponding documents have already been accepted before the Court and hence such expenditure has been proved by the prosecution. With regard to Item Nos.178 to 198, such expenditures were never disputed on behalf of the accused before the Court. After analyzing the evidence of

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the prosecution witnesses and their depositions, it held that item Nos.229 & 230 have also been proved by the prosecution.

24. The Trial Court has duly considered the objections raised on behalf of the accused and rejected the same. Similarly, the Trial Court has also dealt with other expenditures such as household expenses (Item No.225 in the Chart) and the objections raised on such account on the ground of overlapping entries and it came to the conclusion that the argument of the learned counsel raising the objections cannot be accepted. After analyzing the oral and documentary evidence placed on record and the judgments cited before it, the Trial Court came to the following conclusion:

> "Prosecution has proved beyond reasonable doubt that as against the income of Rs.9,91,05,094.75 and expenditure of Rs.8,49,06,833.00 during the check period, A1 acquired and possessed in her name and in the names of A2 to A4 and in the names of the business enterprises acquired in their names immovable properties and pecuniary resources of the value of Rs.53,60,49,954.00 which she could not satisfactorily account. Hence, acting u/Sec. 248 (2) of 896 *Spl.C.C.208/2004* Cr.P.C., A1 is hereby convicted for the offence punishable u/Sec. 13 (1) (e) R/w. Sec. 13 (2) of 1988 Act.

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> Prosecution has proved beyond reasonable doubt that, A1 to A4 were parties to criminal conspiracy with the object of acquiring and possessing pecuniary resources and assets to the extent of Rs.53,60,49,954.00 beyond the known source of income of A1. Hence, A1, A2, A3 and A4 are hereby convicted for the offence punishable u/Sec. 120-B of I.P.C. R/w. Sec. 13 (1) (e) R/w. Sec. 13 (2) of 1988 Act.
>
> Prosecution has proved beyond reasonable doubt that A2 to A4 abetted the commission of the above offence by intentionally aiding A1 in the acquisition and possession of pecuniary resources and properties disproportionate to her known source of income as above. Hence, A2, A3 and A4 are hereby convicted for the offence punishable u/Sec.109 of I.P.C. R/w. Sec. 13 (1) (e) R/w. Sec. 13 (2) of 1988 Act."

25. The Trial Court after hearing the learned counsel appearing for the accused and the learned Public Prosecutor on sentence, awarded the following sentence against the accused:

> "For the offence u/Sec. 13 (1) (e) R/w. Sec. 13 (2) of the 1988 Act, A1 Selvi. J. Jayalalitha, D/o. Late. Jayaram, is hereby sentenced to undergo simple 908 *Spl.C.C.208/2004* imprisonment for a period of four years and a fine of Rs.100 crores. In default to pay the fine amount, she shall undergo further imprisonment for one year.
>
> For the offence punishable u/Sec. 120-B I.P.C., R/w. Sec. 13 (2) of 1988 Act, A1 is sentenced to undergo simple imprisonment for six months and to

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pay fine of Rs.1 lakh. In default to pay the fine, she shall undergo further imprisonment for one month. For the offence punishable u/Secs. 109 of I.P.C., R/w. Sec. 13 (2) of 1988 Act, A2 Tmt. Sasikala Natarajan, A3 Tr. V.N. Sudhakaran and A4 Tmt. J. Eavarasi are sentenced to undergo simple imprisonment for a period of four years each and to pay fine of Rs.10 crores each. In default to pay the fine amount, A2, A3 and A4 shall each undergo further imprisonment for one year.

For the offence punishable u/Sec. 120-B of I.P.C. R/w. Sec. 13 (2) of 1988 Act, A2, A3 and A4 each are sentenced to undergo simple imprisonment for a period of six months and to pay fine of Rs.10,000/- each. In default to pay the fine amount, A2, A3 and A4 shall each undergo further imprisonment for one month. Substantive sentences of imprisonment shall run concurrently. Period of custody already undergone by the accused shall be given set off u/Sec. 428 of Cr.P.C.

It is further ordered that, necessary direction shall be issued to the concerned banks to remit the proceeds of the Fixed Deposits and the cash balance standing to the credit of the respective accused in their bank account and the proceeds thereof shall be appropriated and adjusted towards the fine amounts.

If after adjustment, still the fine falls short, the gold and diamond ornaments seized and produced before the Court (after setting apart 7040 grams of gold with proportionate diamond jewellery), as observed in the body of the judgment shall be sold to RBI or SBI or by public auction to make deficit of fine amount good. The rest of the gold and diamond jewellery shall be confiscated to the Government.

All the immovable properties registered in the

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names of Lex Property Developments Pvt. Ltd., Meadow Agro Farms Pvt. Ltd., Ramaraj Agro Mills Pvt. Ltd., Signora Business Enterprises (P) Ltd., Riverway Agro Products (P) Ltd., and Indo Doha Chemicals and Phramaceuticals Ltd., which are under attachment pursuant to G.O. Nos. M.S. 120 and 1183, shall be confiscated to the State Government.

Out of the fine amount recovered as above, a sum of Rs.5 crores shall be made over to the State of Karnataka towards reimbursement of the cost of trial conducted in the State of Karnataka.
Furnish a free copy of the full judgment to the accused forthwith."

26. Being aggrieved, appeals were filed by the accused before the High Court of Karnataka at Bangalore challenging the order passed by the Court of 36th Addl. City Civil & Sessions Judge at Bangalore. The High Court on its analysis came to the conclusion that the value of assets at the end of the check period in respect of accused Nos.1, 2, 3 & 4 together along with the firms/companies involved was Rs.66,44,73,537/- and accepted the value of the assets as indicated by the prosecution. The High Court, thereafter applying the principles laid down in ***Krishnanand Agnihotri Vs. The State of Madhya Pradesh***, AIR 1977 SC 769 = (1977) 1 SCC 816, on a calculation of total assets, income & expenditure of accused

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Nos.1 to 4, their firms and companies, arrived at the percentage of disproportionate assets as under:

PARTICULARS	AMOUNT (IN RUPEES)	TOTAL AMOUNT (IN RUPEES)
Assets as per DVAC **i) <u>Cost of construction</u>:** As per DVAC **Less:** As per records and finding **Total (A)**	 27,79,88,945 5,10,54,060 **22,69,34,885**	66,44,73,573
ii) Marriage Expenses: As per DVAC **Less:** As per finding of this Court **Total (B)**	 6,45,04,222 28,68,000 **6,16,36,222**	
(A+B)	**28,85,71,107**	
Less: (A+B)		28,85,71,107
TOTAL ASSETS		**37,59,02,466**

Income of Accused Nos.1 to 4, firms and companies:

Sl. No.	**Particulars**	**Amount (In Rupees)**
1.	Loan as income	18,17,46,000
2.	Income from grape Garden	46,71,600
3.	Gifts	1,50,00,000
4.	Sasi Enterprises	25,00,000

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5.	Jaya Publications and Namadhu MGR	4,00,00,000
6.	Super Duper TV Pvt. Ltd.	1,00,00,000
7.	Rental Income	3,22,000
8.	Income assessed by DVAC	9,34,26,054
TOTAL INCOME		**34,76,65,654**

DISPROPORTIONATE ASSETS:

Total Assets - Total Income

Rs.37,59,02,466 - Rs.34,76,65,654 = Rs.2,82,36,812

Percentage = $\frac{\text{Disproportionate assets x 100}}{\text{Income}}$

= $\frac{\text{Rs.2,82,36,812 x 100}}{\text{Rs.34,76,65,654}}$

= 8.12%

27. The High Court, following the principles laid down in *Krishnanand Agnihotri* (supra), held that when there is disproportionate asset to the extent of 10% or below, the accused are entitled to acquittal and accordingly the High Court passed the following order acquitting the accused:

> "(A) Criminal Appeal Nos.835/2014, 836/2014, 837/2014 and 838/2014 are allowed.

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[i] The Judgment of Conviction and Sentence passed in Spl.C.C.No.208 of 2004, dated 27.9.2014, on the file of the 36th Additional City Civil & Sessions Judge (Spl. Court for Trial of Criminal Cases against Kum.Jayalalitha & Ors.), Bengaluru, is hereby set-aside. Appellants-Accused Nos.1 to 4 are acquitted of all the charges levelled against them.

[ii] The Bail bonds of A1 to A4 are discharged.

(B) The Appeals in Criminal Appeal Nos.17/2015, 18/2015, 19/2015, 20/2015, 21/2015 and 22/2015 are allowed in part.

[i] Order of the Trial Court relating to confiscation of the properties both movable and immovable, is hereby set aside."

28. Assailing the judgment and order dated 11.05.2015, passed by the High Court of Karnataka at Bengaluru, appeals, by special leave, have been filed before this Court by the State of Karnataka and Mr. K. Anbazhagan. Although the State of Tamil Nadu was arrayed as the sole respondent in the appeals before the High Court, these appeals have been filed by the State of Karnataka, in view of the decisions of this Court in ***K.***

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Anbazhagan Vs. State of Karnataka and Ors., reported in (2015) 6 SCC 86 and (2015) 6 SCC 158, wherein it was held that it is only the State of Karnataka (being the Transferee State) which is the sole Prosecuting Agency and was competent to appoint the Public Prosecutor.

29. We have given a patient hearing to all the parties, including the intervenor, in the matter. We have been taken through various documents and the evidence of the parties.

30. Mr. Dushyant Dave and Mr. B.V. Acharya, learned senior counsel appearing in support of the appeals first contended that the High Court has calculated the disproportionate assets by adopting an incorrect method with wrong particulars and our attention was drawn to Page 997 of the SLP Paper Book, where in the table consisting of assets and expenditure, the High Court has reduced the values therein but has inflated the income and thus inaccurately assessed the disproportionate assets to be Rs.2,82,36, 812/-. It is pointed out before us that there are concurrent findings of the two Courts in respect of the fact that the accused did own disproportionate assets

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during the check period and the difference between the two Courts is only with regard to the quantum. While the Trial Court held that it is Rs.53,60,49,954/-, the High Court held it as Rs.2,83,36,812/-. It is also submitted that in calculating the disproportionate assets, value of assets, expenditure and income of all the accused has been taken jointly along with that of firms and companies (34 in number). Both the Courts, High Court as well as Trial Court, have recorded concurrent findings and have taken all the assets, income and expenditure of all the accused together. It is further pointed out that the sole source of inflow is of A1, although assets were standing in the names of other accused or the firms/companies owned by them. It is further submitted, as appears from the records, that both the Courts did not accept the claim to consider the case of A1 and A2 to A4 separately. Hence, it is submitted that now they cannot claim such a course to be adopted at this stage before this Court.

31. It is also submitted that both the Courts have rejected the claim of Namadhu MGR scheme which according to the accused worked out to more than Rs.14 crores during the

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check period and that the finding of the Courts that all properties purchased by the 6 companies actually belonged to accused has not been challenged by anybody and therefore it stands.

32. Mr. B.V. Acharya, learned senior counsel appearing on behalf of the State of Karnataka contended that if the final figures arrived by the High Court (appearing at Pages 997-998 of its judgment) are accepted and apparent errors therein including calculation and arithmetical errors as also error apparent on the face of the record are corrected, the disproportionate assets will be more than Rs.35 crores and this alone is sufficient to sustain the conviction, according to him. Mr. Acharya has placed before us a Chart which is as follows:

Sl. No.	**ERROR**	**CORRECTIONS**
1.	CALCULATION ERROR	The method of calculating D.A. is wrong. If all the findings of the high court is accepted in toto then the amount of D.A. is Rs.14,38,93,645 i.e. 41.3% & not Rs.2,82,36,36,812 i.e. 8.12% as held by the High Court – *(The previous two charts have details of the same)*
2.	ARITHMETIC ERROR	While totalling loans as income at (Pg.939 Vol IV), the High Court has committed an arithmetic error to the tune of 13.50 Crores. If

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		this arithmetic error is alone corrected then the Disproportionate Asset come to Rs.16,32,36,812/- i.e. 76.7% This is fully covered in Pg 1028-1030 – SLP Vol.IV
3.	ADMISION OF ACCUSED	**Under Expenditure**: **Cost of Construction** : The accused have admitted that the cost of construction incurred is Rs.8,60,59,261 – Pg 2350 Vol IX. However the High Court values the same at Rs.5,10,55,060 – Pg 979 Vol IV, which is Rs.3,50,05,210 lesser than the admitted amount. **Under income:** **Business income of Jaya Publication:** The accused have admitted that the income of Jaya Publication was Rs.1,15,94,849/- (As per written submission of A-2 –Extracted in Pg 1034 SLP Vol IV). The High Court calculated this at Rs.4 Crores – Pg 946-960 Vol IV, which is Rs.2,84,05,151/- more than the admitted amount.
4.	GIFTS AS INCOME	Gifts as income is subject matter of SLP Nos.1163-1167 of 2012 – Pg 1032-1033 Present SLP Vol IV. Therefore although Trial Court has held that gifts received cannot be held to be a lawful source of income – Pg 1283-1296 Vol V, the High Court has added 1.5 Crores as income under this head, which is liable to be reduced.

Therefore if the above corrections are carried out, the disproportionate assets will be :

1. On the basis of finding of High Court - Rs.14,38,93,645
2. On the basis of finding of High Court, correction of the other mistakes in arithmetic, admissions of accused and disallowing gifts as income:

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1.	14,38,93,645	Omission of Expenses – Corrected
2.	13,50,00,000	Totalling Error – Corrected
3.	3,50,05,210	Admission Reg Valuation of Construction
4.	2,84,05,151	Admission Reg Business income of Jaya Publication
5.	1,50,00,000	Gift – which is illegal
Disproportionate Asset – 35,73,04,006		

Income will have to be : 16,92,60,503

Disproportionate Asset (D.A.) = 35,73,04,006/-

% of D.A. = $\frac{35,73,04,006 \times 100}{16,92,60,503}$ = **211.09%**

Hence, he submitted that this process alone is sufficient to sustain the conviction.

33. Mr. Acharya further contended that the findings of the High Court regarding the value of assets are patently erroneous and unsustainable. He submitted that the High Court has accepted the value given by DVAC except for a single head i.e., value of additional constructions. The High

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Court has accepted the amount of expenditure except for 1 item i.e. marriage expenditure and the High Court has added 7 items towards the income which are patently erroneous. Mr. Acharya drew our attention to Annexure-III (64 items – Annexure-III, Pages 1224-1233 of Vol.V) and submitted that the income includes loan, interest, rental, agricultural income and fixed deposits. According to the prosecution, the said amount is Rs.9,34,26,054/- (which would appear at Pages 1224-1233 of Vol.V). According to the Trial Court, the income would be Rs.9,91,05,094.75/- (appearing at Page 1396 of Vol. VI). However, the High Court has shown such income as Rs.34,76,65,654/- (appearing at Pages 997-998 of Vol. IV). It is submitted that the High Court considered additional income under 7 heads and has increased the income to Rs.34,76,65,654/-.

34. The High Court has shown the value of income from loan as Rs.24,17,31,274/- which contains error of totalling and the sum total of these 10 items ought to be Rs.10,67,31,274/-. Therefore, there is a totalling error of Rs.13,50,00,000/-. He further contended that these loans as income cannot be taken

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into consideration as has been taken by the High Court. Since the prosecution has already considered such loans as income which appears at Annexure-III at Page 1228 Vol. V (Items 1-8) and expenditure at Annexure-IV (Page 1397 of Vol.VI, Items 1-8). He drew our attention to the High Court judgment regarding 10 loans, which would appear at Page 938-939, Vol. IV of the SLP Paper Book, which is as under:

1.	Ex.P1027	OMTL-Indian Bank, Jaya Publications	Rs.1,50,00,000.00
2.	Ex.P1101	Agricultural M.D. Loan, Indian Bank, Guna Bhushani. On request of Guna Bhushani, they changed the loan liability to A2, A3 and A4 since they became the share holders.	Rs.3,75,00,000.00
3.	Ex.P1114	Indian Bank –A1	Rs.90,00,000.00
4.	Ex.P1162	Indian Bank J. Real Estate	Rs.25,00,000.00
5.	Ex.P1172	Indian Bank J.S.Housing	Rs.12,46,000.00
6.	Ex.P1211	Indian Bank J. Farm House	Rs.50,00,000.00

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7.	Ex.P1260	Indian Bank- Sasikala	Rs.25,00,000.00
8.	Ex.P1330	Indian Bank- V.N.Sudhakaran	Rs.1,57,00,000.00
9.	Ex.P1354	Ramaraj Agro Mill Ltd	Rs.1,65,00,000.00
10.	Ex.P1357	Indian Bank- Mahalakshmi Kalyanamandapa	Rs.17,85,274.00
		Total	**Rs.24,17,31,274.00**

35. Mr. Acharya pointed out that the High Court has wrongly taken into account the above-mentioned 10 loan amounts, being the loan from Indian Bank. Regarding the loan of Rs.1,50,00,000/- by OMTL – Jaya Publication, which is shown as item No.1 in Annexure-IV Ext.-P 2330, Page 1397 of Vol.VI, (being expenditure list), he submitted that this amount cannot be taken into account by the High Court. He also drew our attention to the deposition made by PW-182 and PW-160 wherefrom it appears that the said loan was repaid. The Trial Court has dealt with such loan as it is specifically stated that the said loan was closed on June 25, 1994. Mr. Acharya therefore submitted that the High Court taking this amount again, would amount to a double entry.

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36. Regarding MD Loan of Rs.3,75,00,000/- which is shown as Item No.8 in Annexure III Exh.P-2329, Page 1225 of Vol. V (income list), it is submitted by Mr. Acharya that this loan has been discussed by the Trial Court at Page 1237-1239 of Vol. V while dealing with income and the Trial Court has accepted the case of the prosecution. The accused at no point of time have disputed about any loan not being taken into consideration by the prosecution. Mr. Acharya therefore submitted that the High Court should not have taken this amount into consideration as taking this amount again, would amount to double entry.

37. Mr. Acharya further submitted that the Loan of Rs.90,00,000/- which has been taken after the check period is only a credit voucher shown in Exh.P-1114, marked by PW-182, who has deposed that this loan was taken in August, 1996 i.e. after the check period. He therefore submitted that this loan could not have been considered by the High Court at all.

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38. Regarding the Loan of Rs.25,00,000/- which is shown as Item No.4 in Annexure-III Exh.P-2329, Page 1224 of Vol. V (Income list) and Item No.5 of Annexure-IV, Exh.P-2330, Page 1397 of Vol. VI (Expenditure list), it is submitted by Mr. Acharya that this amount has been deposed to by PW-182 and marked as Exh.P-1161 to 1163 through him. He submitted that although the Bank had sanctioned Rs.25 lakhs, it had released only a sum of Rs.5 lakhs. The principal amount and interest has not been paid back by the firm. The Trial Court has discussed this loan at Page 1234 of Vol. V while dealing with income and at Page 1417 of Vol.VI while dealing with expenditure. Mr. Acharya submitted that this income has been duly considered and the High Court could not have taken the amount of Rs.25 lakhs under this head.

39. Regarding the loan of Rs.12,46,000/- J.S. Housing which is shown as item No.3 in Annexure-III Ext.-P 2329, Page 1224 of Vol. V, (Income list) and Item NO.4 in Annexure-IV Exh.P-2330 Page 1397 of Vol. VI (Expenditure list), it is submitted by the learned counsel that this loan has been deposed to by PW-182 and marked as Exh.P-1171 to 1173 through him. He

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submitted that although the Bank had sanctioned Rs.12.46 lakhs, it had released only a sum of Rs.7 lakhs and the principal amount and interest has not been paid back by the firm. The Trial Court has discussed this loan at Page 1234 of Vol. V while dealing with income and at Page 1417 of Vol.VI while dealing with expenditure. Mr. Acharya, therefore, submitted that this income has been duly considered and the High Court could not have taken the amount of Rs.12.46 lakhs under this head.

40. Regarding the loan of Rs.50,00,000/- J. Farm House which is shown as item No.2 in Annexure-III Ext.-P 2329, Page 1224 of Vol. V, (Income list) and Item No.3 in Annexure-IV Exh.P-2330 Page 1397 of Vol. VI (Expenditure list), it is submitted by the learned counsel that this loan has been deposed to by PW-182 and marked as Exh.P-1211-1212 through him. He submitted that although the Bank had sanctioned Rs.50 lakhs, it had released only a sum of Rs.28 lakhs and the principal amount and interest has not been paid back by the firm. The Trial Court has discussed this loan at Page 1234 of Vol. V while dealing with income and at Page

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1416 of Vol.VI while dealing with expenditure. Therefore, Mr. Acharya submitted, this income has been duly considered and the High Court could not have taken the amount of Rs.50 lakhs under this head.

41. Regarding the loan of Rs.25,00,000/- by Sasikala which is shown as item No.1 in Annexure-III Ext.-P 2329, Page 1224 of Vol. V, (Income list) and Item No.2 in Annexure-IV Exh.P-2330 Page 1397 of Vol. VI (Expenditure list), it is submitted by the learned counsel that this amount has been deposed to by PW-182 and marked as Exh.P-1260 through him. He submitted that the principal amount due under this account was Rs.13,55,023 and the Trial Court has discussed this loan at Page 1234 of Vol. V while dealing with income and at Page 1416 of Vol.VI while dealing with expenditure. Therefore, Mr. Acharya submitted that this income has been duly considered and the High Court could not have taken the amount of Rs.25 lakhs under this head.

42. Regarding the loan of Rs.1,57,00,000/- by Sudhakaran (A3) which is shown as item No.7 in Annexure-III Ext.-P 2329,

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Page 1224 of Vol. V, (Income list) and Item No.8 in Annexure-IV Exh.P-2330 Page 1397 of Vol. VI (Expenditure list), it is submitted by Mr. Acharya that this loan has been taken by Lex Property Development Ltd. and not by Sudhakaran. It has been deposed to by PW-182 and marked as Exh.P-1330 through him. He submitted that the principal amount due under this account was Rs.83,00,000 and the Trial Court's discussion on this loan is at Page 1234 of Vol. V while dealing with income and at Page 1418 of Vol.VI while dealing with expenditure. Therefore, Mr. Acharya submitted, this income has been duly considered and the High Court could not have taken a sum of Rs.1.57 lakhs under this head.

43. Regarding the loan of Rs.1,65,00,000/- by Ramraj Agro Mills Ltd. it is submitted by the learned counsel that this loan is not shown as an item in Annexure-III Ext.-P 2329, Page 1224 of Vol. V, (Income list) or as an item in Annexure-IV Exh.P-2330 Page 1397 of Vol. VI (Expenditure list). It has been deposed to by PW-182 and marked as Exh.P-1349-1354 through him. Exh.1354 is a statement of account of OCC-19 of Ramraj Agro Mills Ltd. PW-235 at 145 of Vol. 11 has stated of

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his knowledge about Rs.1.65 crores being sanctioned. However, there is no evidence of disbursement of this loan amount. Mr. Acharya submitted that the amount due to the Bank on this account was Rs.39,10,781/-, hence, the High Court could not have taken a sum of Rs.1.65 crores under this head.

44. Regarding the loan of Rs.17,85,274/- by Mahalakshmi Kalyanamandapa, which is shown as item No.6 in Annexure-III Ext.-P 2329, Page 1224 of Vol. V, (Income list) and Item No.7 in Annexure-IV Exh.P-2330 Page 1397 of Vol. VI (Expenditure list), it is submitted by Mr. Acharya that this has been deposed to by PW-182 and marked as Exh.P-1357 through him. He submitted that the amount due in this account was Rs.19,81,802 and the Trial Court's discussion on this loan is at Page 1234 of Vol. V while dealing with income and at Page 1417 of Vol.VI while dealing with expenditure. Therefore, Mr. Acharya submitted that this income has been duly considered and the High Court could not have taken a sum of Rs.17.85 lakhs under this head.

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45. Mr. Acharya thus submitted that the detailed discussion in the preceding paragraphs will clearly disclose that that the High Court considered these 10 items against the weight of the evidence on record and the entire amount of Rs.24,17,31,274/- which after deduction of Rs.5,99,85,274/- comes to Rs.18,17,46,000/- is liable to be set aside. He further contended that the accused have nowhere in their written statement under Section 313 Cr.P.C., their Memorandum of Appeal or their written arguments before the Trial Court and the High Court, taken any plea of any loan from nationalized banks being left out of consideration while calculating the income and expenditure and then arrived at the value of Rs.9,34,26,054/- (Page 1224, Vo. V) and Rs.11,56,56,833/- (Page 1397, Vol. VI), respectively. Therefore, he contended that 10 items valued at Rs.24,17,31,274/- taken by the High Court at Page 939, has to be totally excluded since the same amounts to nothing but double credit. If this error is corrected, than the income has to be reduced by, according to him, Rs.18,17,46,000/-. Therefore, from the finding of the total income of

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Rs.34,76,65,654/- of the High Court, an amount of Rs.18,17,46,000/- is liable to be deducted and the total income would be only Rs.16,59,19,654/- and not Rs.34,76,65,654/-. He further contended that from this amount, if we deduct the income on the basis of admission and gift treating it as income, then the income will be Rs.16,59,19,654/- - Rs.2,84,05,151/- (admitted amount) + Rs.1,50,00,000/- (gifts) = Rs.12,25,14,503/-.

46. Mr. Acharya further contended that significantly the accused are not pressing for remand of the case to the appellate Court (High Court). Consequently, the accused accept all the findings of the High Court. Of course, this Court will have to correct the calculation mistakes or arithmetic errors and also errors apparent on the face of the record. Reacting to the ingenious endeavour on the part of the respondents to maintain their acquittal by only assailing the errors committed by the Trial Court, while abstaining from questioning any finding of the High Court, the learned Public Prosecutor urged that the choice before the respondents was

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two-fold:-

i) To treat all assets together as one unit and sustain the same, subject to this Court modifying the same by correcting calculations/mathematical errors as also considering admissions of accused and excluding illegal income as pointed out by the appellants at Chart No.6 (pages 18 to 20) which results in the figure of above Rs.35.00 crores as disproportionate assets; or

ii) to assail the findings of the High Court and request for a remand of the case to the High Court to hear the appeals filed by them in the presence of the State of Karnataka, which is the sole prosecuting agency.

Without following one of the above two options, accused cannot claim confirmation of acquittal by merely pointing out few infirmities in the order of the Trial Court and without proper analysis of the evidence on record, he urged.

47. It is further the case of the prosecution that the Accused Nos.1 to 4 have entered into a conspiracy and in furtherance

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of the same, the Accused No.1 (A1) who is a public servant had come into possession of assets disproportionate to the known sources of income to the tune of Rs.66.65 crores during the check period (1991-1996). It is further the case of the appellants that A2 to A4 have abetted A1 in the commission of the offence.

48. It is the case of the appellants that when A2 to A4 had jointed the household of A1, they did not have any worthwhile property/asset in their names. They did not have any independent source of income. Properties were acquired in the names of newly formed or acquired thirty two firms/companies and two existing firms, i.e., Jaya Publications and Sasi Enterprises in which A1 and A2 were partners. Among these entities, only few were registered as a company under the Companies Act, 1956 and all others are firms. In the said firms or companies, A2 or A3 or A4 or all of them are partners or directors. It is not in dispute that the said properties were acquired during the check period. It is further submitted that it is on record that six firms were

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registered on a single day, i.e., on 25.01.1994, where partners were A2, A3 and A4 and ten other firms were registered on another single day, i.e., on 06.02.1995, where A2, A3 and A4 were the partners and further in Lex Proeprty Development (P) Ltd., A3 and A4 were the directors, which would be evident from the deposition of PW3 (D. Thangavalu in Vol.2, Pg. 11-23). It was further pointed out that about 50 bank accounts were opened in Indian Bank, Abiramapuram Branch and Canara Bank, Mylapore in the names of accused and the firms/companies, which would be evident from the deposition of PW-182 (A.R. Arunachalam in Vol.8 – Pages 90-182) and PW-201 (C.K.R.K. Vidyasagar in Vol.9 – Pages 80-231). It is also submitted that the accused shared common auditors, architects and accountants.

49. On the question of abetment and conspiracy, Mr. Acharya has duly taken us through the Paragraph Nos. 88 to 99 of the judgment and order of the Trial Court appearing at Page Nos. 1838-2028 in Vol. 7 & 8 and submitted that there was no source of income of A2 to A4 and further A2 to A4 were

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not related to A1. Moreover, A2 to A4 resided with A1.

50. It is submitted that the properties standing in the name of A3; formation of large number of firms in the names of A2 to A4; opening of 50 bank accounts and transfer of funds from one account to another and cash credits into the banks shows that the origin of the resources is from A1. According to the prosecution, the other circumstances which disclose the conspiracy and abetment would appear from the following facts :-

(i) General Power of Attorney was given by A1 to A2;

(ii) Constitution of various firms;

(iii) Operations of firms from residence of A1;

(iv) Installation of A2 to A4 in the house of A1;

(v) A1 had knowledge of capital investments into Sasi Enterprises;

(vi) Flow of money from one account to another;

(vii) Calling of Sub-registrars to the residence of A1 and properties were registered.

51. All these acts would come within the purview of the conspiracy and abetment between A2 to A4 with A1. Mr.

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Acharya submitted that all the circumstances mentioned above establish the abetment and conspiracy. In support of said contention, the following decisions were cited before us:-

1. ***Saju Vs. State of Kerala*** - (2001) 1 SCC 378
2. ***State of Maharashtra & Ors. Vs. Som Nath Thapa & Ors.*** – AIR 1996 SC 1744 = (1996) 4 SCC 659
3. ***Kehar Singh & Ors. Vs. State (Delhi Administration)*** -(1988) 3 SCC 609
4. ***Ram Narayan Popli Vs. Central Bureau of Investigation*** - (2003) 3 SCC 641
5. ***Noor Mohammad Mohd. Yusuf Momin Vs. State of Maharashtra*** – (1970) 1 SCC 696
6. ***M.G. Agarwal Vs. State of Maharashtra*** – AIR 1963 SC 200 = (1963) 2 SCR 405
7. ***Firozuddin Basheeruddin & Ors. Vs. State of Kerala*** - (2001) 7 SCC 596

52. He further submitted that to prove conspiracy it is not possible to have direct evidence. The same has to be proved by drawing inferences from the proved circumstances. It is fundamental that the ultimate decision has to be by considering cumulative effect of all the circumstances taken together. He also submitted that in the case of conspirators,

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each one became an agent of the other and is bound by the actions of others. So far as A1 and A2 are considered, one is an agent of other in three ways –

(1) as partners of two firms,
(2) by virtue of power of attorney,
(3) capacity as conspirator.

To support his contention, he submitted that:

- A1 had given specific instruction to follow the directions given by A2 (PW–198 -M. Jayaraman in Vol.9 – Pg 28-58 @ 29).

- Huge unaccounted cash deposits are made to these two accounts from cash originating from No.36, Poes Garden, Chennai.

- It is A2 who has given direction as to which account the huge cash deposits are to be made (PW–198 -M. Jayaraman in Vol.9 – Pg 28-58).

- There are numerous inter account transfers showing that all accounts put together were treated as one account.

- Officials were used to locate and purchase lands at various places like Thirunelveli, Uthukadu, Uthukottoai and other places.

PW 47 - K. Muthian	Vol.2 - Pg.237-245
PW 71 - S. Radhakrishnan	Vol.3 – Pg 110-170
PW 159 – Rajagopalan	Vol.7 – Pg 19-124

- Acquisition of immovable properties both agricultural as well as urban lands are as per registered sale deeds numbering 146, which have been produced. They were acquired in the name of individuals/ firms or companies.

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Agricultural lands acquired were of about 3000 acres of fertile lands of which about 900 acres formed a tea estate (Item No.166 – Annexure II, Pg 1588 Vol.VI). These properties were purchased at a cost of about Rs.20 crores.

- In respect of most of the sales it is A2 who had given directions as to the names of which firm/individual the sale was to be registered in (PW 159 – Rajagopalan in Vol 7 – Pg.19-124).

- The amounts were paid from amongst the various accounts of the accused/firms/companies and cash.

- Most of the Sale transactions have taken place below the Guideline value.
  PW 159 - Rajagopalan Vol.7 – Pg 19-124
  PW 221 - R.Kesava Ramanujam Vol.10 Pg162-249 @ 172

- In many transactions, the vendor was not kept aware of the purchaser and the registrations took place through the registrars at the residence of A1. So also vendors were put under duress to sell their properties. Instances of officials also being put under duress were available. Evidence disclosed that A1 was aware of the transactions.

- There were also additional or new constructions made and old buildings were also renovated at huge costs.

53. Mr. Acharya submitted that the Trial Court has categorized the assets at Page 1543 in Vol. VI. He furnished us the chart as follows:-

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CHART NO 10-A						
For convenient discussion of the issues involved in the case, these assets are categorized by the Trial Court under the following heads. [Pg 1543 Vol. VI]						
	Nature of assets	**Item Nos.**	**Value (in Rs.) As Per Prosecution Page 1543 - Vol VI**	**Value (in Rs.) As Per Trial Court Page 1837& 1838 Vol VII**	**Value (in Rs.) As Per High Court Page 966-979 Vol IV**	**As per Accused in their Written Submission Page 2350 Vol IX**
I	Immovable properties (consideration, cost of registration)	1 to 173, 175, 292, 297, 30I, 302(i), 305 (Excluding item Nos.24, 31, 33, 64, 66, 127, 145,150, 159)	19,77,18164.70/- Pg 1590 Vol VI	20,07,80,246	6,24,09,120 Pg : 978 Vol IV Only 97 Sale Deeds considered	16,19,03,301/-
II	Cash paid over & above consideration	24, 31, 33, 64, 66, 127, 145, 150, 159	2,53,80,619.00	1,58,30,619	-Nil- Pg : 978 Vol IV	NIL
III	New or additional construction buildings	174, 176-192, 301, 302 (ii)	28,17,40,430.00	22,53,92,344	5,10,54,060 Pg :866-889, 979 Vol IV	8,60,59,261/-
IV	Gold and Diamond Jewellery	284-290, 295	5,53,02,334.75	2,51,59,144	As per prosecution 979 Vol IV	NIL
V	Silver wares	291	48,80,800	20,80,000	As per prosecution 979 Vol IV	NIL
VI	F.Ds and shares	258-277, 298, 303, 306	3,42,62,728.0	3,42,62,728	As per prosecution 979 Vol IV	2,30,00,000/-
VII	Cash balance in bank accounts Jewellery	193-229, 296, 300, 304	97,47,751.32	97,47,751.32	As per prosecution 979 Vol IV	97,47,751.32/-
VIII	Vehicles	230-257, 299	1,29,94,033.0	1,29,94,033.0	As per prosecution 979 Vol IV	81,35,106/-
IX	Machinery	293, 294	2,24,11,000.0	2,24,11,000.0	As per prosecution 979 Vol IV	94,25,835/-

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X	Footwear	278	2,00,902.45	Nil	-Nil- Pg 966 Vol IV	NIL
XI	Sarees	279-281	92,44,290.00	Nil	-Nil- Pg 967 Vol IV	NIL
XII	Wrist watches	282-283	15,90,350.00	15,90,350.00	As per prosecution 979 Vol. IV	NIL
	TOTAL		**64,42,89,61**	**55,02,48,215**	**25,46,52,177**	**29,82,71,254.32**

CHART 10-B			
VALUE OF IMMOVABLE PROPERTY			
PROSECUTION	**TRIAL COURT**	**HIGHCOURT**	**AS PER ACCUSED**
19,77,18164.70/- **Page 1543 Vol VI**	**20,07,80,246/-** **Page 1837 Vol VII**	**6,24,09,120/-** **Page 978 Vol IV**	**16,19,03,301/-** **Page 2350 Vol IX**

Some Important Witnesses Who speak of purchase of property are :

Vendors		**Sub- Registrars**	
P.W-40 Gangai Amaran (About names of Purchasers being left blank)	-Pg 1639 -Vol VII	P.W 221 Kesava Ramanujam	**Purchaser's name inserted later - Pgs 17-18 of Chief.** *Exh- P 105-110*
P.W - 56 Rajaram (500 Acres)	-Pg 1643 - Vol VII	P.W 159 Thiru Rajagopalan	**About going to Poes Garden and effecting various registrations.**
P.W-89 Peter Graig Jones (Kodanadur Tea Estate - 900 Acres)			

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54. He also drew our attention to the particulars of these sales, which were furnished before us. The total sale price under these sale deeds comes to Rs.19,77,18,164/- though according to the Trial Court the same is Rs.20,07,80,246/-. The difference is marginal and it can be taken that immoveable properties worth about Rs.20 (twenty) crores have been acquired during the check period. He submitted that to prove these sales, prosecution has examined about 60 Vendors and about 20 Sub-registrars.

55. He further contended that though according to DVAC there were 21 items, the Trial Court has taken only 18 out of them and the High Court has taken only 17 there from. Hence he submitted that the High Court has miscalculated the area of construction of 17 items as 1668.39 Squares, i.e. 1,66,839 Sq.Ft. instead of 2174.69 Squares, i.e., 2,17,469 sq. ft. which is nearly 506.3 Squares, i.e., 50,630 sq. ft. lesser than the actual area as per the valuation reports. In support of such contention, he filed a Chart, which is set out hereunder:

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CHART 10-F						
VALUATION OF ALL THE 21 PROPERTIES						
THE FOLLOWING CHART DEALS WITH THE 21 PROPERTIES INCLUDING THE SAMPLE 3 PROPERTIES.						
Sl.No	**ITEM NOS AS ANNEXU RE -II P-2328**	**DESCRIPTION OF PROPERTY**	**PROSECUTION WITNESSES**	**EXHIBIT NO.**	**TOTAL CONSTRUCTION IN SQ MTS**	**VALUATION**
1.	192	Building, Borewells with Electrical motors & 5 separate power connections and Pumps located at Sy No.466,461/1 & 467/2 at Cherankulam Village,VOC District belonging to M/s Riverway Agro Products Ltd	87	519	171.00	708,160/-
2.	186	New/Additional Construction in residential building at No.L/66, Anna Nagar, Chennai.	98	641	289.84	24,83,759/-
3.	187	New/Additional Construction in Building at Door No.5, Murugesan Street, T. Nagar, Chennai-17	98	642	203	10,92,828/-
4.	178	New/Additional Construction in	98	643	2250.41	1,52,59,076/-

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		the residential building at D. No. 3/178C Vettuvankeni, Chennai				
5.	189	New/Additional Construction in residential Building at No.1, Murphy St., Akkarai, Chennai	98	644	271.8	20,38,959/-
6.	179	New/Additional construction in the building at the Grape Garden Farm House, in the limits of Jeedi Meth and Petpesherabad Villages in A.P.	98	645	1009.9	6,40,33,901/-
7.	180	New/Additional construction in the posh Bangalow at Siruthavur in Chegai MGR Dist	107	661	1911	5,40,52,298/-
8.	176	New/Additional construction in Farm House Bungalows at Payannur in Chengai Anna District	107	662	1369.09	1,25,90,261/-
9.	177	New/Additional Construction building at Door No.48, Jawaharlal Nehru Road, Industrial Estate, Guindy, Ekkatuthangal, Chennai	107	663	1986.12	2,13,63,457/-

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		(M/ s. Anjaneya Printers (P) Ltd., Printers)				
10.	185	New/Additional Construction in residential building at Door No.21 Padmanabha Street, T. Nagar, Chennai- 17	116	666	344.87	20,43,000/-
11.	182	New/Additional construction in building at 149, 150 of TTK Road, Chennai - 18	116	667	1143.63	29,59,000/-
12.	188	New/Additional Construction in residential building (4 Nos) in the campus at No.1/240, Enjambakkam, in New Mahabalipuram Road .A1	116	668	1985.24	53,11,000/-
13.	183	New/Additional construction in building at Sea Shell Avenue No.2/1-B-3 Apartment Sholinganallore Saidapet, Taluk	116	669	1311.39	80,36,868/-
14.	184	New/Additional Construction in Building at Door No.19, Pattammal Street, Mylapore, Chennai	116	670	107.75	8,00,000/-
15.	181	New/Additional construction in	116	671	3527.5	7,24,98,000/-

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		the residential building at D.No.36, Poes Garden, Chennai-86.				
16.	174	New/Additional Construction in building at 5 B & C East Coast Road, Door No.4/130 Raja Nagar, Neelankarai, Chennai-41(Ref. Doc.No.4752/930fS .R.O. Adyar)Evaluation Report	117	673	1333.83	80,75,000/-
17.	191	New/Additional Construction in Buildings and the change of roof for the works she at MF-9, Guindy Industrial Estate, Chennai-32	117	674	274.69	(14,17,538) 15,45,000/-
18.	190	New/Additional Construction in Building at S.No.32/2-4, Plot Nos.S-7, Ganapathy Colony, Tr. Vi-Ka Indl. Estate, Guindy, Chennai-32	117	677	883.55	39,34,000/-
19.	301	Cost of renovation and additional construction between June 1992 and 1993, of the building at	144	782	109.99	6,83,325/-

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		Plot No.102, ITI Cross, Road, Pon Nagar, Trichy, owned by Tmt. N. Sasikala (covered by Document No.2256/90 dt. 3-5-90 of S.R.O.T. O.R.B., Trichy)				
20.	147	Cost of construction of compound wall, twin house, staff quarters for 8 numbers and MD Bungalow in Ramraj Mills Campus	153	822	2560.86	83,41,000/-
21.	146	Cost of construction of labour quarters (5) in ground floor & (5) in first floor, 10 nos. in Ground Floor and 10 nos in first floor, construction of first floor for Guest House, over the existing ground floor and construction of platform in Ramraj Agro Mills Campus at Vandampalai.	205	1964 86 1965	31.38	57,19,800/-
		TOTAL			**23,076.84**	**29,35,68,982/-**

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23076.84sq mts = 2483.97 squares. The High court has however considered 17 items instead of 21.Therefore the area of construction of 4 items i.e. item nos 146, 147, 192, and 301 is hereto deducted and the total area of 17 items is equalent to 20,203 sq mts which is = 2174.69 squares i.e 2,17,469 Sq ft.

The high court has miscalculated the area of construction of 17 items as 1668.39 Squares i.e 1,66,839 sq ft instead of 2174.69 Squares i.e 2,17,469 Sq ft which is nearly 506.3 Squares i.e 50,630 Sq ft lesser than the actual area as per the valuation reports.

56. He further submitted that the valuation of the constructions has been made by qualified PWD engineers. Even the defence has examined a retired engineer (DW-95). Detailed valuation reports have been produced and all the engineers who have valued the buildings after inspection have been examined. The contention of the defence that Trial Court has rejected this evidence is not correct. In fact the Trial Court has accepted the evidence. But having regard to the fact that in valuing the constructions, there are several imponderables and taking note of the possibility of marginal error, the Trial Court has given a discount of 20% which in the circumstances, is reasonable. Having regard to the superior quality of marble and granite used as described in the valuation reports and having regard to the value of various special items, the ultimate finding of the Trial Court is

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justified, he urged.

57. He further submitted that even the accused have admitted valuation of buildings at Rs.8,60,59,261/- excluding one building of Anjaneya Printers. If the value of this construction of Rs.2,13,63,457/- is added to this sum, the total will be Rs.10,74,22,718/-. As can be seen from Chart 10 as reproduced above, under other items of assets IV to XII, the Trial Court has totally excluded the value of Sarees and footwear. Regarding Gold and Diamond jewellary also after detailed discussion at Pages 1756 to 1785, Trial Court has reduced the value from Rs.5,53,02,334/- to Rs.2,51,59,144/- and Silverwares from Rs.48,80,800/- to Rs.20,80,000/-. Regarding other items such as Fixed Deposits and cash balance in bank account, there can be no dispute. Therefore, the conclusion of the Trial Court regarding value of other assets is fully justified as per the evidence on record, he contended.

58. So far expenditure is concerned, the High Court has accepted the amount of expenditure fixed by DVAC in respect

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of all items except the marriage. The High Court has reduced the marriage expenditure from Rs.6,45,04,222/- (as per prosecution) to Rs.28,68,000/-, i.e., a reduction of Rs.6,16,36,222. According to the prosecution, the total expenditure is Rs.11,56,56,833/-.

59. He submitted that the main dispute under caption expenditure is regarding marriage. In support of the prosecution case as many as 21 witnesses have been examined as detailed in the chart. Though according to prosecution expenditure incurred for marriage is Rs.6,45,04,222/-, the Trial Court on detailed consideration has fixed the same at Rs.3 Crores. It is thus totally erroneous to contend that the Trial Court has rejected the evidence of prosecution witnesses, he pleaded. In fact the Trial Court on a consideration, not only of the prosecution evidence but also defence evidence of 23 witnesses, has rightly fixed the amount of expenditure to the tune of Rs.3 Crores. It is even conceded that a total expenditure of Rs.2 to 3 Crores has been spent for the marriage. According to him, the Trial Court has rightly disbelieved the evidence of DW's who claimed that the party

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workers have collected funds and have spent for expenses such as façade, decoration, food etc. It is unbelievable that a person of the stature of A1, would allow her party workers to spend on the marriage of her foster son. He elaborated that though A1 has, in her reply to the notice to the Income Tax Department, claimed that A2 has spent amounts under different heads, A2 has failed to account for the same.

60. Mr. Acharya submitted that according to the prosecution the total income of the accused is Rs.9,34,26,054/- and according to the Trial Court, the total income is Rs.9,91,05,094.75/-. However, according to the High Court, the total income is Rs.34,76,65,654/-. In coming to this conclusion, the High Court added to the income seven items such as :

S.No.	Description	Amount
1.	Loans as income	18,17,46,000
2.	Income from grape garden	46,71,600
3.	Gifts	1,50,00,000
4.	Sasi Enterprises	25,00,000
5.	Jaya Publications and Namadhu MGR	4,00,00,000
6.	Super Duper TV Pvt.Ltd.	1,00,00,000/-
7.	Rental Income	3,22,000/-

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According to Mr. Acharya, there is no lawful source so far as the Gift is concerned. He further submitted that the Trial Court has rightly disallowed the claim. The High Court has erroneously fixed it at Rs.4 crores based on belatedly filed Income Tax returns, which even if accepted, amounts to only Rs.1.15 Crores.

61. Therefore, he submitted that if the above is the correct position, the conclusion of the Trial Court is fully justified. According to him, the Trial Court has considered every contention raised by the accused and if some of the contentions are not urged before the Trial Court, then the respondent cannot complain before this Court about non-consideration thereof.

62. He further contended that if the contention of the appellants that in calculating Disproportionate Assets, the value of the Assets, Expenditure and Income of all the Accused have to be taken jointly along with that of firms and companies (34 in number), as done by both the courts below, then the explanation offered in the individual chart of A1 and

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the combined chart given by A2 to A4 will be of no effect and the same do not deserve to be taken note of. The accused have deliberately given their explanations separately as they cannot give any satisfactory explanation if the assets are taken jointly.

63. In refutation, learned senior counsel appearing for A1 submitted that the Trial Court wrongly excluded from consideration the Income Tax Assessment Orders in favour of the accused by relying upon the judgment of High Court of Patna in ***State of Bihar Vs. Lalu Prasad & Anr.***, (2008) Crl.L.J. 2433, which, according to him, is clearly inapplicable since the order passed by the Patna High Court was in the nature of an interlocutory order. He further stated that while dealing with the assets of A1 under the head "Additional Construction", the Trial Court by an arbitrary method deducted 20% from the overall cost of construction. Similarly, in relation to marriage expenditure, the Trial Court erroneously estimated the cost of construction of a thatched pandal and arbitrarily came to the conclusion that the marriage expenditure was to the tune of Rs.3 crores, for which no basis has been given, according to him. He further

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contended that with regard to the possession of gold and jewellery, although the Trial Court accepted that A1 had 7040 gms. in 1987-1988, as reflected in the Wealth Tax Assessment order, it overlooked the other Wealth Tax Assessment orders for the subsequent years whereby there was an addition of Rs.2,51,59,144/- in the holdings of A1, which is also contrary to the evidence on record. He further submitted that the Trial Court and the prosecution have failed to take into account the income from Grape Garden, interest income, rental advance, rental income, wealth tax refund, income from gifts, Partner's drawings of A1 from Jaya Publications and income from Namadhu MGR scheme, etc.

64. Learned senior counsel submitted that the Trial Court, contrary to the settled law, has required the public servant to offer an explanation to the properties held by A2 to A4 and the companies, without any foundational basis or any evidence to show that those properties in the names of A2 to A4 or companies were acquired out of the resources of A1 or that there was any flow of fund from A1 to A2 to A4. The Trial Court has sought to attribute criminal conspiracy between A1

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and A2 to A4 on the sole ground that A1 to A4 were living in the same house under a common roof.

65. He further contended that in a disproportionate assets case, the prosecution has to discharge the initial burden to prove that the assets of the accused were disproportionate to the known sources of income. The prosecution must establish beyond reasonable doubt, the value of the assets possessed by the accused and it has a further burden to show that the properties which were standing in the name of third parties, like A2 to A4 and the companies, were being held benami for the public servant. Once the prosecution discharges this initial burden beyond reasonable doubt, the onus then shifts to the accused to satisfactorily account for the source of such income. He further contended that for the accused, the standard of proof is one based on preponderance of probabilities and it is sufficient for the accused to provide a plausible explanation that is satisfactory to the Court. In support of his contention, the learned senior counsel relied upon the following decisions:

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- ***V.D. Jhingan Vs. State of Uttar Pradesh*** - (1966) 3 SCR 736
- ***State of Maharashtra Vs. Wasudeo Ramchandra Kaidalwar*** - (1981) 3 SCC 199
- ***Mr. Krishna Reddy Vs. State, Deputy Superintendent of Police, Hyderabad*** - (1992) 4 SCC 45
- ***Amba Lal Vs. Union of India*** - (1961) 1 SCR 933
- ***K. Veeraswami Vs. Union of India & Ors.*** - (1991) 3 SCC 655
- ***Prithipal Singh & Ors. Vs. State of Punjab & Anr.*** - (2012) 1 SCC 10

66. He further contended that in establishing the link between the alleged benamdar and the public servant, the standard of proof required is direct evidence or circumstantial evidence of a clinching nature, which has to be strictly discharged by adducing legal evidence of a definite character. He further relied upon the decisions of this Court in ***Jaydayal Poddar (deceased) through L.Rs. & Anr. Vs. Mst. Bibi Hazara***, (1974) 1 SCC 3, **Krishnanand Agnihotri** (supra), ***Valliammal (D) by L.Rs. Vs. Subramaniam & Ors.***, (2004) 7 SCC 233, and ***Heirs of Vrajlal J. Ganatra Vs. Heirs of Parshottam S. Shah***, (1996) 4 SCC 490.

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67. The learned senior counsel, next dwelt upon the purport of "income received from any lawful source" and drew our attention to Section 13(1)(e) of the 1988 Act, which reads as follows:

> 13. Criminal misconduct by a public servant – (1) A public servant is said to commit the offence of criminal misconduct,-
>
> xxx xxx xxx xxx
>
> (e) if he or any person on his behalf, is in possession or has, at any time during the period of his office, been in possession for which the public servant cannot satisfactorily account, of pecuniary resources or property disproportionate to his known sources of income.
>
> Explanation.- For the purposes of this section, "known sources of income" means income received from any lawful source and such receipt has been intimated in accordance with the provisions of any law, rules or orders for the time being applicable to a public servant."

68. He further contended that the term "income" which has been used in Section 13(1)(e), would include all earnings, sources whereof are not prohibited by law and it is always open to the accused to prove those other sources of income which have not been taken into account or brought into

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evidence by the prosecution. The term "income", according to him, would also include receipts in the form of "gifts" and "loans" which have been disclosed to and accepted by the income tax authorities. He further pointed out that the concept of 'known sources of income' is not confined only to the source known to the prosecution but every other source of income which the accused is able to establish during the course of trial. In support of the said contention, he relied upon the following decisions of this Court:

- ***C.S.D. Swami Vs. The State*** - (1960) 1 SCR 461
- ***P. Nallammal & Anr. Vs. State*** - (1999) 6 SCC 559
- ***Krishnanand Agnihotri*** *(supra)*
- ***M. Krishna Reddy*** *(supra)*

69. According to the learned senior counsel, income tax/wealth tax returns and assessment orders, being public documents, are admissible in evidence. He further submitted that this Court has also accepted the income tax orders while deciding the cases under the 1988 Act. This Court has relied upon the following decisions:

- ***Mohd. Mumtaz Vs. Nandini Satpathy (II)*** - (1987) 1 SCC 279

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- ***State of M.P. Vs. Mohanlal Soni*** - (2000) 6 SCC 338
- **Ananda Bezbaruah Vs. UOI -** (1994) Crl.L.J. 12, para 8-14
- **M. Krishna Reddy** (supra)
- ***State of A.P. Vs. J. Satyanarayana***, JT 2000 (10) SC 430
- ***DSP, Chennai Vs. K. Inbasagaran***, (2006) 1 SCC 420
- ***Kedari Lal Vs. State of Madhya Pradesh & Ors.***, (2015) 14 SCC 505

70. On the basis of above, the learned senior counsel submitted that under the 1988 Act the burden on the accused is proved by preponderance of probabilities as in a civil case and same is the degree of proof required under the Income Tax Act also. Therefore, where the assessee had established the income and the extent of the expenditure before the Income Tax authorities, the judicial decision thereunder would be binding on the prosecution in a case under the 1988 Act. Hence, he submitted that the judgment of the Trial Court on this question is wrong.

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71. Having regard to the various evaluations relied upon by the prosecution, as he mentioned that in law, the expert evidence is an exception to the hearsay rule under Section 46 of the Evidence Act. An expert is not a witness to a fact. His evidence therefore must be based on verifiable and reliable data and an expert witness has to give an opinion with certainty. He relied on the judgment of this Court in ***State of H.P. Vs. Jai Lal***, (1999) 7 SCC 280 and other decisions. He further submitted that the evidentiary value of prevaricating witnesses is to be rejected. He relied upon the case of **Suraj Mal Vs. State** (1979) 4 SCC 725.

72. Learned senior counsel further submitted that the Court cannot set up a third case which is not the basis of prosecution case or that of the accused. He further contended that without making a company an accused, its property cannot be forfeited. He further contended that A1's income and expenditure have been accepted by the Income Tax authorities for all the five years of the check period. In none of the assessment years any income is assessed as from an unexplained source. Same is the position as regards Jaya

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Publication and for A2 also, and those orders have been exhibited in evidence. He further submitted that A1 had no disproportionate assets but her likely savings were to the extent of Rs.67,72,128.54. The prosecution has valued all the assets belonging to A1 to A4 and the 32 firms/companies, in a sum of Rs.66,65,20,395/-. The value of the assets held by them before the check period was assessed at Rs.2,01,83,957/-. The assets acquired during the check period is Rs.64,42,89,616/-. The value of the assets acquired by A1 alone as per DVAC is Rs.24,29,40,490/-.

73. However, it is A1's case that the assets acquired (including construction) by A1 during check period amounted to Rs.6,52,34,410.00 for which she had satisfactorily explained out of her known sources of income. The major heads of assets and the errors committed by the Trial Court were highlighted as hereunder:

A1 acquired only one property during the entire check period. It is vide Exhibit P1 for Rs.10,00,000/- shown as item 18 in Annexure-II. She made two constructions, a Farm House at Jeedimetla Village near Hyderabad and a construction at

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31-A Poes Garden and renovated her residential building at 36 Poes Garden.

74. Vis-à-vis new and additional constructions, Mr. L. Nageswara Rao, learned senior counsel (as he then was) submitted that according to the prosecution the total cost was Rs.13,65,31,901/- and according to the accused as determined by the Income Tax authorities it is Rs.3,62,47,700/-. Hence, he submitted that deduction of Rs.10,02,84,201/- is required. He further pointed out that there are fundamental defects in the prosecution evidence in relation to the valuation of all the construction because measurement is not verifiable, age of the building is not given, there is no basis for calculating the price of non-scheduled items. As per prosecution's calculation the cost under the head new/additional construction in Grape Garden Farm House is Rs.6,40,33,901/- while as per A1 this cost is Rs.1,39,62,300/-. Therefore, he submitted that an amount of Rs.5,00,71,601/- should be deducted.

75. According to the learned senior counsel, the prosecution

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has examined PW-98 M. Velayudam, PWD Engineer (Vol.4 Page 148-179) and marked his Report Exh.P-645 (Vol.33 Page 86-112). He submitted that the evidence of PW-98 should be rejected since there are three major defects in his evidence. He further pointed out that his report is unreasoned and cannot be relied upon. The entire evaluation of electrical appliances by Mr. Udaya Suriyan, Asstt. Electrical Engineer, amounting to Rs.41,53,653/- (Exh.P-645) is inadmissible in evidence as this expert has not been examined as a witness. He further submitted that the defence evidence has not been taken into account by the Trial Court. He further contended that the calculation of the prosecution under the head 'New/Additional Construction at residential buildings at 31-A and 36 Poes Garden' is Rs.7,24,98,000/- (Trial Court Judgment – Page 1709 of Vol.VII), whereas the valuation as per A1 is Rs.2,14,35,4000/-. Accordingly, he submitted that an amount of Rs.5,10,62,600/- is to be deducted from the said amount.

76. He submitted that the prosecution has relied mainly on the evidence of PW-116 Jayapal, PWD Executive Engineer (appear at Vol.5 Page 41) and the report prepared by him i.e.

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Exh.P-671 (Vol. 35 Page 16-47) to arrive at an erroneous calculation of Rs.7,24,98,000/-. According to the learned counsel, there are several infirmities in the report Exh.P-671 as well as deposition of PW-116. He also raised dispute with regard to the valuation of electrical lay outs being Exh.P-2152 submitted by PW-220. He also relied on the evidence of DW-78 – R. Raviraj, Executive Engineer (Vol.91 Page 212). He further contended that the total expenditure incurred by A1 towards construction was accepted by the Income Tax authorities after deep and pervasive scrutiny. He also submitted that the total expenditure incurred by A1 in the entire three constructions amount to only as under:

Renovation of 36 Poes Garden	Rs. 76,74,900/-
Construction at 31-A Poes Garden	Rs.1,35,10,500/-
Hyderabad Farm House addition	Rs.1,39,62,300/-
Compound Wall for Hyderabad Farm House	Rs. 11,00,000/-
Total	**Rs.3,62,47,700/-**

whereas the prosecution has wantonly inflated the expenditure in a sum of Rs.13,65,31,901/-. Therefore, there

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has to be deduction of Rs.10,02,84,201/- from the Annexure-II which denotes the value of the assets during the check period.

77. He further submitted that the prosecution has shown the DVAC valuation of golden jewellery acquired by A1 during the check period as Item 286, 288, 289, 290 & 291 to Rs.5,14,19,462.25. The learned senior counsel further pointed out that the Trial Court's valuation of gold jewellery acquired by A1 during the check period is Rs.2,51,59,144/-. With regard to the gold jewellery possessed by A1, Mr. Rao submitted that the total jewellery as on 31.3.1991 which was 21.280.300, was valued at Rs.1,50,56,146/- and there is no addition to the jewellery in that year. The above figure was arrived at on the basis of increase in value of gold and as per report of the registered valuer being Exh.P-860. Therefore, it is indisputable and as per the prosecution document above-mentioned, being Exh. P-2180, and also wealth tax assessment orders and evidence of PW-227 and PW-213, it would be evident from Exh. P-1016, Vol.57, Page 186-187, the total gold jewellery owned and possessed by A2 as on

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31.3.1991 was 1,912.150 gms. Therefore, the total jewellery comes to about 23,192.450 gms. It is further stated that A1 in her capacity as General Secretary of the AIADMK Party, got 3,365.800 gms. of gold Mementos which should be added to the total holding of A1 and A2. From Exh.P-704, Vol. 36, at 253-292, it would be evident that the total weight of the gold jewellery seized was 26,902.08 gms. which included mementoes. Therefore, he submitted that there is insignificant difference of 343.830 gms. According to him this difference might have arisen out of faulty weighment. He further submitted that the valuation of the jewellery filed in the return before the wealth tax authorities did not include mementoes.

78. He further pointed out that A1 had succeeded in all the proceedings before the Income Tax authorities and her case that the gold jewellery was already possessed by her earlier to the check period had been accepted by the authorities. Hence, he submitted that the total jewellery to the extent of 26,558.250 gms. has been accounted for and what remains is only a balance of around 343.830 gms. which is meager difference.

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79. The learned senior counsel next pointed out that 416 Kgs. of silver was seized from A1 during the check period. The value of this silver has been taken as Rs.20,80,000/- at the rate of Rs.5,000/- per Kg as described in Item No.291 of the DVAC Annexre-II (Vol.1 Page 112). The Trial Court's finding is that 416 Kgs of silver is the illegal acquisition of A1 during the check period and the value of this at the rate of Rs.5,000/- per kg, is assessed at Rs.20,80,000/-.

80. The High Court has also accepted the said valuation. The Trial Court, in respect of costly watches, has duly accepted and allowed the case of the prosecution while accepting the valuation report and oral evidence of PW-129 and PW-130. According to the learned senior counsel, PW-130 had been examined to value 91 watches. His report is Exh.740. He had given the total value of 91 watches at Rs.6,87,350/-. However, it would be evident from the testimony of these witnesses that they are not experts as they have no special proficiency on valuation of watches nor do they have experience in evaluating watches. He further

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submitted that A1 was not required to disclose personal effects as it is exempted under Section 2(14) of the Income Tax Act. Hence, the amount of Rs.15,90,350/- is liable to be excluded from the computation of the assets of A1. He also submitted that the entire amount with regard to footwear and sarees has to be excluded from the assets of A1 since the Trial Court has disbelieved the version of the prosecution.

81. The learned senior counsel next turned to the expenditure. Annexure-III of DVAC shows that the valuation of expenditure attributable to A1 to A4 and the companies during the check period is Rs.11,56,56,833/- and as per the prosecution the expenditure attributable to A1 is Rs.8,98,69,833/-. A1's case was that the expenditure incurred by her during the check period was Rs.2,49,28,815/. As per the Trial Court's judgment its value is Rs.8,49,06,833/- (Page 1542 Vol.VI) and the findings of the High Court which has been placed before us is at Pages 889-831.

He drew the attention of this Court specifically to the following particulars with regard to the Marriage of Tr. V.N. Sudhakaran:

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- Prosecution's Valuation – Rs.6,45,04,222.00
- A1's case – Expenditure incurred by A1 for the marriage – Rs.28,68,000.00
- Value as per Trial Court Judgment – Rs.3,00,00,000 (Page1452-1542 Vol.VI).
- Value as per the High Court Judgment – Rs.28,68,000.00 (Pages 889-931)

The Prosecution value of Rs.6,45,04,222.00 was split up by the prosecution itself in Item 226 of Annexure IV as follows:

a) Expenses towards erection of marriage pandal, over and above admitted/recorded payments – Rs.5,21,23,532/-

b) Expenditure towards cost of food, mineral water and tamboolam - Rs.1,14,96,125/-

c) Cost of 34 titan watches (disallowed by the Trial Court) – Rs.1,34,565/-

d) Amount towards stitching wedding dress for A3 Rs.1,26,000/-

e) Amount for purchase of 100 silver Plates (paid by N. Sasikala) - Rs.4,00,000/-

f) Postal expenses for dispatching 56000 wedding invitations: Rs.2,24,000/-

Total **Rs.6,45,04,222/-**

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82. Qua Marriage Pandals, the prosecution relied upon the evidence of Thangarajan who was examined as PW-181 who specifically stated that a huge pandal had been erected for the marriage and the cost of pandal itself was Rs.5,21,23,532/-. It is submitted that the evidence of PW-181 is unacceptable as it is merely hearsay, speculative, arbitrary and based on no verifiable data to reach the said amount. Hence, it is submitted by the learned counsel that his evidence ought to be rejected. According to A1, she had spent a sum of Rs.28,68,000/- which is reflected in the orders of the Income Tax authorities. The Trial Court has fixed this sum at Rs.3,00,00,000/- towards the expenditure for marriage. According to learned senior counsel appearing for A1, the prosecution has not discharged its burden in respect of the quantum of expenditure for the marriage as well as the cost which was borne by A1. According to the learned counsel, the prosecution neither could establish the cost of construction of marriage pandal nor it led any evidence to show that A1 incurred any expenditure. Hence, the amount of Rs.5.21 crores cannot be said to have been established by the

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prosecution and hence the entire amount is liable to be deducted. The prosecution has not proved the entire item 226 in Annexure-II. Hence, the entire amount of Rs.6,45,04,222/- is liable to be excluded.

83. Learned counsel further pointed out that the Income Tax Department had accepted the version of A1 that she had incurred only an expenditure of Rs.29.81 lakhs, all by cheques except for a sum of Rs.3.1 lakhs. According to him, at the most, Rs.29,66,552/- is to be added in respect of the expenditure incurred by A1. According to him, the findings of the Trial Court cannot be accepted to the tune of Rs.3 crores towards the expenditure for marriage. On the contrary, the High Court has rightly accepted the case of the accused.

84. The Trial Court and the High Court have calculated the combined total income of A1 to A4 and we find that no appeal has been filed by A1 to A4 in respect thereof. Therefore, we at this stage, make it clear that we would adopt the same yardstick in respect of the combined income of A1 to A4, in absence of any persuasive reason to the contrary.

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85. In re, income from Grape Garden, it appears that that the difference in estimated Grape Garden income between the prosecution and A1 is Rs.46,71,660/-. The prosecution has cited the income from the Grape Garden during the check period to the extent of Rs.5,78,340/- instead of Rs.52,50,000/- as computed by A1. While the Trial Court has concurred with the prosecution, the High Court has accepted the case of A1 and allowed an addition to the extent of Rs.46,71,660/- in respect of the income of A1 from Grape Garden. It is further submitted that the agricultural income of Rs.52,50,000/- requires to be taken as income available to A1 during the check period. According to the learned senior counsel, A1 has fully proved the receipt of agricultural income and the High Court has also accepted this.

86. With regard to the interest income of A1, the prosecution has allowed the same to the extent of Rs.58,90,925/- instead of Rs.77,40,135/- as claimed by A1 on the basis of amounts declared and assessed in Income Tax Returns/Assessment orders. The Trial Court has concurred with the prosecution

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and disallowed interest income of A1 amounting to Rs.18,49,210/-.

87. According to A1, the rental income was Rs.2,32,000/- per annum from 1.7.1991 to 30.4.1996, at the rate of Rs.4,000/- per month, in relation to the property in St. Mary's Road, Chennai. It is also accepted that the Income Tax return could not be filed for the year 1.4.1992 to 31.3.1993.

The claim of A1 is that the amount of gifts received by her on the occasion of her 44th birthday was Rs.2,15,00,012/- (cash and drafts) and Rs.77,52,059/- (foreign remittance) and this entire amount is to be allowed as income. He has submitted that the prosecution has admitted the receipt of the gift, it having been contemporaneously banked, but the amounts were not taken into account as income or lawful resource available to A1. The Trial Court has disallowed it in entirety. However, the High Court accepted the case of A1 and reduced the amount of Rs.1,50,00,000/- received from gift. It

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is submitted that the said income ought to have been taken into consideration by the Trial Court.

88. Learned senior counsel further submitted that gift has been recognized as valid source of income by this Court in its judicial pronouncements and he relied upon the case of ***M. Krishna Reddy*** (supra) and ***Kedari Lal*** (supra). It is further pointed out that A1 had received an amount of Rs.6,28,569.00 from Sasi Enterprises in her capacity as partner during the check period which was not repaid by A1 to M/s. Sasi Enterprises, thereby treating it as her drawings as a partner of the said firm.

89. It is further pointed out that A1 had received a loan of Rs.1,53,03,000.00 from A2 and her proprietary firms. Jaya Publication was started in the year 1988. At the relevant time, A1 and A2 were the only partners. It was carrying on business of printing and was running a daily newspaper called Namadhu MGR. This daily newspaper used to carry all the announcements of the General Secretary as also all the

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AIADMK Party's news. Jaya Publication apart from its regular business income had also received money through subscribers deposit schemes. It is submitted that with a view to boost the circulation and the readership of the newspaper, the subscribers scheme was started one year earlier to the check period. Under the scheme any person could make a deposit of Rs.12,000/-, 15,000/- or 18,000/- and the subscribers would receive 4, 5, or 6 copies daily free of cost, according to the deposit he made. The deposit was refundable on 15 days notice of demand.

90. To establish the receipt under the said deposit scheme, A1 produced Income Tax returns and independent evidence from subscribers to probabilise and prove receipt of money. The money received under the scheme from 1990 to 1996 was deposited in the bank account of Namadhu MGR or in the account of Jaya Publication. It is submitted that the Income Tax authorities accepted the said scheme of deposit. According to the learned senior counsel, there was a scrutiny of the account of Jaya Publication and Namadhu MGR by an internal auditor of the prosecution department and a report was filed.

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Yet the auditor was not examined nor his report was marked in evidence. It is submitted that an adverse inference ought to be drawn against the prosecution evidence on account of suppression of the material evidence. It is submitted that the Trial Court committed glaring errors while dealing with the scheme deposit claim of Jaya Publication. The learned counsel submitted that the accused had produced the order of the Income Tax authorities relating to the scheme deposit covering the entire check period of 5 years which was overlooked by the Trial Court. According to him, the drawing of A1 from Jaya Publication in her capacity as partner of Jaya Publication, to the extent of Rs.34,92,000/- is proper and lawful. It is further submitted that A1 received from Jaya Publication Rs.24,75,000/- and further amount spent by Jaya Publication on behalf of A1 for construction of residence at 36, Poes Garden, Chennai, at Rs.76,74,900/-. The evidence was placed before the Court, being Exh.D-226 and the deposition of DW-88. Therefore, the total of the above two items in aggregate comes to Rs.1,01,49,900/-. It is further submitted that the loan from Can Fin Homes is about Rs.75,00,000/-

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which was availed as loan from Can Fin Homes on 29.9.1992. The loan was also repaid by Jaya Publication on behalf of A1 on 27.3.1995 and the same was not repaid by A1 to Jaya Publication, thereby treating it as her drawings as a partner of Jaya Publication. It is submitted that the entire amount of Rs.13,89,19,475.00 is also the resource available to A1 and A2 for offering an explanation under the 1988 Act.

91. Referring to the attribution of assets of A2 to A4, six companies and other firms to A1, the learned senior counsel contended that the prosecution has included the properties acquired by the following companies to the account of A1 and the value of all the properties has been included in the total assets.

S.No.	**NAME OF THE COMPANY**	**DATE OF INCORPORATION**
1.	Lex Property Development Pvt. Ltd.	25.09.1990
2.	Meadow Agro Mills Ltd.	11.10.1990
3.	Ramraj Agro Mills Ltd.	28.05.1986
4.	Riverway Agro Pvt. Ltd.	22.10.1990
5.	Indo Doha Chemicals and Pharmaceuticals Ltd.	02.01.1990
6.	Signora Business Enterprises Ltd.	22.10.1990

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The properties held by all the above companies have been computed in Annexure-II by the prosecution in a sum of Rs.4,70,24,439/-.

92. According to the learned senior counsel, the companies assets required to be excluded. He urged that A1 was neither a shareholder nor a director or associate of these six companies. Therefore, it is submitted that there is no justification to attribute the properties of the companies to A1. For these reasons, he submitted that the property of the company cannot be included in the holding of A1 requiring her to give an explanation. Hence, it is submitted that all the properties acquired by and constructed by the said companies are liable to be excluded totally from consideration and thus a total amount of Rs.4,70,24,439/- is liable to be excluded.

93. The learned senior counsel submitted that conspiracy, though can be inferred from circumstances, in this case, the mere fact that A1 to A4 were residing in the house belonging to A1 cannot be a circumstance to prove conspiracy. According to him, A1 and A2 were partners in two partnership

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firms and such partnership connection cannot be an incriminating circumstance. According to him, A1 to A4 have purchased properties with their own efforts, with the money earned or mobilized by them. Accordingly, it is submitted that the prosecution has not established any circumstance from which an inference of conspiracy can be drawn. There is no circumstance proved in this case by the prosecution from which a conclusion can be drawn that there was meeting of minds of A1 to A4 with a view to enable A1 to commit an offence under Section 13(1)(e) of the 1988 Act. He further submitted that during the check period, starting of a firm by a non-public servant could never be a circumstance by itself to infer conspiracy. Hence, it is submitted that there is no direct or indirect evidence in the form of proved circumstance to infer conspiracy. Hence, it is submitted that the judgment of the High Court should be affirmed.

94. Mr. Shekhar Naphade, learned senior counsel appearing on behalf of respondent Nos.2 to 4 submitted that the abstract of Annexures-I to VII are assets relating to A2 to A4, firms & companies and he drew our attention to the said Annexures.

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According to him, the properties acquired by A2 to A4, firms & companies prior to the check period as per DVAC, would appear from the following chart:

ANNEXURE -I **Properties acquired by Accused No.2, Jaya Publications and Sasi Enterprises prior to check period according to DVAC which is not disputed**					
TMT. N. SASIKALA					
Description of the Property	**Reference of Document – Sale deeds**	**Stands in the Name of**	**Value of the property Rs.**	**Annexure No.**	**Item No in Annexure I**
Land and flat No.7, R.R. Flats' 3/4 Antu Street, Santhome, Chennai-4 of Tmt.N.Sasikala	17.04.1989 Sale deed	Tmt.N.Sasikala	3,13,530	1	6
Land and Building at Abishekapuram Village, Ponnagar, Trichy in Plot No.102, 3rd Cross Road, New Ward, No.K, Block No.30, T.S.No.107, totally measuring 3525 Sq Ft purchased from MIRASI of 22A, William Road, contonment Trichy,	30-12-1988 Sale Deed	Tmt. N. Sasikala	5,85,420	I	15
Cash Balance as on 1-7-1991 in Canara Bank Kellys Branch SB 38746 Opened on 30/12/1988 in the Name of Tmt. N. Sasikala	30-12-1988	Tmt. N. Sasikala	13,601	I	24
Cash Balance as on 1-7-1991 in Canara Bank Mylapore SB 23218 Opened on 23/5/1990 in the Name of Tmt. N. Sasikala	07-01-1991	Tmt. N. Sasikala	1,40,198	1	27
62 items of Jewels claimed to be of Tmt. N. Sasikala as evaluated by M/s. VBC Trust	As per evaluation report of M/s.VBC Trust	Tmt. N. Sasikala	9,38,460	1	45

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		TOTAL	**19,91,209**		
JAYA PUBLICATION					
Description of the Property	**Reference of Document – Sale deeds**	**Stands in the Name of**	**Value of the property Rs.**	**Annexure No.**	**Item No in Annexure 1**
Building at Door No.19, Pattammal Street, Chennai Plot No.83, R.S.No.4087 Extent 1897 Sq ft purchased from V.H. Ssubramanian S/o.H.Venkatesubban, 15 Venkatraman Street, Srinivasa Avenue, Chennai-28.	18.06.1989 Sale deed	M/s Jaya Publications (Selvi J.Jayalalitha and Tmt. N. Sasikala)	5,70,039	I	7
Land and Building Thiru Vi KA Industrial Estate Guindy in S.No,55, 56 Block No.V1 extent 5658 sq.ft shed No.C-8 Adyar village	08.12, 1990 Sale deed	M/s Jaya Publications (Selvi J.Jayalalitha and Tmt. N. Sasikala) ,	5,28,039	I	17
Cash balance as on 1.7.91 CA No 1952 Canara Bank , Mylapore	Account opened on 23.10.89	Namadhu MGR	5,51,826	I	26
Cash Balance as on 1-7-1991 in Canara Bank Mylapore CA 2047 opened on 26-9-90 on transfer from Kellys Branch in the Name of Selvi J. Jayalitha and Tmt.N.Sasikala	07-01-1991	M/s Jaya Publications (Selvi J.Jayalalitha and Tmt. N. Sasikala)	7,83,861	1	28
Fixed Deposit No,451/90 dated 19,6,1990 with Canara Bank, Mylapore	FDR dt 19.06.1990	M/s Jaya Publications (Selvi J.Jayalalitha and Tmt. N. Sasikala)	64,520	**1**	29
		TOTAL	**24,98,285**		
SASI ENTERPRISES					

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Description of the Property	Reference of Document - Sale deeds	Stands in the Name of	Value of the property Rs.	Annexure No.	Item No in Annexure I
Shop No.14 Ground Floor at 602, Anna Salai Chennai - 6	07-05-1989 Sale deed	M/s. Sasi Enterprises - Partners Selvi Jayalaitha and Tmt. N. Sasikala	98,904	I	8
Undivided share of Land only at Door No. 14 Khadar Navaz Khan road, Nungambakkam at R.S.No.58/51 to the extent of 68/12000 undivided share in 11 grounds and 736 sq.ft. of land	21-9-1989 Sale deed	M/s, Sasi Enterprises - Partners Selvi Jayalaitha and Tmt. N. Sasikala	2,10,919	I	9
Land and building at Tanjore S.No 1091 extent of 2400 sq.ft.	19-04-1990 Sale deed	M/s. Sasi Enterprises - Partners Selvi Jayalaitha and Tmt, N. Sasikala	1,57,125	I	12
Vacant site at Blake H D Road Tanjore Town 3rd division 6th Ward Mahar Nombu chavadi extent 5100 sq.ft. in T,S.No. 1091	19-04-1990 Sale deed	M/s. Sasi Enterprises - Partners Selvi Jayalaitha and Tmt. N. Sasikala	1,15,315	I	13
Vacant site at Ward No.6 in Manar Nombu Chavadi extent 8970 sq. ft. in T.S. No. 1091 Tanjore Town	19-04-1990 Sale deed	M/s. Sasi Enterprises - Partners Selvi Jayalaitha and Tmt. N. Sasikala	2,02,778	I	14
Dry Land to the extent of 3.23 Acres in S,No.402-2 of Sundarakottai Village, Mannargudi Taluk Tanjore distr.	07-12-1990 Sale deed	M/s. Sasi Enterprises - Partners Selvi Jayalaitha and Tmt. N. Sasikala	75,210	1	16
TSR 333 (Swaraj Mazda Van)	01-12-1989 Date of registration	M/s. Sasi Enterprises - Partners Selvi Jayalaitha and Tmt. N. Sasikala	2,99,845	1	22
Cash Balance as on 01/7/1991 in Canara Bank, Mylapore CA 2061 Opened on 21/3/1991 in the	07-01-1991	M/s. Sasi Enterprises- Partners Selvi Jayalaitha and Tmt. N.	2,29,578	I	33

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name of Sasi Enterprises in which Both Selvi J.Jayalalitha and Tmt. N Sasikara are partners		Sasikala			
Amount paid of 72/12000 on share of land in 11 and 1736 sq.ft in b/s at 14, gems court Khadhar Navaz Con Road, Nungambakkam paid by Ch, dated 23.4.90 of CB which was registered as document No.641/93 of S R Thousand Lights, Dated 28/7/1993	28-7-1993	M/s. Sasi Enterprises - Partners Selvi Jayalaitha and Tmt. N. Sasikala	50,000	1	50
		TOTAL	**14,39,674**		
	GRAND TOTAL	**Rs.**	**59,29,168**		

95. He further submitted that properties acquired by A2 to A4, firms & companies prior to the check period were not taken into account by DVAC and he filed a chart in respect thereof, which is hereunder:-

A1		
ANNEXURE-I		
PROPERTIES ACQUIRED BY ACCUSED NO.2 PRIOR TO CHECK PERIOD NOT TAKEN INTO ACCOUNT BY DVAC		
Description of property	**Value**	**Exhibits and Evidence relied by Accused**
As per Balance Sheet for the Assessment year 1991- 1992 ending on 31.3.1991 the Cash Balance Available with Accused No.2	4,35,622	DW 88 (Vol No.92, Page 105-176) Ex-D-287 (VolNo.157, Page 1-5)

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The properties value of A2, Jaya Publication, Sasi Enterprises in Annexure — I, According to DVAC was	**Rs. 59,29,168.00**
Cash balance available on hand as on 1.7.1991 and the advances paid lying pending adjustment as on 1.7.1991 As per Ex.P-2191 the amount available as on 31.3.1991 by A2 is Rs.4,35,622/- which was not taken into Account by DVAC	**Rs. 4,35,622.60**
Hence the balance available on hand as on 1.7.1991 has to be treated as a Source/Income available to A2 during check period and considered in Annexure III	**Rs.4,35,622.60**
Hence the Assets value of A2 prior to check period should be taken into Account as	**Rs.63,64,790.60**

96. He further submitted that properties acquired by A2 to A4, firms & companies at the end of the check period according to DVAC would appear from the following Chart :

ANNEXURE -II - PART -A Properties acquired by Accused No.2-4 & others at the end of check period according to DVAC		
Entity Wise Summary	**Amount Rs.**	**At Page reference**
Mrs.N.Sasikala	4,35,62,372	
Jaya Publications	4,07,74,157	
Sasi Enterprises	2,80,05,857	
Green Fam House	1,77,53,017	

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Jay Farm House	1,42,84,079	
JJ Leasing and Maintenance	1,838	
Jay Real Estate	44,37,036	
JS Housing Development	41,35,497	
Jaya Contractors and Builders	10,98,087	
Kodanad Tea Estate	7,60,00,000	
Sakthi Constructions	1,02,490	
Lakshmi Constructions	1,02,490	
Gopal Promoters	1,02,490	
V.N.Sudhagaran - Individual	1,19,89,961	
J.Elavarasi	6,04,07,252	
J.Vivek - Son and daughter of Mrs.J.Elavarasi	10,20,823	
Son and daughter of Mrs.J.Elavarasi	38,421	
Mahasubha lakshmi Kalyana Mandapam	58,78,776	
Jaya Finance P limited	1,760	
Anjaneya Printers Private limited	6,16,91,574	
Super Duper TV Private limited	41,22,377	
GRAND TOTAL	**37,55,10,354**	

Since companies (Signora business enterprise, Meadow Agro Farms, Ramraj Agro Mills, Riverway Agro Mills, Lex Property Development, Indo Doha Pharmaceuticals) are separate legal entities and they are not accused herein. Hence their properties are liable to be excluded. Their assets acquired by them are not attributable to any of the accused as there is no evidence that these assets were acquired with the funds provided by the Accused.

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ANNEXURE - II Properties acquired by Accused No.2 during check period according to DVAC					
TMT. N. SASIKALA - Accused No.2					
Description of the Property	**Reference of Document**	**Stands in the Name of**	**Value of the property Rs.**	**Annexure No.**	**Item No in Annexure II**
Land and Flot No.7 R.R.Flats, 3/4 Anthu Street, Santhome, Chennai-4 of Tmt.N.Sasikala (Doc no.575/89, dt 17.4.1989 of SRO, Mylapore)	17-04-1989 Sale deed	Tmt. N. Sasikala	3,13,530	II	7
Land and building at Abishekapuram Village, Pon Nagar, Trichy (in plot No. 102, 3rd Cross Road, New Ward No.K, Block No.30, T.S.No.107) to the extent of 3525 Sq.ft Tmt.N.SasikalaW/o. M.Natarajan (Doc No.2256/90, dt.3.5.90 of ORB, Thanjavur) **PW 144 & DW 88**	03-05-1990 Sale deed	Tmt. N. Sasikala Ex P-782 (Pg. 128. 129,. Vol. 39) and D-287 - IT return (1991 -92) Pg. I - 5 of Vol. 157)	5,85,420	II	15 (also listed as 301)
Land and Building to the extent of 25035 sq.ft. in S.No.93,94 and 95 of Mannargudi village Haridranadhi west street - **PW 138 & PW -99**	22-8-1991 Sale deed	Tmt. N. Sasikala Ex-P-646, Pg. 113 -124 of Vol. 33 & P-1510 (SB A/c 23218 opened on 23,05.90) (Pg. 235 - 248, vol. 61)	6,78,000	II	19
Land and Building at Door No. 16 IppaBabi (Radhika Nagar) Anjaiah Garden Boosaredddey Guda Road, Secundarabad Contonment, S.No.49 and 50 Land Extent 222.92 sq. mt. Building area 2200 sq.ft.**PW - 163 - SRO - Srinivasa Rao**	25-3-1992 Sale deed	Tmt. N. Sasikala Ex-P-1510, Pg. 235 -248 of Vol. 61 & Ex-P 935, Pg. 235 - 242 Vol. 55 Ex-P-1513 & 1514, Pg. 253 - 254 & 255 -256 of Vol. 61. - DD challans for payment to Jaspal	5,57,761	II	22
Cost of acquisition of shares of M/s. Anjeneya Printers (P) Limited at No. 48 Inner Ring Road, Ekkattuthangal, on 1-9-93 (Towards transfer of shares of Rs. 64,05,000/- machinery cost of Rs, 20,16,000 from Tr. Naresh Shroff - **PW 15**	01-09-1993 Sale deed	Tr.V.N. Sudhakkaran and Tmt. N. Sasikala Ex- P-41, Pg. 107-112 of Vol. 14 & Ex- P-I519, Pg. 263 - 276 of Vol. 61 (CA • 2196	84,21,000	II	33 (Value of Machineries costing Rs.20,16,000/- to be deleted)
4.41 Acres of dry Land in S.No.198/180 F of Velagaburam Village - **PW 32 to 39**	28-10--1993 Sale deed	Tmt. N. Sasikala Ex • P-83, Pg. 160 - 171 of vol. 21	37,410	II	34 PW - 31 Ratnavelu PW • 32 –Babu PW -39-Venu-S.R.O PW - 47 - Muthaiah
1.42 acres of dry Land in S,No.198/180 F3, 198/1598 of Velanapuram Village - **PW 37 & PW 39**	28-10-1993 Sale deed	Tmt, N. Sasikala Ex - P-91, Pg. 242 - 252 of Vol. 21	12,060	II	35 PW - 31 - Ramavelu PW - 32 • Babu PW-39-Venu-S.R.0 PW -47 • Muthaiah

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1.42 acres of dry Land in S.No.198/180/F 12 198/161 A 198/160A 198/159 D2, 198/158 B2 198/157 BI of Velakkapuram Village - **PW 33 & PW 39**	28-10-1993 Sale deed	Tmt. N. Sasikala Ex - P-84, Pg. 172 - 179 of Vol. 21	12,060	II	3 6 PW • 31 - Ratnavelu PW • 32 – Babu PW-39-Venu-S.R.0 PW -47 - Muthaiah
1.42 Acres of dry land in S.No. I98/180 FII, 179 A 163A.162A, 161B, 157 B2, 156.8, 155 81 of Velakkapuram Village - **PW 31, PW 39 & PW 47 - Read PW 47**	28-10-1993 Sale deed	Tmt. N. Sasikala Ex - P-92, Pg. 1 - 12 of Vol. 22	12,060	II	3 7 PW • 31 - Ratnavelu PW • 32 – Babu PW-39-Venu-S.R.0 PW -47 - Muthaiah
4.41 Acres of dry Land in S.N0.198 of Velagapuram Village - **PW 31 & PW 39**	28-10-1993 Sale deed	Tmt. N. Sasikala Ex • P-81, Pg, 127 • 134 of Vol. 21	37,385	II	38 PW - 31 - Ratnavelu PW • 32 • Babu PW-39-Venu-S.R.0 PW - 47 - Muthaiah
1,42 Acres of dry Land in S,No.198 of Velagapuram Village • **PW 31, PW 34 & PW 39**	28-10-1993 Sale deed	Tmt. N. Sasikala Ex - P-85, Pg. 180 - 186 of Vol. 21	12,060	II	39 PW - 31 - Ratnavelu PW • 32 • Babu PW-39-Venu-S.R.0 PW-47 - Muthaiah
1.42 Acres In S.No 198 of velagapuram village - PW 39, **PW 31 & PW 35**	28-10-1993 Sale deed	Tmt. N. Sasikala Ex - P•93, Pg. 13 - 26 of Vol. 22	12,060	II	40 PW - 31 • Ratnavelu PW - 32 - Babu PW -39-Venu-S.R.0 PW -47 - Muthaiah
4.41 Acres of dry Land in S.N0.198 of Velagapuram Village - **PW 31, PW 34 & PW 39**	28-10-1993 Sale deed	Tmt. N. Sasikala Ex • P-86, Pg. 187 - 200 of Vol. 21	37,381	II	41 PW - 31 - Ratnavelu PW • 32 • Babu PW-39-Venu-S.R.0 PW - 47 - Muthaiah
4.41 Acres of dry Land in S.N0.198 of Velagapuram Village - **PW 31, PW 38 & PW 39**	28-10-1993 Sale deed	Tmt. N. Sasikala Ex - P-90, Pg. 231 - 241 of Vol. 21	37,385	II	42 PW - 31 - Ratnavelu PW • 32 • Babu PW-39-Venu-S.R.0 PW - 47 - Muthaiah
4.41 Acres of dry Land in S.N0.198 of Velagapuram Village - **PW 31, PW 35 & PW 39**	28-10-1993 Sale deed	Tmt. N. Sasikala Ex- P-87, Pg. 201 - 209 of Vol. 21	37,385	II	43 PW - 31 - Ratnavelu PW • 32 • Babu PW-39-Venu-S.R.0 PW - 47 - Muthaiah
1.42 Acres of dry Land in S.No.198 of Velagapuram Village - **PW 31, PW 39 & PW 42**	28-10-1993 Sale deed	Tmt. N. Sasikala Ex - P-94, Pg. 27 - 37 of Vol. 22	12,060	II	44 PW - 31 - Ratnavelu PW • 32 • Babu PW-39-Venu-S.R.0 PW - 47 - Muthaiah
4.41 Acres of dry Land in S.N0.198 of Velagapuram Village - **PW 31, PW 36 & PW 39**	28-10-1993 Sale deed	Tmt. N. Sasikala Ex- P-88, Pg. 210 • 220 of Vol. 21	37,410	II	45 PW - 31 - Ratnavelu PW • 32 • Babu PW-39-Venu-S.R.0 PW - 47 – Muthaiah
4.41 Acres of dry Land in S.N0.198 of Velagapuram Village	28-10-1993 Sale deed	Tmt. N. Sasikala Ex • P-89, Pg. 221 - 230 of	37,410	Il	46 PW - 31 - Ratnavelu PW • 32 • Babu

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- **PW 37 & PW 39**		Vol. 21			PW-39-Venu-S.R.0 PW - 47 - Muthaiah
1.42 Acres of dry Land in S.No.198 of Velagapuram village - **PW 31 & PW 39**	28-10-1993 Sale deed	Tmt. N. Sasikala Ex - P-95, Pg. 38 - 49 of Vol. 22	12,060	II	47 PW - 31 - Ratnavelu PW • 32 • Babu PW-39-Venu-S.R.0 PW - 47 - Muthaiah
41 cents of dry land in S.No. 198 of Velagapuram village - **PW 31**	28-10-1993 Sale deed	Tint. N. Sasikala Ex - P-82, Pg. 135 - 159 of vol. 21	3,498	II	48 PW - 31 - Ratnavelu PW • 32 • Babu PW-39-Venu-S.R.0 PW - 47 - Muthaiah
5.80 acres in S.No.392/6, 380/4, 5, 392/3, 5,1,2,4, 381/9, 380/1 2 in Payyanoor Village - **PW 40 & PW 159**	10-11-1994 Sale deed	Tmt. N. Sasikala Ex - P•96, Pg. 50. 55 of Vol. 22 - Sale deed Ex-P-1519, Pg.263-276 of Vol. 61 - CA 2196, Ex-P-1528, Pg. 287-289 of Vol. 61 -DD challan & Ex-P1899, Pg. 49 - 50 of Vol. 63 - cheque copy	1,95,800	Ⅱ	95 D-251 to 257 DW-93
3.52 acres in Doc. No.391/1, 2, 3, 5, 6, 7,392/8 9,10,11 in Payyanoor village - **PW 40 & PW 159**	10-11-1994 Sale deed	Tint. N. Sasikala Ex – P-97, Pg. 56 - 61 of Vol. 22 - Sale deed	2,86,520	II	96 D-25I to 257 DW-93
5.28 Acres in S.No.384/I, 3, 404/1, 381/3,4,5,6,7,10,11 in Payyanoor Village - **PW 40 & PW 159**	10-11-1994 Sale deed	Tmt. N. Sasikala Ex - P-98, Pg. 62 - 67 of Vol. 22 - Sale deed	2,54,670	II	97 D-25I to 257 DW-93
0.40 acres in S.No.383 in Payyanoor Village - **PW 40 & PW 159**	10-11-1994 Sale deed	Tmt. N. Sasikala Ex – P-99, Pg. 68 - 71 of Vol. 22 -Sale deed	1,94,012	II	98 D-251 to 257 DW-93
0.40 acres in S.No.383 in Payyanoor Village - **PW 40 & PW 159**	10-11-1994 Sale deed	Tmt. N. Sasikala Ex-P-l00, Pg. 72 - 76 of Vol. 22 - Sale deed	2,04,012	II	99 D•251 to 257 DW-93
2.76 acres in S.No.403/1 in Payyanoor Village - **PW 40 & PW 159**	10-11-1994 Sale deed	Tmt. N. Sasikala Ex - P-101, Pg. 77 - 80 of Vol. 22 - Sale deed	1,76,910	II	100 D-251 to 257 DW-93
4.23 Acres in S.No.379/2 and 379/3 of Payyanoor Village – **PW 40 & PW 159**	10-11-1994 Sale deed	Tmt. N. Sasikala Ex • P-102, Pg. 81 - 85 of Vol. 22 - Sale deed	1,91,248	II	101 D-251 to 257 DW-93
0.51 acres in S.No. 381/9,392/1 and 392/2 in Payyanoor Village - **PW 40 & PW 159**	10-11-1994 Sale deed	Tmt. N. Sasikala Ex - P-103, Pg. 86 - 91 of Vol. 22 - Sale deed	2,14,810	II	102 D-251 to 257 DW- 93
Cost of Transfer of 6,14,000 shares of M/s.Ramraj Agro at Vendampalai at the rate of Rs.3/- per share from Gandhi and others (6,18,000 shares minus 4000 shares) – **PW 501**	27-11-1994	M/s. Ramraj Agro Mills. Ex-P-1519, Pg. 263-276 of Vol. 61 – CA 2196 DD Challan dt. 20.12.1994	18,42,000	II	127
One sixth undivided shares of land in 5 grounds and 11333sq.ft. in s.no.3334/1a in Mylapore luz Avenue - **PW 43 &**	21-3-1995 Sale deed	Tmt. N. Sasikala Ex-P-105, Pg. 97. 103 - Sale deed, Ex-P1519, Pg. 263-276 of Vol. 61 - CA	10,87,196	II	155

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PW 159		2196 Payment dated 21.03.1995 with Rs.7.50 lacs + Rs.1.50 Lacs			
Cost of acqusition of Luz avenue property other than the consideration covered by document Nos.241/95 to 252/95 of S.R.O.North Madras for the purpose of clearing the loan that stood in the name of properties in the Indian Bank Abiramapuram - **PW 43, PW 44 and PW 45**	PW-43 denied of having received by cash	No document and already argued	76,00,000	II	159
2.03 acres in S.N0.385/12.385/13 385/14 in Payanoor Village - **PW 41 & PW 159**	19-7-1995 **Sale** deed	Tmt. N. Sasikala Ex-P-1510, Pg. 235 - 248 of Vol. 61 -*(SB A/c 23218 opened on 23.05.90) Ex-P-1518, Pg. 261-262 of Vol. 61 - DD paid; Ex-P-1631, Pg. 52-53 of Vol. 62 -Cheque paid; Ex-P104, Pg. 92-96 of Vol.22	3,44,195	II	170
2.34 acres in S.No. 385/7, 8, 9 386/1a, I b, lc. Id,386/2 in Payanoor Village - **PW 41 & PW 159**	19-7-1995 **Sale** deed	Tmt. N. Sasikala Ex-P-912-Sale deed (Pg. 142 - 147 of Vol.55)	3,91,655	II	171
0.90 acres in S.No.386/15, 385/1, 2, 3, 4, 5, 6 10 Payanoor Village - **PW 41 & PW 159**	19-7-1995 Sale deed	Tmt. N. Sasikala Ex-P-913-Sale deed (Pg. 148 -153 of Vol. 55)	3,21,030	II	172 (Totally Rs.10,56,880/- incl. stamp duty & regn fees for items 170-172)
New/Additional Construction in Farm House Bangalows at Payyanur in Chengai Anna Dist - **PW 107**	Evaluation Report	Tmt. N. Sasikala Ex-P-662, Pg. 31 - 87 of Vol. 34 - which is	1,25,90,261	Ⅱ	176
cash Balance as on 30/4/1996 of ca 1071 of IB Apiramapuram opened on 11/3/1994 - **PW 182**	30-4-1996	Tmt. N Sasikala Fresh Mushroom Proprietrix - Ex-P-1117, Pg. 233 -240 of Vol. 58	771	II	195
Cash Balance as on 30-04-96 in CB Mylapore CA 2277 Opened **i**n 10-11-93 - PW **201**	30-4-1996	M/s. Metal King sole Prop. N.Sasikala - Ex-P. 2081, Pg. 216-252 of Vol. 63	2,900	II	201
Cash Balance as on 30.04-96 in CB Mylapore CA 2196 opened on 1-12-92 - **PW 201**	30-4-1996	Tmt. N. Sasikala - Ex-P-1519, Pg. 263-276 of Vol. 61	1,889	II	202
Cash Balance as on 30-04-96 in CB Mylapore SB 23218 Opened on 23-5-90 - **PW 201**	30-4-1996	Tmt. N. Sasikala - ExP-1510, Pg. 235-245 of Vol. 61	1,095	Ⅱ	204
cash Balance as on 30-04-96 in CB Guindy in CA 1245 Opened on 2-1.95 in the name of Metal king - **PW 201**	30-4-1996	M/s. Metal King sole Prop. N.sasikala – Ex-D-281, P. 142-176 of Vol. 156	3,17232	II	205
Cash Balance as on 30-04-1996 in CB Mylapore CA 2133 Opened on 3-2-92 - **PW 201**	30-4-1996	Tmt. N. Sasikala Ex-P-2031, Pg. 156•183 of Vol. 64	561	Ⅱ	212
Cash Balance as on 30-04-96 in CBI SB 23792 secundarbad opened on 29-1-93 • **PW 164**	30-4-1996	Tmt. N. Sasikala Ex-P-937, Pg. 255-256 of Vol. 155	2,34,000	II	229

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TN - 01 - F - 9090 Tata Searra car - **PW 57 & PW 66**	18-08-1992	Tmt. N. Sasikal Ex-P-228 & P-229, Pg. 13 & 14, Vol. 25; Ex-P-264, Pg. 85 of Vol. 25 - Registration Ex-P-1510, Pg. 235 - 245 of Vol. 61- SB A/c 23218 - Canara bank	3,88,376	II	241
TN – 09 H 3559 TATA Searra car - **PW 57 & PW 69**	26-03-1996	Tmt. N. Sasikala Ex-P-231, Pg. 18 of Vol. 25	5,11,118	II	243
Tn 09 H 3496 TATA Searra car - PW 57 & PW 69	25-03-1996	Tmt. N. Sasikala Ex-P-230, Pg. 16 of Vol. 25 & P-232, Pg. 20 of Vol. 25 Ex-P-1519, Pg. 263-276 of Vol. 61 payment dt 04,04.96 for Rs.10,60,790/- for Items 243 & 244	5,11,118	II	244
TN 09 - E 9036 (Maruthi car) – **PW 58 & PW 69**	19-12.1994	M/s. Metal King sole Prop. N.Sasikala ExP-236, Pg. 28 of Vol. 25 & P-286, Pg. 110 of Vol. 25	2,22,485	II	253
TN 09 B 6966 Bajaj Tempo Omni Bus - **PW 59 & PW 69**	19.04-1991	M/s. Metal King sole Prop. N.Sasikala ExP-242, Pg. 40 of Vol. 25 & P-288, Pg..112 of Vol. 25.	2,03,979	II	254
TN 09 B 6975 (Bajaj Tempo van) - **PW 59 & PW 69**	19-04-1991	M/s. Metal King sole Prop. N.Sasikala Ex-P-241, Pg. 38-39 of Vol. 25 & P-287, Pg. 111 of Vol. 25	2,03,979	II	257
62 items of Jewels claimed to be of Tmt. N. Sasikala as evaluated by M/s. VBC Trust on 31.3.1991 - **PW 179**	As per evaluation report of M/s, VBC Trust on 31-3-1991	Tmt. N. Sasikala Ex-P-1014, Pg. 181-183 of Vol. 57 & P.1015, Pg. 184 -185 of Vol. 57 (Before the check period)	9,38,460	II	285
34 items of Jewels purporting to be Tmt. Sasikala as evaluated by M/s. VBC Trust on 16-1-1992 - **PW 179**	Evaluation Report dated 16-1.1992	Tmt. N. Sasikala Ex-P-1016, Pg. 186-188 of Vol. 57 (Before the check period)	17,54,868	II	287
Machinery subsequently purchased for M/s. Metal King - **PW 115**	Evaluation Report	M/s. Metal King sole Prop. N.Sasikala - Ex-P-665	7,69,000	II	293
Cash Balance as on 30-04-1996 in SB 38746 of CB Kellys opened on 30-12 88 in the Name of Tmt. N. Sasikala - **PW 208**	30-4-1996	Tmt. N. Sasikala Ex-P-975 to P-977	17,502	II	300
Cost of renovation and additional construction between June 1992 and 1993 of the building at Plot No. 102 III Cross Road, Pon Nagar, Trichy owned by Tmt.N. Sasikala (Covered by document NO. 2256/90/ dt. 3/5/90 S R O I O R B TRICHY) - **PW 144**	31-3-1993	Tmt. N. Sasikala Ex- P-781 & P-782 (No additional construction hence to be fully deleted)	6,83,325	II	301
		TOTAL	**4,35,62,372**		

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JAYA PUBLICATION					
Description of the Property	**Reference of Document**	**Stands in the Name of**	**Value of the property Rs.**	**Annexure No.**	**Item No. In Annexure II**
Land and Building at Door No.I9, Pattammal Street, Chennai Plot No.83, R.S.No.4087, extent 1897 Sq.Ft M/s. Jaya Publications Partners Selvi.J.Jayaalithaa & N.Sasikala (Doc No.1024/89, dt.18-6-89 of SRO, Mylapore	08-06-1989 Sale deed	M/s. Jaya Publications **Prior to check period**	5,70,039	II	6
Land and building at Thiru Vi-Ka Industrial Estate, Guindy, in S.No.55, 56, Block No.6, extent 5658 Sq. ft., shed No.C-8, Adyar Village M/s. Jaya Publications (Doc No.4640/90 dt.8.12.1990 of SRO, Adyar	08-12-1990 Sale deed	M/s. Jaya Publications **Prior to check period**	5,28,039	II	17
4664.60 sq.ft, together with building in T,S.No.4345, S.No.33/3pt, 32/4pt in St. Thomas mount village Plot No, s - 7 Block No, 6 Thiru vi ka Industrial Estate Guindy - **PW 3 (to read pg3 S.No.10)**	26-9-1991 Sale deed	M/s Jaya Publications Selvi J.Jayalalitha and Tmt. N. Sasikala) Ex-P-1020 - CA 792 Indian Bank - Ex-P-1023 - Copy of BPO for Rs.10L Ex-P-1903-CA 2047-Canara Bank Ex-P-1930 -Copy of DD for Rs.2.60 Lacs	15,05,428	II	20
Tansi (Foundary) Land and Building to the extent of 55 grounds and 2143 sq.ft i.e 12462.172 sq.ft. in S.No.86,87,88,89,91,92,and 93 part of alandur hamlet of adayar village , Thiru.vi.ka Industrial Estate Gunidy - **PW 4, PW 3 and PW 126 (for seizure)**	02-06-1992 Sale deed	M/s Jaya Publications (Selvi J.Jayalalitha and Tmt. N. Sasikala) Ex-P-1028 - CA 792 Indian Bank - Rs.1.50 Crores loan - Ex-P-1026- Copy of BPO for Rs.28.3L Ex-P-1903-CA 2047 - Canara Bank Ex-P-1027 - Stat of OMTL -Ind Bank and Ex-P-6	2,13,68,152	II	23
Undivided share of land to the extent of 880/72000 in 10 grounds and 640 sq.ft. at Door No. 98/99 (old No. 381 of Northern row of Luz Church Road, Mylapore R.S. No. 1639/5 - **PW 30 and PW 159**	27-06-1994 Sale deed	M/s Jaya Publications (Selvi J.Jayalalitha and Tmt. N. Sasikala) Ex-P-1903 - CA 2047 - Canara Bank Ex-P-1933 & 1934 - Payment details and Ex-P-79 & 80	2,26,130	II	83
4564 sq.ft. of site and building in T.S.No. 2 and T.S.No.18 Block No. 22 which is called No,l Parameswari	15-11-1994 Sale deed	M/s Jaya Publications (Selvi J.Jayalalitha and Tmt. N. Sasikala) Ex- P-79 & P-80	34,20,160	II	104

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Nagar , Urur Village- **PW 23, PW 159 & PW 201**		including stamp chgs Ex-P-1926 & 1927 - DD copy and Ex-P1020 - CA -792 of JP with Indian bank			
New additional construction in Building at door No. 19 Pattammal St. Mylapore Chennai - **PW 116**	Evaluation Report	M/s Jaya Publications (Explained that the value of shed is Rs.6,42,290/- and hence balance of Rs.1,57,710/- to be excluded) Ex-P-670 - Report	8,00,000	II	184
New / additional construction in Building at S.No.32/2-4 Plot No. S-7 Ganapathy colony Thiruvika Industrial estate Guindy Chennai 32 - **PW 117**	Evaluation Report	M/s Jaya Publications (Explained that the value of building constructed is Rs.32,94,834/- and hence balance of Rs.6,39.166/- to be excluded) Ex-P-677 - Report	39,34,000	II	190
Cash Balance as on 30.04-96 in CB Mylapore CA 2047 Opened 26-09-90 (On transfer from Kellys Branch) - **PW 201**	30-4-1996	M/s Jaya Publications (Selvi J.Jayalalitha and Tmt. N. Sasikala) Ex-P-1903-CA 2047 Canara Bank	20,79,885	II	203
TN -01-0009 Tata Estate Car - **PW57 & PW 66**	29-07-1992	M/s Jaya Publications (Selvi J.Jayalalitha and Tmt. N. Sasikala) Ex-P-1903-CA 2047 Canara Bank . Ex-P 226 (Invoice) & P.263 (Registration)	4,06,106	II	234
TN - 01 N - 9999 Swaraj Mazda Van - **PW 60 and PW 66**	21-11-1991	M/s Jaya Publications (Selvi J.Jayalalitha and Tmt. N. Sasikala) - To be excluded Ex-P-245 (Invoice) & P.262 (Registration)	3,85,520	II	236
TN - 01 - Q 0099 Tata Mobile van - **PW 57 and PW 66**	21-12-1994	M/s Jaya Publications (Selvi J.Jayalalitha and Tmt. N. Sasikala) Ex-P-1903 - CA 2047 Canara Bank Ex-P-224 (Invoice)	2,81,169	II	238

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TN - 04 E 0099 Mahindra Armada Jeep - **PW 62 and PW 67**	29-04.1993	M/s Jaya Publications (Selvi J.Jayalalitha and Tmt. N. Sasikala) - To be excluded Ex-P-1903 - CA 2047-Canara Bank Ex-P-251 (Invoice) Ex-P-252 (Receipt) & P266 (Registration)	3,30,250	II	239
TN 07 D 2342 - Bajaj Van - Khivraj Automobiles - **PW 64 & PW 68**	16-02-1995	M/s Jaya Publications (Selvi J.Jayalalitha and Tmt. N. Sasikala) - To be excluded Ex-P-1635 - CA 1952 - Canara Bank Ex-P-256 (Invoice) Ex-P-257 (Receipt) & P. 269 (Registration)	52,271	II	250
TN 09 B 6565 (Mercedes Benz car Imported) - **As explained by PW 69**	04-06-1993	M/s Jaya Publications (Selvi J.Jayalalitha and Tmt. N. Sasikala) Ex-P-1903 - CA 2047-Canara Bank P-279 (Registration) DW-88 Ex-D-220	9,15,000	II	256
Fixed Deposit in Canara Bank, Mylapore in the name of Jaya Publications - **PW 201**	19-9-1994	M/s Jaya Publications (Selvi J.Jayalalitha and Tmt. N. Sasikala) Ex-P-1921 – FDR copy	1,49,544	II	259
Fixed deposit in Canara Bank, Mysore Branch in the name of Jaya Publications - **PW 201**	19-9-1994	M/s Jaya Publications (Selvi J.Jayalalitha and Tmt. N. Sasikala) Ex-P-I922 – FDR copy	71,218	II	261
Ashok leyland Panther Luxury coach bearing registration No. TN-09 F 2575 purchased in the name of M/s. Jaya Publication P limited (Chassis Rs. 699178 - cost of Body Building Rs.2541000) – **PW 63, PW 65 and PW 201**	18-4-1995	M/s Jaya Publications (Selvi J.Jayalalitha and Tmt. N. Sasikala) Ex-P-1903 - CA 2047 Canara Bank Ex-P255 (Invoice) Ex-P-258 (Registration) Ex-P-I936 to 1938- Payment to Vendor Bharat Industries	32,40,278	II	299

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Cash balance as on 30.4.96 CA No 1952 Canara Bank, Mylapore – **PW 201**	30-4-1996	Namadhu MGR = Ex-P-1635-CA 1952-Canara Bank	5,10,968	II	304
		TOTAL	**4,07,74,157**		

SASI ENTERPRISES					
Description of the Property	**Reference of Document**	**Stands in the Name of**	**Value of the property Rs.**	**Annexure No.**	**Item No in Annexure II**
Shop No.14, Ground Floor at 602, Anna Salai, Chennai-6 (Parsn Manere) M/s.Sasi Enterprises (Doc No.399/89 dt.5-7-89 of SRO, Thousandlights)	05-07-1989 (Prior to the check period) Sale deed	M/s. Sasi Enterprises Partners Selvi Jayalaitha and Tmt. N. Sasikala	98,904	II	8
Undivided share of land only at Door No.14, Kather Navaz Khan road, Nungambakkam, in Block No.12, R.S.No.58/5 to the extent of 68/12000 undivided share in 11 Grounds 736 Sq.ft with a Shop No. 9 M/s. Sasi Enterprises (Doc No.526/89 dt.21-9-89 of Jt. S.R.II, Thousandlights) • **PW 113 for rent (Mohsin Bijapuri)**	20-09-1989 (Prior to the check period) Sale deed	M/s. Sasi Enterprises Partners Jayalaitha and Tmt. N. Sasikala E x P-769 (sale deed)X-19 - Rental agreement	2,10,919	II	9
Land and Building in Tanjore, Mahamoombu Chavadi S.No.1091 exent of 2400 Sq.ft M/s. Sasi Enterprises, Partners: J.Jayalalithaa , N.Sasikala (Doc No.455/90 dt.I9-4-90 of ORB,Thanjavur	19-04-1990 (Prior to the check period) Sale deed	M/s. Sasi Enterprises -Partners Selvi Jayalaitha and Tmt. N. Sasikala	1,57,125	II	12
Vacant site at Blake H.D. Road, Tanjore Town, 3rd Division, 6th Ward, Mahar Nombu Chavadi to the extent of 5100 Sq Ft in	19-04-1990 (Prior to the check period) Sale deed	M/s. Sasi Enterprises - Partners Selvi Jayalaitha and Tmt. N. Sasikala	1,15,315	II	13

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T.S.No.1091 M/s. Sasi Enterprises (Doc No.456/90 dt.I9-4-90 of ORB, Thanjavur					
Vacant site at Blake H.D. Road,Tanjore Town, Mahar Nombu Chavadi, extent 8970 Sq.ft. in T.S.No.1019 M/s. Sasi Enterprises, (Doc No.457/90 dt 19-04-1990 of ORB, Thanjavur)	19-04-1990 (Prior to the check period) Sale deed	M/s. Sasi Enterprises - Partners Selvi Jayalaitha and Tmt. N. Sasikala	2,02,778	II	14
Dry land to the extent of 3.23 Acres in S.No.402/2 Sundarakottai Village, Tanjavur M/s. Sasi Enterprises (Doc No.563/90 dt.12-7-90)	12-07-1990 Sale deed	M/s. Sasi Enterprises - Partners Selvi Jayalaitha and Tmt. N. Sasikala	75,210	II	16
Land and Building at New Door No. 14, Kadhar Nawaz Khan Road, Nungambakkam Block 12, 87/12000 undivided share of land in 11 ground 1736 sq. ft. and 523 sq.ft. building in R.S. No. 58 and New R.S.No. 58/5 in Nungambakkam Village **- PW 137 - Mr.Tajudeen**	19-2-1992 Sale deed	M/s. Sasi Enterprises - Partners –Selvi Jayalaitha and Tmt. N. Sasikala Ex-P-1940-CA -2061 of SE with Canara bank Ex-P-770 - Sale deed	2,98,144	II	21 (Rs.50,000/- paid on 23.4.90 i.e. prior to check period) - See
Tansi (Enamellled wires) Land and Building at Thiru Vi Ka Industrial Estate Guindy, 0.63 acres of land and 495 sq.ft. in R C C Roof 1155 sq.ft. in ACC sheet roof in S.No.89 of Alandur village Hamlet of Adayar, Block No. 12, (Tansi Enamalled Wires) - **PW 3 (refer to Page 5)**	10-07-1992 Sale deed	M/s. Sasi Enterprises - Partners Selvi Jayalaitha and Tmt. N. Sasikala Ex-P-1940 - CA -2061 of SE with Canara bank	90,17,089	II	25
Land and Building to the extent of 1 ground and 1475 sq.ft. in R.S.No. 3581 part in Mylapore Village Door No. 18 East Abiramapuram 1111 street - **PW 4 (Refer to Page 2 -**	22-01-1993 Sale deed	*M/s.* Sasi Enterprises - Partners Selvi Jayalaitha and Tmt. N.Sasikala Ex-P-1940 - CA -2061 of SE with Canara bank Ex-P-23 - Sale deed Ex-P-1519 - CA -2196 of NS with Canara Bank	49,02,105	II	26

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Ramachandran)					
72/12000 share of 11 grounds 1736 sq.ft. in R.S.No.58/5 e 14, Gems Court , Kather Navaz Khan road, Nungambakkam - **PW 137**	28-7-1993 Sale deed	M/s. Sasi Enterprises - Partners Selvi Jayalaitha and Tmt. N. SasikalaEx- P-1940 - CA -2061 of SE with Canara bank Ex-P-768 - Sale deed dt 30.6.93	160,572	II	32 (Rs.50,000/- paid on 23.4.90 i.e. prior to check period)
4380 sq.ft. land with 520 sq.ft. house In S.No. 588/2A, 2 B in Thiruvenkada Nagar Colony - **PW 17 - Mrs.Sundari Shankar; PW 159 (Rajagopalan) & PW 161 (Ramesh)**	26-09-1994 Sale deed	M/s. Sasi enterprises Ex-P-46 Ex-P- 1940 - CA -2061 of SE with Canara Bank	2,65,000	II	91 (Rs.52,205/- excess amount to be deleted)
4380 sq.ft. land with 520 sq.ft. house In S.No. 588/2A, 2 B in Thiruvenkadu Nagar colony - excess amount paid to seller Tmt. Sundari Shankar over and above document value	26-09-1994 Sale deed	M/s. Sasi enterprises	3,10,000	II	92 (No evidence adduced by prosecution so Rs.3,10,000/- to be deleted)
New/additional construction in Building at 5-A B, and C East Coast Road, Door No.4/130 Raja Nagar, Neelankarai Chennai -41 (Ref Doc. No. 4752/93 SRO Adayar) - **Already explained**	Evaluation Report	M/s. Sasi enterprises (Amount to be accepted is Rs.40,35,981/-)	80,75,000	II	174 (The balance amount of Rs.40,39,019/- to be excluded)
Land in S.No. 94 of Neelankarai Village with an extent of 111976 sq.ft. of land (Plot No. 5 a, b and c) - **PW 50 (S.R.0)**	1993	M/s. Sasi Enterprises -Partners Selvi Jayalaitha and Tmt. N, SasikalaEx-P-133-Ex-P-1940 - CA -2061 of SE with Canara Bank	5,72,910	II	175
New Additional construction in Building and the change of roof for the works shed at MF 9 Guindy Industrial Estate Chennai -32 - **Already explained**	Evaluation Report	M/s. Sasi enterprises (Amount to be accepted is Rs.4,76,525/-)	14,17,538	II	191 (The balance amount of Rs.9,41,013/- to be excluded)
Cash Balance as on 30/04/96 in CB, Mylapore CA 2061 Opened on 21/3/91 - **PW 201**	30-4-1996	M/s. Sasi Enterprises- Partners Selvi Jayalaitha and Tmt. N. Sasikala Ex-P-1940 - CA -2061 of SE with Canara Bank	4,59,976	II	214
Cash Balance as on 30/4/96 in CA 1044 of IB Abiramapuram opened on 15/12/93 in the - **PW 182**	30-4-1996	M/s. Sasi Enterprises - Partners Selvi Jayalaitha and Tmt. N. Sasikala Ex-P-1255 - CA -1044 of SE with Canara	1,02,490	II	221

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		Bank			
TSR 333 (Swaraj) Mazda Van ***12/1/1989	12-01-1989 Before check period	M/s. Sasi Enterprises - Partners Selvi Jayalalithaa and Tmt.N.Sasikala	2,99,845	II	242
Tn 01 W 1233 Tempo Traveller	19-01-1994	M/s. Sasi Enterprises -Partners Selvi Jayalaitha and Tmt. N. SasikalaEx-P- 1940 - CA -2061 of SE with Canara Bank Ex-P-238 (Invoice) Ex-P-265 (Registration)	4,24,268	II	245
TN 07 H 0009 (Tata sumo)	21-12-1994	M/s. Sasi Enterprises-Partners Selvi Jayalaitha and Tmt. N. Sasikala Ex-P-1940-CA-2061 of SE with Canara Bank Ex-P-233 (Invoice)	3,15,537	II	246
Tn 09 E 9207 (Maruthi Esteem car)	26-12-1994	M/s. Sasi Enterprises - Partners Selvi Jayalaitha and Tmt. N. Sasikala Ex-D-270-Pg 1561-Ex-P-237 (Invoice)- Ex-P-280 (Registration)	5,25,132	II	247
		TOTAL	**2,80,05,857**		

GREEN FARM HOUSE					
Description of the Property	**Reference of Document**	**Stands in the Name of**	**Value of the property Rs.**	**Annexure No.**	**Item No in Annexure II**
16.75 cents in S.No.1/If and old R.S.No. 1/1c4 of Sholinganallore Village - **PW 16 - (Jagadeesh A Raja)**	03-09-1994 sale deed	Tr.VN.Sudhakaran (Partner in Green Farm House) Ex-P-43 to 45 - Sale agreement & POA Ex-P-1189 - CA No.l058 of Indian Bank	125	II	69
6.75 cents on 8.3.1994 - **PW 16 - (Jagadeesh A Raja)**	189/1994 dt 9-3-1994 Sale deed	M/s. Green Farm House Ex-P-1189 - CA No.1058 of Indian Bank. Rs.235000/- is to be admitted	570200 , ,	II	70 Cash portion of Rs.335000/- to be excluded

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16.50 cents in S.No.1/1f and old R.S.No. 1/1c4 of Sholinganallore Village - **PW 16 - (Jagadeesh A Raja)**	09-03-1994 Sale deed	Tr.VN.Sudhakaran **(** Partner in Green Farm House)	125	Ⅱ	71
Actual consideration paid to Tmt. Gayathri chandran W/o K.T. Chandaravadanam, 22, Bazullah Road Chennai -17 By DD Rs. 530400/- and by cash Rs. 335000/- on 8/3/1994 - - **PW 16 . (Jagadeesh A Raja)**	09-03-1994 Sale deed	M/s. Green Farm House Ex-P-I189 - CA No .I058 of Indian Bank. Rs.539400/- is to be admitted	8,65,400	II	72 Cash portion of Rs.335200/- to be excluded
16.75 cents in R.S.No.1/1f old R.S.No. 1/1c4 at Sholinganallore Village - **PW 16 - (Jagadeesh A Raja)**	09-03-1994 Sale deed	M/s. Green Farm house	125	II	73
Actual consideration paid to K.T Chandravadanan 22, Bazullah Road, Chennai -17 by DD Rs. 235200/- on 8/3/94 and cash Rs.335000/- on 10/4/1994 - **PW 16 - (Jagadeesh A Raja)**	08-03-1994 Sale deed	M/s. Green Farm House Ex- P-1189 - CA No.1058 of Indian Bank. Rs.235200/- is to be admitted	5,70,200	Ⅱ	74 Cash portion of Rs.335200/- to be excluded
34 cents together with 26 coconut trees in S.No. 165/88 in Vettuvankani Village - **PW 159 (Rajagopal)** & **Owner Mrs.Shanti ' Subramaniam & Others - Not examined**	16-6-94 Sale deed	M/s. Green Farm House Ex-P- 1189 - CA No.1058 of Indian Bank. Ex-P-906 to 908 - Sale deed Ex-P-1196 to 1198 - Bank transfer challan	1,21,000	II	80
0.34 Acres together with 26 coconut trees in S.No.165/78 in Vettuvankani Village - **PW 159 (Rajagopal)** *&* **Owner Mrs.Shanti Subramaniam & Others - Not examined**	16-6-94 Sale deed	M/s. Green Farm House Ex-P-1189-CA No.1058 of Indian Bank. Ex-P-906 to 908 - Sale deed Ex-P-1196 to 1198 – Bank Transfer Challan	1,21,040	II	81
0.34 Acres together with 26 coconut trees in S.No.165/9a in Vettuvankanni Village - **PW 159 (Rajagopal) & Owner Mrs.Shanti Subramaniam & Others - Not examined**	16-6-94 Sale deed	M/s. Green Farm House Ex- P-1189 - CA No.1058 of Indian Bank. Ex-P-906 to 908- Sale deed Ex-P-1196 to 1198 – Bank Transfer Challan	1,21,040	II	1 82
37 cents in S.No.165/98 in	27-09-1994 Sale deed	M/s. Green Farm House Ex- P-1189- CA No.1058 of Indian Bank.Ex-P- 125 - Sale deed	1,24,540	Ⅱ	93

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Vettuvankeni Enjabakkam village					
New/additional construction in the Residential Building at D.No. 3/l/8c - Vettuvankeni Chennai	As per Evaluation Report	M/s. Green Farm House Amount accepted = Rs.1,02,47,286/-	1,52,59,076	II	178 Balance portion of Rs.50,11,790/- to be excluded
Cash Balance as on 30/04/1996 in CA 1058 of 1B Abiramapuram Opened on 27/1/94	30-4-1996	M/s. Green Farm House Ex-P-1189-CA No.1058 of Indian Bank.	146	II	219
		TOTAL	**1,77,53,017**		
J FARM HOUSE					
Description of the Property	**Reference of Document**	**Stands in the Name Of**	**Value of the property Rs.**	**Annexure No.**	**Item No in Annexure II**
1.29 acres ub S.No.18/4a1 of Enjambakkam Village - **PW 25 - Bhandari .P.B - to read chief**	25-2-1994 Sale deed	M/s. J. Farm Houses Ex-P-73 Ex-P-1207 - CA No.1054 of Indian Bank.	6,49,770	II	68
50 cents in S.No.2/1b, 3a in Solinganallur Village - **PW 24 - Daniliwala.T.K.**	12-12-1994 Sale deed	M/s. J. Farm Houses Ex-P-72 - POA Ex-P-1207-CA No.1054 of Indian Bank. Ex. P-909 sale deed 09.12.1994	2,86,441	II	110
New additional construction in Building at Sea Shell Avenue No.2/1-B-3 apartment Sholinganallore Saidapet Taluik - **As explained**	As per Evaluation Report	M/s. J. Farm Houses Ex-P-72 - POA Ex-P-1207 - CA No.1054 of Indian Bank.Ex. P-909 Sale deed 09.12.1994 Value admitted is Rs.48,10,670/-	80,36,868	II	183 (Value to be excluded is Rs.32,26,198/-)
New additional construction in residential building (4 Nos) in the campus at No.1/240 Enjabakkam in New Mahabalipuram Road - **As explained**	As per Evaluation Report	M/s. J. Farm Houses Value admitted is Rs.29,82,392/-	53,11,000	II	188 (Value to be excluded is Rs.23,28,608/-)
		TOTAL	**1,42,84,079**		
JJ LEASING AND MAINTENANCE					
Description of the Property	**Reference**	**Stands in the Name**	**Value of the**	**Ann**	**Item No in Annexure**

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	of Document	of	property Rs.	exure No.	II
Cash Balance as on 30/4/96 in CA 1059 1B Abiramapuram opened on 27-1-94 in the name of	30-4-1996	M/s. J.Jay Leasing and Maintanance Ex-P-1136 - CA No.1059 of Indian Bank	1,838	II	217
		TOTAL	**1,838**		

JAY REAL ESTATE

Description of the Property	Reference of Document	Stands in the Name of	Value of the property Rs.	Annexure No.	Item No in Annexure II
Land and Building to the extent of 4800 sq.ft. with a building both in the ground and first floor in S.No.5202 of T Nagar Village which is now known as Murugesa Mudali St - **PW 6 (Mr.Gopalsamy)**	19-07-1994 Sale deed	M/s. Jay Real Estate Ex-P-29-Sale deed Ex-P-1160 - CA No.1050 of Indian Bank	33,44,040	II	84
New additional construction in Building in door No. 5 Murugesan Street T Nagar, Chennai 17	As per Evaluation Report	M/s. Jay Real Estate Value admitted is Rs.5,47,102/-	10,92,828	II	187 (Value to be excluded is Rs.5,45,726/-)
Cash Balance as on 30/4/96 CA 1050 of IB Abirampram opened on 27/1/94	30-4-1996	M/s. Jay Real Estate Ex-P-1160-CA No.I050 of Indian Bank	168	II	215
		TOTAL	**44,37,036**		

J.S HOUSING DEVELOPMENT

Land and Building in Plot No.40 and 41 with a built up area of 900 sq.ft. both in the Ground and first Floors (Land extent 5 grounds) of SolinganaIllur Village in S.No.1/1c5 which is now known	10-8-94 Sale deed	M/s. J.S. Housing Development Ex-P-1170 - CA No.1062 of Indian Bank	9,95,670	II	

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as No.1. Murphy street, Akkari Village - **PW -26 - Kama! Batcha - to read**					85
One sixth undivided share of land in five grounds and 1133 sq.ft. in S.No. 3334/Luz Av enue Mylapore	21-3-1995 Sale deed	M/s. J.S. Housing Development Ex-P-1170 - CANo.1062 of Indian Bank	10,87,196	II	156
New/ additional construction in residential Building at No. I Murphy Street, Akkarai Chennai	Evaluation Report Sale deed	M/s. J.S. Housing Development Value admitted is Rs.13,3I,185/-	20,38,959	II	189 (Value to be excluded is Rs.7,07,774/-)
Cash Balance as on 30/04/96 in CA 1062 of IB Abiramapuram in	30-4-1996	M/s. J S Housing Corporation Ex-P-1170-CA No.1062 of Indian Bank	13,672	II	218
		TOTAL	**41,35,497**		

JAYA CONSTRUCTION (CONTRACTORS AND BUILDERS)

Description of the Property	**Reference of Document**	**Stands in the Name of**	**Value of the property Rs.**	**Annexure No.**	**Item No in Annexure II**
I/6th undivided shares of land in 5 grounds and 1133 sq.ft. in S.No.3334/1a of Luz Avenue	21-3-1995 Sale deed	M/s. Jaya Contractors and Builders Ex-P-110 - Sales deed Ex-P-1049-CA No.1049 of Indian Bank	10,87,196	II	158
Cash Balance as on 30/4/96 in CA 1049 of IB Abiramapuram Opened on 27/1/94	30-4-1996	M/s. Jaya contractors and Builders Ex-P-1049 - CA No.1049 of Indian Bank	10,891	II	220
		TOTAL	**10,98,087**		

KODANAD TEA ESTATE – PURCHASE

Kodanad tea estate and tea factory extent two acres at kthogiri, Nilgris district acquired on an unregistered reconstitution of partnership deed dt. 5/6/1995 payment through six	05-05-1995 Reconstitution deed	Tmt. N.Sasikala, Tmt. J. Elavarasi, and.V.N. Sudhakaran Ex-P-520 & P-523	7,60,00,000	II	166

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cheques dated 5/5/1995 - **PW 177 (Indian Bank - Mr.Shanmugasundaram)**					
		TOTAL	**7,60,00,000**		
SAKTHI CONSTRUCTIONS					
Description of the Property	**Reference of Document**	**Stands in the Name of**	**Value of the Property Rs.**	**Annexure No.**	**Item No in Annexure II**
Cash Balance as on 30/4/96 in CA 1149 of 1B Abiramapuram opened on 23/3/93	30/4/1996	M.s. Sakthi Constructions Ex-P-2016 - CA No.1149 of Indian Bank	1,02,490	II	222
		TOTAL	**1,02,490**		
M/S LAKSHMI CONSTRUCTION					
Description of the Property	**Reference of Document**	**Stands in the Name of**	**Value of the property Rs.**	**Annexure No.**	**Item No in Annexure II**
cash Balance as on 30/4/96 in CA 1140 of IB Abirampuram Opened on 23/3/95	30-4-1996	M/s. Lakshmi constructions Ex- P-1980 - CA No.1149 of Indian Bank	1,02,490	II	224
		TOTAL	**1,02,490**		
GOPAL PROMOTERS					
ption of the Property	**Reference of Document**	**Stands in the Name of**	**Value of the property Rs.**	**Annexure No.**	**Item No in Annexure II**
cash Balance as on 30/4/96 in CA 1146 opened on 23/3/95	30-4-1996	M/s. Gopal Promoters Ex-P-1974 - CA No.1146 of Indian Bank	1,02,490	II	223
.		**TOTAL**	**1,02,490**		
		GRAND TOTAL	**23,03,59,410**		

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TR.V.N.SUDHAKARAN - Accused No.3					
Description of the Property	**Reference of Document**	**Stands in the Name of**	**Value of the property Rs.**	**Annexure No.**	**Item No in Annexure II**
11 acres 83 cents in S.No.345/38. 3A, 2 5B, 5F, 5d, 5f, 5c, 344/1, 2.402/4, 401/1, 355/1, in Siruthavoor Village	02-08-1994 Sale deed	Tr. VN.Sudhakaran	2,33,770	II	60
10 acres 86 cents in S.No,392/1, 391,392,380,381/3,393,409/3,398, 406,399,400,406 in Siruthavoor Village	02-08-1994 Sale deed	Tr. VN.Sudhakaran	2,11,325	II	62
7 Acres 44 cents in S.No.339/1a, 341/1,342/3a,2a, 281,282,338/1a,3, 342/3b,4a, 235/3,4,2, 234/1,2 in Siruthavur Village	02-05-1994 Sale deed	Tr. VN.Sudhakaran	1,45,891	II	65
Amount Paid over and above the cost in document No.43/94 dated 5/2/94, S R North Madras to the seller Tr. Gopinath	02-05-1994 Sale deed	Tr. VN.Sudhakaran	4,85,000	II	66
3.30 Acres in S.No.403/3, 401/2 in Siruthavur Village	24-5-1994 Sale deed	Tr. VN.Sudhakaran	93,475	II	79
One sixth undivided share of land in 5 ground and 1133 sq.ft. in S.No.3334/a of Luz Avenue	21-3-1995 Sale deed	Tr. VN.Sudhakaran	10,87,196	II	153
Expenditure towards acquistion of Indo-Doho Chemicals and Pharmaceuticals Ltd. at Cuddalore (1) Tr. Ayyadurai promotor of Indo-Doho Pharmaceuticals Rs.35,45,000/- (2) To interface capital Market shares 24,05,000/- (3) to Ind Bank-22,41,000/-		Tr. VN.Sudhakaran	86,91,000	II	173
Cash Balance as on 30-4-96 in CA 1068 of IB Abiramapuram opened	30-4-1996	Tr. VN.Sudhakaran	1,32,221	II	197

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on 30-3-1994					
Cash Balance as on 30-04-96 in Cb, Mylapore CA 2220 Opened on 7-4-1993 in the name of	30-4-1996	Tr. VN.Sudhakaran	47,453	II	206
Cash Balance as on 30-04-96 in CB Mylapore SB 24621 opened on 25-2-92	30-4-1996	Tr. VN.Sudhakaran	61,430	II	208
TN 09 E 9027 (Ashok Leyand Cargo vehicle)	19-12-1994	Tr. VN.Sudhakaran	5,05,009	II	248
TN 01 09 f 3744 (Tarx Jeep)	29-05-1995	Tr. VN.Sudhakaran	2,96,191	II	249
		TOTAL	**1,19,89,961**		

TMT. J. ELAVARASI - Accused No.4					
Description of the Property	**Reference of Document**	**Stands in the Name of**	**Value of the property Rs.**	**Annexure No.**	**Item No in Annexure II**
Amount Paid to TNHB towards allotment of plot No. L-66 (old No. 524 N) Anna Nagar, Chennai - 40	09-02-1992 Sale deed	Tmt..J. Elavarasi	2,35,813	II	24
Land and Building to the extent of 4802 sq.ft. together with a building with ground and first floor in S.No.94, Plot No. 7 of Nellankarai Village	31-12-1993 Sale deed	Tmt. J. Elavarasi	9,60,520	II	50
10 Acres and 41 cents in R.S.No.346/1B, 346/1c,348/2a2a, 348/2a2b, 348/2a2c,346/2, 344/1A, 347/2c,342/18c,342/184,342/185, 345/1.346/1k,349/2B,351/183, 348/3a, 348/3c,380,345/1,345/1a, 346/11,349/2a,349/4c3,350/2a1, 351/282,344/1,346/1d,346/1e, 346/2,379/2,346/2a,350/2a 2, 344/1B, 348/3B, 348/2B	31-1-1994 Sale deed	Tmt. J. Elavarasi	2,33,770	II	57
11 acres and 28 cents S.No.42/2 in Karungullpallam and S.No.383 to	02-08-1994	Tmt. J. Elavarasi	2,27,026	II	61

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386 and 393 in Siruthavoor Village	Sale deed				
10.78 Acres in S.No.379.381, 382, 342, in Sriuthavoor Village	02-08-1994 Sale deed	Tmt. J. Elavarasi	2,02,251	II	63
Amount paid towards the cost of acquisition of 10.78 acres over and above the document value doc No. 42/94 dated 8/2/1994 of SRO North Madras	08-02-1994 Sale deed	Tmt. J. Elavarasi	4,65,000	II	64
one sixth undivided shares of land in five grounds and 1133 sq.ft. in S.No. 3334/1a in Mylapore Luz Avenue (Chennai -4)	21-3-1995 Sale deed	Tmt. J. Elavarasi	10,87,196	II	154
New additional construction in the posh Bangalow at Siruthavr in Chengai Mgr Dist	Evaluation Report	Tmt. J. Elavarasi	5,40,52,298	Ⅱ	180
New Additional construction in residential building at No.1/66 Anna Nagar Chennai	Evaluation Report	Tmt. J. Elavarasi	24,83,759	II	186
Cash Balance as on 30/4/1996 in Ca 1171 of indian Bank Abiramapuram opened in 28/3/95	30-4-1996	Tmt. J. Elavarasi	3,40,527	II	199
Cash Balance as on 30-4-96 In CB Mylapore in CA 2219 opened on 7-4-93	30-4-1996	Tmt. J. Elavarasi	1,18,198	Ⅱ	210
Cash Balance as on 30/4/96 in CB Mylapore SB 25389 opened on 23/1/93	30-4-1996	Tmt. J. Elavarasi	894	Ⅱ	211
		TOTAL	**6,04,07,252**		
J.VIVEK MINOR - Son and daughter of Accused No.4					
1.50 Acres in S.No.392/1.2 in Sirthavur village	21-09-2014 Sale deed	P. Vivek (minor) Represented by his mother and natural guardian Tmt. J. Elavarasi No.7 East Beach Road, Neelankarai,	44,210	II	56

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		Chennai 41			
3 acres 51 cents in S.No.43/2 in Karunkuzhipallam village	15-09-2014 Sale deed	J. Vivek (minor) Represented by his mother and natural guardian Tmt. J. Elavarasi No.7 East beach Road, Neelankarai, Chennai- 41	1,58,310	II	87
4 Acres 52 cents in S.No.46 in Karunkuzhipallam Village	15-09-2014 Sale deed	J. Vivek (minor) Represented by his mother and natural guardian Tmt. J. Elavarasi No.7 East beach Road, Neelankarai, Chennai 41	2,03,510	II	88
4 Acres 15 cents in S.No.45 in Karunkuzhipallam Village	15-09-2014 Sale deed	J. Vivek (minor) Represented bY his mother and natural guardian Tmt. J. Elavarasi No.7 East beach Road , Neelankarai, Chennai 41	1,86,356	II	89
4 Acres 15 cents in Karunkuzhipallam Village	15-09-2014 Sale deed	J, Vivek (minor) Represented by his mother and natural guardian Tmt. - J. Elavarasi No.7 East Beach Road, Neelankarai, Chennai 41	1,86,226	II	90
cash Balance as on 30/4/96 in the SB 4110 of Indian Bank Abiramapuram opened on 12/9/94 in the name of Master J. Vivek, s/o. J. Elavarasi	30-04-1996	J. Vivek (minor) Represented by his mother and natural guardian Tmt. J.	2,42,211	II	193

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		Elavarasi No.7 East Beach Road , Neelankarai, Chennai 41			
		TOTAL	**10,20,823**		

SON AND DAUGHTER OF J ELAVARASI					
Amount deposited in the name of Master Vivek Selvi Snakila and Selvi Krishnapriya son and daughter of Tmt. J. Elavarasi during October 1993 in Indian Bank (On receipts of terminal benefits of their father Tr. V. Jayaraman)	Bank Records	son and daugher of TMT. J. Elavarasi	38,421	II	306
		TOTAL	**38,421**		

MAHA SUBBULAKSHMI KALYANA MANDAPAM					
Description of the Property	**Reference of Document**	**Stands in the Name of**	**Value of the property Rs.**	**Annexure No.**	**Item No in Annexure II**
Cost of acquistion of Maha Suba Lakshmi Kalyana Mandabam, Chennai 106	19-7-1993	Maha Subbulakshmi Kalyana Mandapam	38,51,000	II	31
3197 Sq. ft / ts No. 115/P, 117/P in Arumbakkam Village	31-10-1994 and 04-04-1995 Sale deed	Maha Subbulakshmi Kalyana Mandapam	8,55,150	II	103
3197 Sq. ft / ts No. 115/P, 117/P in Arumbakkam Village	31.10.1994 and 04-04-1995 Sale deed	Maha Subbulakshmi Kalyana Mandapam	8,55,150	II	162
Cash balance as on 30.4.1996 in CA No.I 689 Canara Bank, Anna Nagar	Account opened on 1-12-1993	Maha Subbulakshmi Kalyana	3,17,476	II	207

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		Mandapam			
		TOTAL	**58,78,776**		

GRAND TOTAL 6,73,45,272

M/S JAYA FINANCE P LTD					
Cash Balance as on 30-4-96 in CA 1179 of Indian Bank Abiramapuram opened on 5/5/95 in	30-4-1996	M/s. Jaya Finance (P) Ltd	1,760		209
		TOTAL			
		GRAND TOTAL	**4,60,24,439**		

ANNEXURE - II

Properties acquired by Anjaneya Printers (P) Ltd., at the end of check period according to DVAC

I/5th Share of I ground and 1086 Sq.ft. together with a super structure in S.No.301, 4725/16 in 21, Padmanaban Streetm T Nagar New T S No. 8025/1 Block No. 107	17-1-1994 Sale deed	M/s. Anjaneya Printers P Ltd	3,19,230	II	51
1/5th Share of 1 ground and 1086 Sq.ft. together with a super structure in S.No.30 I , 4725/16 in 21, Padmanaban Streetm T Nagar New T S No. 8025/1 Block No. 107	17-1-1994 Sale deed	M/s. Anjaneya Printers P Ltd	3,19,230	II	52
1/5th Share of 1 ground and 1086 Sq.ft. together with a super structure in S.No.301, 4725/16 in 21, Padmanaban Streetm T Nagar New T S No.8025/1 Block No. 107	17-1-1994 Sale deed	M/s. Anjaneya Printers P Ltd	3,19,230	II	53
1/5th Share of 1 ground and 1086 Sq.ft. together with a super structure in S.No.301, 4725/16 in 21, Padmanaban Streetm T Nagar New T S No.8025/1 Block No. 107	17-1-1994 Sale deed	M/s. Anjaneya Printers P Ltd	3,19,230	II	54
1/5th Share of 1 ground and 1086 Sq.ft. together with a super structure in S.No.301, 4725/16 in 21, Padmanaban Streetm T Nagar New T S No.8025/1 Block No. 107	17-1-1994 Sale deed	M/s. Anjaneya Printers P Ltd	319,230	II	55

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4293 sq.ft. together with a building (2000 sq.ft. Ground Floor 2600 sq.ft. first floor) in S.No.6794 which is called No. 68, Habibullah Road, T.Nagar Ms. 17	30-12-1994 Sale deed	M/s. Anjaneya Printers P Ltd	43,56,142	II	122
3472 sq.ft. together with building 3000 sq.ft. ground Floor 3700 sq.ft. first Floor in Survey No,6794 which is called 69, Habibullah Road T Nagar Ms. 17	30-12-1994 Sale deed	M/s. Anjaneya Printers P Ltd	59,96,346	II	123
1/6th undivided shares of land in 5 grounds and 1133 sq.ft. in S.No.3334/Ia of Luz Avenue	21-3-1995 Sale deed	M/s. Anjaneya Printers P Ltd	10,87,196	II	157
New/additional construction Building at door No.48 Jawharlal Nehru Road, Industrical estate Guindy Ekkatuthangal Chennai	As per Evaluation Report **	M/s. Anjaneya Printers P Ltd	2,13,63,457	II	177
new additional construction in residential building at door no. 21 Padbanabha Street T Nagar Chennai - 17	Evaluation Report	M/s. Anjaneya Printers	20,43,000	Ⅱ	185
Cash Balance as on 30-04-96 in CB. Mylapore in CA 2250 Opened on 29-07-93	30-4-1996	M/s. Anjaneya Printers P Ltd	10,75,336	II	213
TN 09 H 3595 (Swaraj Mazda Van)	26-03-1996	M/s. Anjaneya Printers P Ltd	5,56,999	II	251
TN 09 H 3541 (Swaraj Mazda Van)	26-03-1996	M/s. Anjaneya Printers P Ltd	5,56,999	Ⅱ	252
TN 09 H 3586 (Swaraj Mazda Van)	25-3-1996	M/s. Anjaneya Printers P Ltd	5,56,999	II	255
Machinery subsequently purchased for M/s.	As per Evaluation Report **	M/s. Anjaneya Printers P Ltd	2,16,42,000	II	294
A developed plot bearing No. 6 to an extent of 1.12 acres in Industrial estate Thirumuzhi in the name of M/s. Anjaneya Printer P Ltd on 20/4/1994 at a cost of Rs. 819000/- and a service charges of Rs. 40950 collected by Sidco vide receipt No. 120128 dated	05-06-1994 Sale deed	M/s. Anjaneya Printers P Ltd	8,60,950	Ⅱ	297
		TOTAL	**6,16,91,574**		

SUPER DUPER TV PRIVATE LIMITED					
Description of the Property	**Reference of Document**	**Stands in the Name of**	**Value of the property Rs.**	**Annexure No.**	**Item No in Annexure II**

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Cash Balance as on 30.04-96 in CA 1152 at IB Abiramapuram opened on 25/1/95	30-4-1996	M/s. Super Duper TV Pvt. Ltd	5,46,577	Ⅱ	216
Fixed deposit in IB, Abiramapuram in the name of	20-04-1995	M/s. Super Duper TV Pvt. Ltd	5,00.000	II	260
Fixed deposit in IB, Abiramapuram in the name of	25-3-1995	M/s. Super Duper TV Pvt. Ltd	5,00,000	II	262
Fixed deposit in IB, Abiramapuram in the name of	25-3-1995	M/s. Super Duper TV Pvt. Ltd	5,00,000	II	263
Fixed deposit in IB, Abiramapuram in the name of	25-3-1995	M/s. Super Duper TV Pvt. Ltd	5,00,000	Ⅱ	264
A shed allotted By SIDCO in Electronics complex, Guindy on 15/4/1995 in favour	15-04-1995	M/s. Super Duper TV Pvt. Ltd	15,75,800	II	292
		TOTAL	**41,22,377**		

Grand Total	**37,55,10,354**

97. He also drew our attention to a chart filed by him on disputed items in Annexure II relating to A2 to A4, firms & companies, its value as well as its ownership, which is given hereunder:-

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Part B- Disputed Items in Annexure II relating to its value as well as its ownership..									
ANNEXURE -II									
Items shown in Annexure - II	Description of the item in Annexure II	Value According to DVAC	Evidence and Exhibits relied upon by DVAC		Value as per defence	Evidence and Exhibits relied upon by Accused No.2.		Trial Court findings	High court findings
			Exhibits	PW's		Exhibits	DW's		
6	Land and Building at Door No.19, Pattammal Street, Chennai Plot No.83, R.S.No.4087, extent 1897 Sq.Ft M/s. Jaya Publications Partners - Selvi.J.Jayaalithaa & N.Sasikala (Doc No. 1024/89, dt.18-6-89 of SRO, Mylapore	5,70,039	Shown in Annexure - I, Item -6		Acquired prior to check period. Hence, whole amount to be excluded				
7.	Land and Flat No.7 R.R.Flats, 3/4 Antu Street, Santhome, Chennai-4 of Tmt.N.Sasikala (Doc no.575/89, dt 17.4.1989 of SRO, Mylapore)	3,13,530	Ex.P-2327 Shown in Annexure - I, Item -7 (Vol No.79, Page 65-77)		Acquired prior to check period. Hence, whole amount to be excluded				
8	Shop No.14, Ground Floor at 602, Anna Salai, Chennai-6 (Parsn Manere) M/s.Sasi Enterprises (Doc No.399/89 dt.5-7-89 of SRO, Thousandlights)	98,904	Shown in Annexure - I, Item -8		Acquired prior to check period. Hence, whole amount to be excluded				
9	Undivided share of land only at Door No.14, Kather Navaz Khan Road, Nungambakkam, in Block No.12, R.S.No.58/5 to the extent of 68/12000 undivided share in 11 Grounds 736 Sq.ft with a Shop No.9 - M/s.Sasi Enterprises (Doc No.526/89 dt.21-9-89 of Jt. S.R.II, Thousandlights)	2,10,919	Shown in Annexure - I, Item -9		Acquired prior to check period. Hence, whole amount to be excluded				
12	Land and Building in Tanjore, Maharnoombu Chavadi S.No.I091 extent of 2400 Sq.ft M/s. Sasi Enterprises, Partners: J.Jayalalithaa, N.Sasikala (Doc No.455/90 dt.I9-4-90 of ORB,Thanjavur)	1,57,125	Shown in Annexure - L Item -12		Acquired prior to check period. Hence, whole amount to be excluded				

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Items shown in Annexure - II	Description of the item in Annexure II	Value According to DVAC	Evidence and Exhibits reliedupon by DVAC		Value as per defence	Evidence and Exhibits relied upon by Accused No.2.		Trial Court findings	High court findings
			Exhibits	PW's		Exhibits	DW's		
13	Vacant site at Blake HD. Road,Tanjore Town, 3rd Division, 6th Ward, Mahar Nombu Chavadi to the extent of 5100 Sq Ft in T.S.No.1091 M/s. Sasi Enterprises (Doc No.456/90 dt.19-4-90 of ORB, Thanjavur	1,15,315	Shown in Annexure - I. Item -13		Acquired prior to check period. Hence, whole amount to be excluded				
14	Vacant site at Blake H.D. Road,Tanjore Town, Mahar Nombu Chavadi, extent 8970 Sq.ft. in T.S.No.I019 M/s. Sasi Enterprises, . (Doc No.457/90 dt 19-04-1990 of ORB, Thanjavur)	2,02,778	Shown in Annexure - I, Item -14		Acquired prior to check period. Hence whole amount to be excluded				
15	Land and building at Abishekapuram Village, Pon Nagar, Trichy (in plot No.102, 3rd Cross Road, New Ward No.K, Block No.30, T.S.No. 107) to the extent of 3525 Sq.ft Tmt.N.Sasikala W/o. M.Natarajan (Doc No.2256/90, dt.3.5.90 of ORB, Thanjavur)	5,85,420	Shown in Annexure - 1, Item -15		Acquired prior to check period. Hence whole amount to be excluded				
16	Dry land to the extent of 3.23 Acres in S.No.402/2 Sundarakottai Village, Tanjavur M/s. Sasi Enterprises (Doc No.563/90 dt.12-7-90)	75,210	Shown in Annexure - I, Item -16		Acquired prior to check period. Hence whole amount to be excluded				
17	Land and building at Thiru Vi-Ka Industrial Estate, Guindy, in S.No.55, 56, Block No.6, extent 5658 Sq.ft, Shed No.C-8,Adyar Village - M/s. Jaya Publications (Doc No.4640/90 dt.8.12.1990 of SRO, Adyar	5,28,039	Shown in Annexure - I, Item -17		Acquired prior to check period. Hence whole amount to be excluded				

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Items shown in Annexure - II	Description of the item in Annexure II	Value According to DVAC	Evidence and Exhibits relied upon by DVAC		Value as per defence	Evidence and Exhibits relied upon by Accused No.2.		Trial Court findings	High court findings
			Exhibits	PW's		Exhibits	DW's		
31	Cost of acquistion of Maha Suba Lakshmi Kalyana Mandabam, Chennai 106	38,51,000	Ex-P-40 (Vol No.14, pg. 105-106)	PW-I0 (Vol No. 2, pg. 54-59)	Value to be considered is Rs.10,00,000/ and hence Rs.28,51,000/- is to be excluded.	Ex-D-379 (Vol No. 164, pg. 21 - 24) **Exhibit not considered**	DW-90 (Vol No.92, pg. 188-195 @ page 190) DW-88 (Vol No.92 Pg. 105-176 @ Page 175) **DW not considered**	Para 77.1 & 77.2, Pg.1662 - 1665 of.Vol. VII.	Page No.978 of Vol No_IV
33	Cost of acquisition of shares by M/s. Anjaneya Printers (P) Limited at No. 48 Inner Ring Road, Ekkattuthangal, on 1-9-93 (Towards transfer of shares of Rs. 64,05,000/- machinery cost of Rs. 20,16,000/- from Tr.Naresh Shroff	84,21,000	MOU dated 01.09.1993 - Ex-P-4I, Vol. 14 of Pg. 107-112) at page 108	PW-I5 (Vol No.2 page 77-83) at page 79	Since the cost of machinery purchased by Anjaneya Printers Pvt Ltd is shown as Rs.20,16,000/- has been included in item 294 of Annexure II in Vol No.1 page 113, the said amount has to be excluded here and only Rs.64,05,000/- (shares purchased by A-2) is to be considered. Hence the value of Rs.20,16,000/- is to be excluded.	Ex.D-236, Ex.D-237 & ExD-238, Pg. 121, 122 & 123 of Vol. 153 Ex-D-276 Page 117 Vol No.156 and Ex-P-1519 (bank statement), Pg. 263-276 of Vol. 61 (CA No.2196 - CB) Ex-P-2088 (Vol No.64, page 265)	DW-89 (Vol No.92, Page 177 - 187) @ page 185 DW 88 (Page No. 127 of Vol No.92)	Not accepted Page No.1820 to 1823 Para 84.3 to Para 84.5 of Vol No.VII	Page No.979 of Vol No.IV
64	Amount paid towards the cost of acquisition of 10.78 acres over and above the document value doc no. 42/94 dated 8/2/1994 of S RO North Madras	4,65,000	Ex.P-139 (Vol. No. 22, pg. 233-240)	PW-51 (Vol. No. 3, pg. 1-17 at page 12)	Cash payment of Rs. 4,65,000/-is denied and liable to be excluded.			Para 77.4, Pg. 1667 -1669 of Vol. VII. **TC Accepts our case**	
66	Amount Paid over and above the cost in document No.43/94 dated 5/2/94, S R 0 North Madras to the seller Tr. Gopinath	4,85,000	Ex.P-124 (Vol. No. 22, pg. 165-171)	PW-46 (Vol.No. 2, pg. 228 - 236) "Admits in cross the consideration shown in Deed is correct"	Since it is said as cash payment. The whole amount of Rs.4,85,000/- is to be excluded.			Para 77.4, Pg. 1667-1669 of Vol. VII. **TC Accepts our case**	

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Items shown in Annexure - II	Description of the item in Annexure II	Value According to DVAC	Evidence and Exhibits relied upon by DVAC		Value as per defence	Evidence and Exhibits relied upon by Accused No.2.		Trial Court findings	High Court findings
			Exhibits	PW's		Exhibits	DW's		
70	Actual consideration paid to Tr. Jagadesh A.Raja S/o. Alagu Raja, 22, Bazulah Road, Chennai-17 by DD Rs.2,35,200/- and by cash Rs.3,35,000/- on 8.3.1994 for purchase of 6.75 cents covered in Doc No.189/book4 of 1994 dated 9:3.1994 of SRO Adyar (owned by Green Farm House)	5,70,200	Ex.P-30, 31 and 32 - PoA Ex.P-43 – Sale agreement (Vol.No.14) Ex.CI, Pg.78 -79, Vol 81, Ex.C2, Pg. 80 -81, Vol. 81.	PW- 16 (Vol No. 2,Pg. 84-92) at page 86	2,35,200 (Cash payment of Rs.3,35,000/- denied) In the income tax returns of the vendors in Ex-C2 itself shows that the sale consideration was only Rs.235200/-. His income tax returns belies his oral evidence of receipt of cash. Hence the value of Rs.3,35,000/- is to be excluded.			Though our case is accepted no deduction was given to the tune of Rs.3,35,000/- ref page 1837 of Vol VII; Page No.1654 of Vol No. VII	Page No.978 of Vol No.IV
72	Actual consideration paid to Tmt. Gayathri Chandran W/o K.T. Chandaravadanam, 22, Bazullah Road Chennai -17 By DD Rs.530400/- and by cash Rs. 335000/- on 8/3/1994 (Owned by Green Farm House)	8,65,400	Ex.P-44 - Sale agreement (Vol No.14, page124-128, @ page 126)	PW-I6 (Vol No. 2,Pg.84 - 92) at page 86	5,30,400 (Cash payment of Rs.3,35,000/- denied). No evidence to show cash payment Hence the value of Rs.3,35,000/- is to be excluded.			Deduction was given to the tune of Rs.3,35,000/- ref page 1837 of Vol VII; Page No.1654 of Vol. No.VII	Page No.978 of Vol. No.IV
74	Actual consideration paid to K.T Chandravadanan 22, Bazullah Road, Chennai -17 by DD Rs. 235200/- on 8/3/94 and cash Rs.335000/- on 10/4/1994 (Owned by Green Farm House)	5,70,200	Ex.P-45 - Sale agreement (Vol No.14, page129-133, @page 129)	PW-16 (Vol No 2,Pg. 84 - 92) at page 86	2,35,200 (Cash payment of Rs.3,35,000/- denied). No evidence to show cash payment. Hence the value of Rs.3,35,000/- is to be excluded.			Though our case is accepted no deduction was given to the tune of Rs.3,35,000/- ref page 1837 of Vol VII; Page No.1654 of Vol No. VII	Page No.978 of Vol. No.IV
91 & 92	4380 sq.ft. land with 520 sq.ft. house In S.No. 588/2A, 2B in Thiruvenkadu Nagar colony - excess amount paid to seller Tmt. Sundari Shankar over and above document value (Sasi Enterprises)	Point No.91 - Rs.2,65,000/- Point No.92 - Rs. 3,10,000/-	Ex-P-46 (Vol No. 14, page 134 -137) Ex-P-17 (Vol No.13) Rs 190000 stamp duty Rs.20,800/- and registration charges Rs.1995/-	PW-17 (Vol No.2, page 93-95) PW161 (Ramesh)	Ex-P-17 (Vol. No. 13, pg 235-236) i.e. Sale deed shows Rs.190000/- as consideration and Rs.20800/- as stamp charges. Registration charges Rs.1995/- and Rs.37,200/- compounding fees totalling to Rs.2,49,995/-. Hence Rs.265000/- shown by DVAC is wrong. Therefore Rs.15,005/- is to be excluded. The entire cash payment of Rs.3,10,000/ in Item No.92 also to be excluded as there is no evidence. Hence the sum of both item No. 91 & 92 i.e. Rs.3,25,005/- is to be excluded.			Page no. 1659-1660, Vol.No. VII says PW161 evidence is probable (eventhough it is contrary to the written document). In Statement under 313 Cr P C, A2 denied payment of any cash over and above the sale consideration. The relevant page of answer U/s 313 of Cr P C is enclosed.	Page No.978 of Vol No.IV

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Items shown in Annexure - II	Description of the item in Annexure II	Value According to DVAC	Evidence and Exhibits relied upon by DVAC		Value as per defence	Evidence and Exhibits relied upon by Accused No.2.		Trial Court findings	High court findings
			Exhibits	PW's		Exhibits	DW's		
127	Cost of Transfer of 6,14,000 shares of M/s.Ramraj Agro at Vendampalai at the rate of Rs.3/- per share from Gandhi and others (6,18,000 shares minus 4000 shares) (Mrs. N.Sasikala)	18,42,000		Vol No.61 page 290 Ex-P- 1529-DD payment of Rs.3.60 Lacs dated 20.12.94 by Chq No.8213 PW 52 Ex-P-2244, Page No, 330 of Vol. No.75	Value of shares as per Defence is as below :- Total Value of Shares-Rs.I8,42,000 Less:- Value of 3,60,000 shares @ Rs.3/- per share owned and relating to A-2 to A-4 - Rs.10,80,000/- Balance = Rs.7,62,000/- which needs to be excluded. Payments made through bank statement of A-2 to A-4 are Ex-P-1529 (Vol. No. 61, pg 290-291)- DD payment of Rs.3.60 Lacs, Ex-P. 2245 payment by A4 - page No..27 of Vol. No.76 (Vol No. 76, pg. 1- 365) - Share transfer certificate+ Rs.360000/- payment in Vol. No.62 at page 36- Ex-P1618, Ex-P.1111 - Payment by A3 -Ex-P2245 page 156 of Vol. 76 - (Vol No. 58, pg. 221-222) & Ex. P. 1113 - Cheque paid by A3 -(Vol. 58, Pg. 225 - 226) respectively. **Hence the value of Rs.7,62,000/- is to be excluded.**			Para 77.5, Pg. 1670 - 1671 of Vol. VII	Page No.979 of Vol. No.IV
159	Cost of acqusition of Luz Avenue property other than the consideration covered by document Nos.241/95 to 252/95 of S.R.O.North Madras for the purpose of clearing the loan that stood in the name of properties in the indian Bank Abiramapuram (Mrs.N.Sasikala)- Ex-P-105	76,00,000	Ex-P-105 to 110 (Sale deed) (Vol. No.22, page 97-136) and Ex-P- 111 toEx-P121 (challans) (Vol No.22, page 137-149)	PW-43 (Vol No. 2, Pg. 204-214, cross on 29.1.2003)	1/6th share of Luz Church in the name of Mrs.N.Sasikala, JS Housing and Development, Anjaneya Printers Private Ltd, Jaya Contractors and Builders, V.N.Sudhagaran & J.Elavarassi respectively. The entire amount of Rs.76,00,000/- stated to be given in cash is to be excluded.			Excess amount paid by cash as pleaded by prosecution not accepted by the Trial Court. Para 77.8, Pg. 1673 - 1680 of Vol. VII	Page No.978 of Vol. No.1V
168	168	40,197			A-2 purchased item in S.No34 to 48 shown in Annexure II during the check period for Rs3,49,683/- as per DVAC. The very same items are sold by A-2 to Meadow Agro Farms Private Limited for Rs.2,90,000I- and the same are shown again as Item No. 168 and 169 of Annexure –II.			Para 75.64, Pg. 1649 of Vol.VII – Does not notice that items are repeated.	

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Items shown in Annexure - II	Description of the item in Annexure II	Value According to DVAC	Evidence and Exhibits relied upon by DVAC		Value as per *defence*	Evidence and Exhibits relied upon by Accused No.2.		Trial Court findings	High court findings
			Exhibits	PW's		Exhibits	DW's		
169	169	40,197			These items 168 and 169 are required to be deleted from Annexure-IL Only the value of the items S.No.34 to 48 are to be retained and item No. 168 & 169 amounting to Rs.80,394/- is to be deleted from Annexure II.				
173	Expenditure towards acquisition of Indo-Doha Chemicals and Pharmaceuticals Ltd at Cuddalore (I) Tr. Ayyadurai promotor of Indo Doha Pharmaceuticals Rs.35,45,000/- (2) To interface capital Market shares 24,05,000/- (3) to Ind Bank - 27,41,000/-	86,91,000		PW-84 (Vol No. 4, pg. 32-42, at page 38) Further cross will go to show no cash payment of Rs.5,00,000/-	Value as per defense is Rs.81,91,000/- Hence the disputed value of Rs.5,00,000/- which has been alleged to be paid in cash is to be excluded.		Ref Re-exam Page 41, Vol. No.IV	Para 94- 94.8, Pg. 1927-1935 of Vol. VIII. No evaluation Pg 1930 of Vol. No. VIII	Page No.979 of Vol. No.IV
174	New/additional construction in Building at 5- A, B, and C East Coast Neelankarai Chennai - 41 (Ref Doc. No. 4752/93 SRO Adayar) (Sasi Enterprises)	80,75,000	Ex.P-673 (Vol No. 35, page 70-171)	PW-I17 (Vol. No 5, Pg.86 , cross 108-109, recalled 116) See DW-75 (Vol. No. 91, Pgs. 181)	Without prejudice : (Amount to be accepted is Rs.40,39,019/-) and hence balance of Rs.40,35,981/- is to be excluded.	Ex.D-306 (Pg. 122-168 @ 163, Vol. 157) **NOT CONSIDERED BY THE TRIAL COURT**	DW-95 (Vol. No. 92,Pg. 203-211)	Para 78.1, Pg. 1683- 168 of Vol. VII. Trial Court agrees with the contention of the accused that the prosecution has not proved the cost of construction yet granted 20% reduction in the overall cost. Hence the prosecution evidence towards cost of construction is liable to be rejected in its entirety. See page 1755-56 in Vol. No.VII	Page No. 866 to 889 of Vol. No.IV

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tems shown in Annexure -II	Description of the item in Annexure II	Value According to DVAC	Evidence and Exhibits relied upon by DVAC		Value as per defence	Evidence and Exhibits relied upon by Accused No.2.		Trial Court findings	High court findings
			Exhibits	PW's		Exhibits	DW's		
176	New/Additional Construction in Farm House Bangalows at Payyanur in Chengai Anna Dist (Mrs.N.Sasikala)	1,25,90,261	Ex.P-96 to Ex.P-103 (Vol. 22-Pg.50 - 55; 56 - 61;62 - 67; 68 - 71; 72 - 76; 77-80; 81-85 & 86-91) Ex.P-662 (Vol. No. 34, Pg. 31-87)	PW-107, Vol. 4, Pg. 217-253, at page 221)	The property was purchased with building and no new construction has been carried out during check period. Hence the whole amount of Rs.1,25,90,261 is to be excluded.	Ex.D-251 (Pg. 3 to 9, Vol.-156) to Ex.D-257 (Pg. 19 to 20, Vol -156) Ex-D-254 (Page No.14 & 15, Vol No.156) **NOT CONSIDERED**	DW-83 (Vol No. 92, pg. 23-35) DW-93 (Vol No. 92 Pg. 212-217) DW-95 Vol. No.92-Page 224 **DISCARDS EXHIBITS IN PG 1695 OF VOL NO.V11**	Para 78.2, pg. 1689-1696 of Vol. VII. Trial Court agrees with the contention of the accused that the prosecution has not proved the cost of construction yet granted 20% reduction in the overall cost. Hence the prosecution evidence towards cost of construction is liable to be rejected in its entirety.	Page No. 866 to 889 of Vol. No. IV
177	New/additional construction Building at door No.48 Jawharlal Nehru Road, Industrial Estate Guindy Ekkatuthangal Chennai (Shastry Nuts Plates)	2,13,63,457	Ex.P-663 (Vol.No 34 pg 88-104) and Ex-P- 41 (MOU) (Vol. No. 14, pg. 107 - 112)	PW-107, Vol. 4, Pg. 217-253)	Since the property is not owned by Anjeneya Printers and as it is owned by Shastry Nuts Plates. Hence the whole amount of Rs.2,13,63,457/- is liable to be excluded.	Ex.D-239 to Ex.D-243 (Pg. 124-132; 133-134;135-137; 138-140 & 141, Vol No. 153) Ex-D-277 , Pg. 118-129 @ page 125, Vol. 156 - (Return) P&L acct for rent paid	DW-89 (Vol. No. 92 , Pg. 203-211)	Para 78.3, Pg.1696-1701 of Vol. VII. Trial Court agrees the contention of the accused that the prosecution has not proved the cost of construction yet granted 20% reduction in the overall cost. Hence the prosecution evidence towards cost of construction is liable to be rejected in its entirety.	Page No.866 to 889 of Vol. No.IV
178	New/additional construction in the Residential Building at D.No. 3/1/8c - Vettuvankeni Chennai (Green Farm House)	1,52,59,076	Ex.P-643 (Vol.No. 33, pg. 28-63) **REFERRED BUT NOT CONSIDERED Pg 1701 OF VOL NO.VII**	PW-98 (Vol. No. 4, Pg. 148-179) at page 151	Without prejudice : (Amount to be accepted is Rs.1,02,47,286/-) and hence balance of Rs.50,11,7901- to be excluded	Ex.D-306 (Pg. 122-168, Vol. 157)	DW-95 (Vol. No. 92, Pg.223 - 230) DW-76 (Vol No.91, Pg. 191-204)	Para 78.4, Pg. 1701-1705 of Vol. VII. Trial Court agrees with the contention of the accused that the prosecution has not proved the cost of construction yet granted 20% reduction in the overall cost Hence the prosecution evidence towards cost of construction is liable to be rejected in its entirety.	Page No.866 to 889 of Vol. No.IV

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Items shown in Annexure - II	Description of the item in Annexure II	Value According to DVAC	Evidence and Exhibits relied upon by DVAC		Value as per defence	Evidence and Exhibits relied upon by Accused No.2.		Trial Court findings	High court findings
			Exhibits	PW's		Exhibits	DW's		
180	New additional construction in the posh Bangalow at Siruthavur in Chengai Mgr Dist	5,40,52,298	Ex.P-66I (Vol. No. 34, pg. 1-30)	PW-I07 (Vol. No. 4, pg. 217-253) PW-220 (Vol. No.10, pg. 132, 161) at page 133	(Amount to be accepted is Rs.1,25,06,305/-) and hence balance of Rs.4,15,45,993/- is to be excluded	Ex.D-306 (Pg. 122-168, Vol. 157)	DW-95 (Vol. No. 92, pg. 223-230) DW-83 (Vol. No. 92, Pg . 25-35)	Para 78.6, Pg. 1707-1709 of Vol. VII. Trial Court agrees the contention of the accused that the prosecution has not proved the cost of construction Yet granted 20% reduction in the overall cost. Hence the prosecution evidence towards cost of construction is liable to be rejected in its entirety. PW107 evidence is unreliable.	Page No. 866 to 889 of Vol. No.IV
183	New additional construction in Building at sea shell avenue No.2/1 - B -3 apartment Sholinganallore Saidapet Taluk (J Farm House)	80,36,868	Ex-P-669 (Vol. No. 34, pg. 181-230)	PW-116 (Vol No. 5, pg 34-85) at page 39	Without prejudice : (Amount to be accepted is Rs.48,10,670/-) and hence balance of Rs.32,26,198/- to be excluded	Ex.D-306 (Pg. 122-168 at page 157, Vol. 157) **NOT CONSIDERED**	DW-95 (Vol No.92, Pg. 223-230) DW-79 (Pg. 222-237, Vol. 91)	Para 78.9, Pg. 1720-1722, Vol. VII. Trial Court agrees with the contention of the accused that the prosecution has not proved the cost of construction yet granted 20% reduction in the overall cost. Hence the prosecution evidence towards cost of construction is liable to be rejected in its entirety.	Page No.866 to 889 of Vol. No..IV
184	New additional construction in Building at door No. 19 Pattammal St. Mylapore, Chennai (Jaya Publication)	8,00,000	Ex.P-670 (Vol No. 35, pg. 1-15)	PW-116 (Vol. No. 5, Pg. 34-85) at page 40	Without prejudice : (Amount to be accepted is Rs.6,42,290/-) and hence balance of Rs.1,57,710/- to be excluded	Ex.D-226 (Pg. 185 - 186, Vol. 114) at page 186	DW-88 (Pg. 105-176, Vol No.92) at page 109	Para 78.10, Pg. 1723- 1727 of Vol. VII. Trial Court agrees with the contention of the accused that the prosecution has not proved the cost of' construction yet granted 20% reduction in the overall cost. Hence the prosecution evidence towards cost of construction is liable to be rejected in its entirety.	Page No. 866 to 889 of Vol NO. IV

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Items shown in Annexure - II	Description of the item in Annexure II	Value According to DVAC	Evidence and Exhibits relied upon by DVAC		Value as per defence	Evidence and Exhibits relied upon by Accused No.2.		Trial Court findings	High court findings
			Exhibits	PW's		Exhibits	DW's		
185	New additional construction in residential building at door No. 21Padmanabha Street, T Nagar, Chennai – 17 (Anjaneya Printers)	20,43,000	Ex.P-666 (Vol. No. 34, pg 113-139)	PW-116 (Vol. No. 5, Pg. 34-85) at page 36	Without prejudice : (Amount spent for construction to be accepted is Rs.19,05,868/-) and hence balance of Rs.1,37,132/- to be excluded	Ex.D-277 (Pg. 118-129 at page 128, Vol. 156) Value of property including land value is Rs.3502018/- **NOT CONSIDERED**	DW-79 (Pg. 222-237, Vol. No. 91, at page 224) DW-88 (Pg. 105-176, Vol.No. 92 at page 127)	Para 78.11, Pg. 1727-1729 of Vol. VII. Trial Court agrees with the contention of the accused that the prosecution has not proved the cost of construction yet granted 20% reduction in the overall cost. Hence the prosecution evidence towards cost of construction is liable to be rejected in its entirety.	Page No.866 to 889 of Vol. No. IV
186	New Additional construction in residential building at No.1/66 Anna Nagar Chennai **Item No.24 of Annexure II, page 45 of Vol. No.1**	24,83,759	Ex.P-641 (Vol.No. 33, pg. 3-17)	PW-98 (Vol. No. 4, Pg. 148-179 at page 148, 149 & 150)	Value to be considered is Rs.13,85,361/-. . Hence the sum of Rs. I0,98,398/- is to be excluded.	Ex.D-306 (Pg. 122-168, Vol. 157)	DW-76 (Vol. No. 91, 204, pg. 191-204 at page 193-195) DW-95 (Vol. No. 92, pg. 223 to 230)	Para 78.12, Pg. 1729- 1730 of Vol. VII. Trial Court agrees the contention of the accused that the prosecution has not proved the cost of construction yet granted 20% reduction in the overall cost. Hence the prosecution evidence towards cost of construction is liable to be rejected in its entirety. No questions under 313 Cr PC.	Page No.866 to 889 of Vol. No.IV
187	New additional construction in Building in door No. 5 Murugesan Street T Nagar, Chennai 17 (J. Real Estate)	10,92,828	Ex.P-642 (Vol No.33, pg. 18-27)	PW-98 (Vol. No. 4, pg. 148-179, at page 152 & 153)	Without prejudice : (Amount to be accepted is Rs.5,47,102/-) and hence balance of Rs.5,45,726/- to be excluded	Ex.D-306 (Pg. 122-168, Vol. 157) **NOT CONSIDERED**	DW-95 (Vol. No. 92, Pg. 223 - 230) DW-76 (Pg. 191- 204, Vol. No. 91, at page 191 & 192)	Para 78.13, Pg. 1730 - 1731 of Vol. VII. Trial Court agrees with the contention of the accused that the prosecution has not proved the cost of construction yet granted 20% reduction in the overall cost. Hence the prosecution evidence towards cost of construction is liable to be rejected in its entirety.	Page No.866 to 889 of Vol. No.IV

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Items shown in Annexure - II	Description of the item in Annexure II	Value According to DVAC	Evidence and Exhibits relied upon by DVAC		Value as *per defence*	Evidence and Exhibits relied upon by Accused No.2.		Trial Court findings	High court findings
			Exhibits	PW's		Exhibits	DW's		
188	New additional construction in residential building (4 Nos) in the campus at No.1/240 Enjabakkam in New Mahabalipuram road (J. Farm House)	53,11,000	Ex-P-668 (Vol.No. 34, Pg. 151-180)	PW-116 (Vol. No. 5, pg. 34- 85 at page 37)	Without prejudice : (Amount to be accepted is Rs. 29,82392/-) and hence balance of Rs.23,28,608/- to be excluded	Ex.D-306 (Pg. 122-168, Vol.157) **NOT CONSIDERED**	DW-95 (Vol. No.92, Pg.223-230) DW-92 (Vol. No 92, Pg.203-211, at page 203 & 204) DW-79 (Vol No. 91, Pg.222-237, at Page 228 & 229)	Para 78.14, Pg. 1731 - 1732 of Vol. VII. Trial Court agrees with the contention of the accused that the prosecution has not proved the cost of construction yet granted 20% reduction in the overall cost. Hence the prosecution evidence towards cost of construction is liable to be rejected in its entirety.	Page No.866 to 889 of Vol. No.IV
189	New/ additional construction in residential Building at No. I Murphy Street, Akkarai Chennai (J.S. Housing Development)	20,38,959	Ex-P-644 (Vol No. 33, pg. 64-85)	PW-98 (Vol. No. 4, Pg.148-179, at page 152-153)	Without prejudice : (Amount to be accepted is Rs.13,31,185/-) and hence balance of Rs.7,07,774/- to be excluded	Ex.D-306 (Pg. 122-168,Vol. 157) **NOT CONSIDERED**	DW-95 (Vol. No. 92, Pg.223-230) DW-76 (pg. 191-204, Vol. No. 91, at page 197) DW-92 (Pg. 203-211, Vol. No. 92, at page 204 & 208)	Para 78.15, Pg. 1732 - 1733 of Vol. VII. Trial Court agrees with the contention of the accused that the prosecution has not proved the cost of construction yet granted 20% reduction in the overall cost. Hence the prosecution evidence towards cost of construction is liable to be rejected in its entirety.	Page No.866 to 889 of Vol. No.IV
190	New / additional construction in Building at S.No.32/2-4 Plot No. S-7 Ganapathy Colony Thiruvika Industrial Estate Guindy Chennai 32 (Jaya Publication)	39,34,000	Ex-P-677 (Vol. No. 35, pg. 277-320)	PW-117 (Vol. No.5, pg. 86-117, at page 94, 103 & 104)	Without prejudice : (Amount to be accepted is Rs.32,94,834/-) and hence balance of Rs.6,39,166/- to be excluded	Ex.D-226 (Pg. 185-186, Vol. 114, at page 186) **NOT CONSIDERED**	DW-88 (Vol. NO. 92 Page No. 105-176 at Page 109)	Para 78.16, Pg. 1733-1735 of Vol. VII. Trial Court agrees with the contention of the accused that the prosecution has not proved the cost of construction yet granted 20% reduction in the overall cost. Hence the prosecution evidence towards cost of construction is liable to be rejected in its entirety.	Page No.866 to 889 of Vol. No.1V

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Items shown in Annexure - II	Description of the item in Annexure II	Value According to DVA C	Evidence and Exhibits relied upon by DVAC		Value as per defence	Evidence and Exhibits relied upon by Accused No.2.		Trial Court findings	High court findings
			Exhibits	PW's		Exhibits	DW's		
191	New Additional construction in Building and the change of roof for the works shed at MF 9 Guindy Industrial Estate Chennai -32 (Sasi Enterprises)	14,17,538	Ex-P-674 (Vol. No 35, pg. 172-225)	PW-I17 (Vol. No.5, pg. 86-117, at page 102, 109 & 110)	Without prejudice : (Amount to be accepted is Rs.4,76,525/-) and hence balance of Rs.9,41,013/- to be excluded	Ex.D-272 (Vol. 156, Pg. 103-112, at page 108,) **NOT CONSIDERED**	DW-88 (Pg. 105-176, Vol. No. 92, at page 108) DW-75 (Vol. No.9I, Pg. 180-191, at page 183 & 184)	Para 78.17, Pg. 1735 - 1736 of Vol. VII. Trial Court agrees with the contention of the accused that the prosecution has not proved the cost of construction yet granted 20% reduction in the overall cost. Hence the prosecution evidence towards cost of construction is liable to be rejected in its entirety.	Page No.866 to 889 of Vol. No.IV
242	TSR 333 Swaraj Mazda Van	2,99,845	Shown in Annexure - I, Item 22		(Acquired prior to check period. Hence whole amount of Rs.2,99,845/-is to be excluded)				
249	(TN-01-09-F-3744) (Trax Jeep)	2,96,191		PW-59 (Vol. No. 3, pg. 57-61, at page 58) (Does not admit payment) PW-69 (Vol. No. 3, pg. 100-107, at page 102)	Since no amount was paid towards purchase of vehicle the whole amount of Rs. 2,96,191/- is to be excluded.		—	Para 83-83.14, Pg. 1807-1816 of Vol. VII. No application of mind	Page No.979 of Vol. No.IV
254	TN 09 B 6966 (Metal King)	2,03,979	Ex.P-242 (Vol No. 25, pg. 40 - 42) Ex.P-288 (Vol No. 25, pg. 115)	PW-59 (Vol No. 3, Pg.57) See PW-69 (Vol No. 3, Pg 100-107, at page 103)	As per Ex.P-288 the vehicle was purchased by AIADMK on 19.4.1991 prior to check period. The said vehicle was purchased as second hand by Accused No. 1 on 12.5.1992 and from Accused No.1, the said vehicle was purchased by Metal King on 22.3.1995. Hence value assigned by prosecution for second hand vehicle is not justified and hence the full value of Rs.203,979/- is to be deleted			Para 83 - 83 .14, Pg. 1807-1816 of Vol. VII - discussion & findings.	Page No.979 of Vol. No.IV

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Items shown in Annexure - II	Description of the item in Annexure II	Value According to DVAC	Evidence and Exhibits relied upon by DVAC		Value as per defence	Evidence and Exhibits relied upon by Accused No.2.		Trial Court findings	High court findings
			Exhibits	PW's		Exhibits	DW's		
256	TN 09 B 6565 (Mercedes Benz car Imported) (Jaya Publication)	9,15,000	Ex-P-279 (Vol. No.25, pg. 103) Ex-P-1903 (Vol. No. 63, pg. 57-105, pages 74 - Rs.600000 & page 75 for Rs.76000 entry)	PW-69 (Vol. No. 3, pg.100-107, at page 102)	Without prejudice : (Amount to be accepted is Rs.6,76,000/-) and hence balance amount of Rs.2,39,000/- is to be excluded Ex-P-1903-Bank statement of JP	D-220 - IT Return (Pg. 79-97, at page 94 Vol No. 114) **NOT CONSIDERED**	DW-88 (Vol No.92, page Nos 105-176, at page 108) **NOT CONSIDERED**	Para 83- 83.14, Pg. 1807 - 1816 of Vol. VII - discussion & findings.	Page No.979 of Vol. No.IV
257	TN 09 B 6975(Bajaj Tempo van) (Metal King)	2,03,979	Ex-P-241 (Vol. No. 25, pg. 39-40) Ex-P-287 (Vol.No. 25, pg. 114)	PW-59 (Vol. No.3, pg.57-61, at page 58) PW-69 (Vol. No.3, pg. 100-107, at page 103)	As per Ex.P-241, The vehicle vas purchased by AIADMK on 18.4.1991 prior to check period. The said vehicle was purchased as second hand by Metal King. Vehicle not transferred as alleged by prosecution hence not justified & full amount of Rs.203,979/- is to be excluded.			Para 83- 83.14, Pg. 1807 - 1816 of Vol. VII - discussion & findings.	Page No.979 of Vol. No.IV
			Vehicle valuation :- 1. Rs.129,403.35 2. Proved by Accused						
259	Fixed Deposit in Canara Bank, Mylapore in the name of Jaya Publications - **PW 201**	1,49,544	Ex-P-1921 Vol. No. 63, Pg. 120-121)	PW 201 Page 142, Vol. No.9	As per the exhibit the amount is a renewal of the fixed deposit placed prior to the check period and hence full amount of Rs.1,49,544/- is to be excluded			Para 81, Pg. 1791-1795 of Vol. VII.	Page No.979 of Vol. No.IV
261	Fixed deposit in Canara Bank, Mysore Branch in the name of Jaya publications - **PW 201**	71,218	Ex-P-1922 (Vol..No. 63, pg. 122-123)	PW 201 Page 142, Vol No.9	As per the exhibit the amount is a renewal of the fixed deposit placed prior to the check period and hence full amount of Rs.71,218/- is to be excluded			Para 81, Pg. 1791-1795 of Vol. VII.	Page No.979 of Vol. No.IV

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Items shown in Annexure - II	Description of the item in Annexure II	Value According to DVAC	*Evidence* and Exhibits relied upon by DVAC		Value as per defence	Evidence and Exhibits relied upon by Accused No-2.		Trial Court findings	High Court findings
			Exhibits	PW's		Exhibits	DW's		
285	62 items of Jewels claimed to be of Tmt. N. Sasikala as evaluated by M/s. VBC Trust on 31.3.1991-	9,38,460	Ex-P-1014 (Vol. No. 57, pg. 181-183), Ex-P-1015 (Vol. No. 57, pg. 184-185), Ex-P-2208 (Vol. No. 69, pg. 164-187) Ex-P-2209 (Vol. No. 69, pg. 188-189)	PW-179 (Vol. No. 7, pg.253-272) PW-227 (Vol. No. 11, pg.40-56, at page 49 & 50)	Acquired prior to check period, Hence the whole amount of Rs.9,38,460/- is to be excluded.			Para 79, Pg. 1756-1785 of Vol. VII.	Page No.979 of Vol. No.IV
287	34 items of Jewels purporting to be of Tmt. Sasikala as evaluated by M/s. VBC Trust on 16-1-1992	17,54,868	Ex-P-1016 (Vol. No. 57, pg. 186-188) Ex-P-2208 (Vol. No. 69, pg. 164-187), Ex-P-2209 (Vol. No. 69, pg. 188-189)	PW-I79 (Vol. No. 7, pg. 253- 272)	Acquired prior to check period Hence the whole amount of Rs.17,54,868/- is to be excluded.			Para 79, Pg. 1756-1785 of Vol. VII.	Page No.979 of Vol. No.IV
293	Machinery subsequently purchased for M/s. Metal King	7,69,000	Ex-P-665 (Vol. No. 34, pg. 111-112)	PW-115 (Vol. No. 5, Pg. 18-33 (He mentioned it as Scrap Value) also at Pg. 26 of Vol. 5.	Machineries are stated to be as scrap (no value for the same). Hence the whole amount of Rs.7,69,000/- is to be excluded.			Para 84, Pg. 1816-1823 of Vol. VII.	Page No.979 of Vol. No.IV
294 (Part of item No.33)	Machinery subsequently purchased for M/s. Anjaneya Printers	2,16,42,000	Ex-P-664 (Vol. No. 34, pg.105-110) Ex-P-2088 (Vol. No.64, page 265) - relates to cheques to 3 parties	PW-115 (Vol. No. 5, pg. 18-33)	Value of machinery as per defense is Rs.94,25,835/- and DVAC has shown a portion of the machinery as S.No.223 & S.No.224 of Annexure IV totaling to Rs.53,00,000/-. Hence the defense is accountable to explain for a sum of Rs.94,25,835/- only. Hence the difference of Rs.1,22,16,165 is to be excluded	Ex.D-236 to D-238 (Pg. 121; 122 & 123, Vol no. 153) Ex-D-276 (Pg. 117, Vol. No. 156) Ex-D-277 (Pg. 118-129, Vol. No. 156 at page 128)	DW-89 (Pg. 177-187, Vol. No. 92, at page 178) DW-88 (Pg. 105-176, Vol. No. 92, at page 127)	Para 84 - 84.7, Pg. 1816-1823 of Vol. VII. Ex-D-235 (Page 120, Vol. 153 wrongly referred to here by the TC)	Page No.979 of Vol. No.IV

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Items shown in Annexure - II	Description of the item in Annexure - II	Value According to DVAC	Evidence and Exhibits relied upon by DVAC		Value as per defence	Evidence and Exhibits relied upon by Accused No.2.		Trial Court findings	High court findings
			Exhibits	PW's		Exhibits	DW's		
299	Ashok leyland Panther Luxury coach bearing registration No. TN - 09 F 2575 purchased in the name of M/s. Jaya Publication P limited (Chassis Rs. 699178* cost of Body Building Rs.2541000)	32,40,278	Ex-P-253 (Vol.No.25, pg. 62-63) Ex-P-254 (Vol. No. 25, pg. 64-65) Ex-P-255 (Vol. No. 25, pg. 66-67)	P W-63 (Vol. No.3, pg. 74-78)	(Amount to be accepted is Rs.32,39,178/-) and hence balance of Rs.1,100/- is to be excluded	Ex.D-226 (Pg. 185-186, Vol. No. 114, at page 186 - under fixed assets)	DW-88 (Vol. No.92, page Nos. 105-176, at page 109)	Para 83.6, Pg. 1811-1812 of Vol. VII.	Page No.979 of Vol. No.IV
301	Cost of renovation and additional construction between June 1992 and 1993 of the building at Plot No. 102 III Cross Road, Pon Nagar, Trichy owned by Tmt. N. Sasikala (Covered by document No. 2256/90 dt. 3/5/90 S R 0 I 0 R B TRICHY)	6,83,325	Ex.P-781 (Vol. No.39, pg. 126-127) and Ex-P-782 (Vol. No. 39, pg. 128-129)	PW-144 (Vol. No.6, pg. 147-152) recalled see Pg. 152 of Vol. 6.	Purchased with building prior to the check period. No new construction Purchased prior to check period Annexure I, Item No.15, Vol. No. I (page 42). Hence building value of Rs.6,83,325/- is to be excluded.			Para 78.18, Pg. 1736-1738 of Vol. VII. Trial Court agrees with the contention of the accused that the prosecution has not proved the cost of construction yet granted 20% reduction in the overall cost. Hence the prosecution evidence towards cost of construction is liable to be rejected in its entirety. Trial Court puts at Rs.39,34,000/- at page 1736 Vol. No.VII	Page No.866 to 889 of Vol. No. IV
	TOTAL	**13,11,02,559**							

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98. Mr. Naphade submitted that there are 306 items, which would appear in Annexure II, out of which 175 items relate to properties of Accused Nos. 1 to 4, Jaya Publications and Sasi Enterprises. Out of the 32 entities which have been referred in the charge sheet filed by the prosecution, 17 of them are alleged to have properties, 4 of the said 17 companies and/or firms have only cash balances and 2 entities, which are not included in the 32 entities are (i) Mahasubbulakshmi Kalyana Mandabam and (ii) Jaya Finance. Out of 32 entities, 15 are not shown to have any assets in Annexure II. A2 is concerned with the properties shown in respect of herself, Jaya Publications, Sasi Enterprises as also Anjaneya Printers Private Limited, Green Farm House, J Farm House, Jay Real Estate, Jaya Contractors and Builders, J.S. Housing Development, J.J. Leasing and Maintenance, Lakshmi Constructions, Gopal Promoters, Sakthi Constructions, Kodanad Tea Estate and Jaya Finance Private Limited. A3 is concerned with the properties shown in respect of himself as also Super Duper TV (P) Limited. A4 is concerned with the properties shown in respect of herself, J.Vivek Minor Son, Daughter and Son of A4 and also Mahasubbulakshmi Kalyana

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Mandabam.

The total 10 items, which has been stated by the prosecution in Annexure II is liable for exclusion since purchase have been made prior to check period. Hence a sum of Rs.28,57,279/- needs to be excluded from Annexure II.

99. Mr. Naphade further submitted with regard to Item No.31- Cost of acquisition of Mahasubhalakshmi Kalyana Mandapam, Chennai amounting to Rs.38,51,000/- that it is a partnership firm of which the original partners were one Selvaraj and his family members, who did appear before the Court as PW10 and he deposed that for the purpose of construction, the said firm borrowed Rs.19 Lakhs from Central Bank of India and such loan was duly repaid from the income of the said Mandapam. A3 approached him in the year 1993 and it was agreed that the original partners will retire and A3, A4 and one Sreethaladevi would be inducted as partners. He has stated that A3 paid a sum of Rs.38,51,000/- by Demand Drafts. He relied upon a letter of the bank dated 12.11.1996, which was marked as Exh. P-40 before the Court.

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100. It is further submitted that the letter does not indicate that any amount is paid by A3, A4 or the said Sreethaladevi. The prosecution has clearly attempted to manipulate the evidence to show that A3, A4 and Sreethaladevi paid a sum of Rs.38,51,000/-. In the absence of any evidence of any payment of Rs.38,51,000/- the case of the prosecution must be discarded. However, defence led evidence through DW88 and has proved the partnership deed (Exh.D-379) showing the original partners retiring and A3, A4 and Sreethaladevi being inducted as partners. It would be evident from the said deed that an amount of Rs.10 Lakhs only has been paid to the outgoing partners. It is submitted that the Trial Court added the whole amount of Rs.38,51,000/- as assets of the accused. Although A3 admits only a sum of Rs.10 Lakhs under this item, the balance of Rs.28,51,000/- is liable to be excluded.

101. He further pointed out that the shares by M/s. Anjaneya Printers (P) Limited at No. 48 Inner Ring Road, Ekkattuthangal, on 01.09.1993 were acquired after making payment of Rs.64,05,000/-against all the shares and the machinery at Rs.20,16,000/- from Tr. Naresh Shroff and

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thereby totalling Rs.84,21,000/-. The version of the prosecution, according to Mr. Naphade proceeds on the assumption that the accused have not only acquired shares of Shastri Nuts but also the assets of Shastri Nuts and on that premise prosecution has valued the machineries at Rs.20,16,000/-. The evidence of PW15 clearly shows that A2 acquired shares of Shastri Nuts from PW15 and his family members. Mr. Naphade stated that the MOU dated 01.09.1993 would show only the value of the shares, i.e., Rs.64,05,000/- has been paid and further the accused have not purchased the assets of Shastri Nuts. According to Mr. Naphade, the amount of Rs.20,16,000/- is liable to be excluded.

102. Mr. Naphade further pointed out that Item No.64 of Annexure-II is a disputed item. According to him, the cash payment shown in respect of this item towards acquisition of 10.78 acres of land in Siruthavur Village, over and above the value shown in the sale deed dated 19.1.1994 Exh.D-139, and alleged cash payment was not accepted by the Trial Court which would appear at Pages 167-169 in para 77.4 Vol.7. The Trial Court at Pages 167-169 accepted the defence case in

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respect thereof. He further submitted that the cash payment shown in respect of the amount paid over and above the cost in document No.43/94 dated 5th February, 1994 to the seller also should be deleted since the Trial Court accepted the case of the defence.

With respect to the disputed items being Srl. Nos.70, 72 and 74 shown in Annexure-II, it is submitted that although the Trial Court accepted the contention raised by the defence, but it did not give full benefit in respect of all the three items but granted relief only in respect of Item No.72 in the sum of Rs.3,35,000/- being cash payment as alleged. However, Mr. Naphade submitted that in respect of Item Nos.70 and 74, a further sum of Rs.6,70,000/- is also liable to be excluded.

103. He further pointed out that the disputed items being Srl. Nos.91 and 92 to Annexure-II, concerning Rs.2,65,000/- and Rs.3,10,000/-, a sum of Rs.3,25,005/- has to be excluded. Similarly, in respect of the disputed item No.127 of Annexure-II relating to the cost of transfer of 6,14,000 shares of M/s. Ramraj Agro at Vendampalai at the rate of Rs.3/- per share from Gandhi and others to A2, A3 and A4, it is submitted that

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A2, A3 and A4 did not have shares valued at Rs.18,42,000/- as alleged by DVAC. The Trial Court mechanically accepted the case of the prosecution without considering the case of the defence. Hence, he submitted that an amount of Rs.7,62,000/- is to be reduced from the alleged assets of A2 to A4.

104. As regards the disputed item at Srl. No.159 of Annexure-II, relating to cost of acquisition of Luz Avenue property, it is submitted by Mr. Naphade that as alleged by the prosecution, payment of Rs.76,00,000/- had been made by way of cash over and above the sale consideration recited in the document. According to the defence, no amount was paid except the consideration amount recited in the sale deed. He further pointed out that the Trial Court disbelieved the case of the prosecution in respect of the disputed items at Srl. Nos. 168 & 169 to Annexure-II. It is submitted that A2 had purchased items at Srl. Nos.34 to 48 of Annexure-II during the check period for Rs.3,49,683/- as per DVAC and the very same items were sold by A2 to Meadow Agro Pvt. Ltd. for Rs.2,90,000/- and the same are shown again as Items

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Nos.168 & 169 of Annexure-II. Therefore, these should be deleted due to duplication.

105. As regards disputed Item being Srl. No.173 of Annexure-II, relating to expenditure towards acquisition of Indo – Doha Chemicals and Pharmaceuticals Ltd. at Cuddalore, it is the case of the prosecution that a sum of Rs.5 lakhs has been paid as cash over and above the sum of Rs.30,45,000/- as consideration for the purchase of shares and the prosecution has produced Exh. P-510 (Page 25 Vol.31), which is an agreement by which A3 purchased shares from Mr. Ayyathurai (PW-84), M. Khader Mohammed and K. Samudra Pandian. Qua this, it is submitted that the agreement does not specify the sale consideration. PW-84 in its deposition had stated that A3 paid Rs.30,45,000/- by way of five cheques and a further amount of Rs.5 lakhs was being paid to him in cash and the Trial Court wrongly accepted the case of the prosecution, acting on the evidence of PW-84.

106. With regard to the disputed Item being Srl. No.174 of Annexure-II, relating to New/Additional Construction in the building at 5-AB and C East Coast Road, Door No.4/130, Raja

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Nagar, Neelankarai, Chennai, it is submitted that DVAC had valued this asset at Rs.80,75,000/- which was accepted by the Trial Court. However, it is stated that during the check period the said construction was not undertaken and further the said valuation is unscientific and unacceptable. Mr. Naphade submitted that the valuation of marbles and granites as testified by the prosecution witness were inflated. According to him, DW-95 had evaluated this property for a sum of Rs.40,35,981/- (Exh.D-306, Page 122 at Page 163 of Vol.157). According to him, the Trial Court failed to give any credit to the evaluation, but allowed an overall reduction of 20% on the value of total construction and hence, he submitted that the balance sum should be excluded. He further submitted that with regard to the disputed Item being Srl. No.176 of Annexure-II, relating to New/Additional Construction in Farm House Bungalows at Payyanur in Chengai Anna District, a sum of Rs.1,25,90,261/- had been invested, as alleged by the DVAC, by A2 in the farm house bungalow by way of additional constructions. According to the learned senior counsel, no amount was invested for additional construction, as it is the definite case of the accused that no improvement or additional

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construction was made after purchase. However, the prosecution relied upon the oral evidence of PW-40, PW-107 and PW-220 and Exh.P-96 to Exh.P-103 which are sale deeds and Exh.P-662 is a valuation report of PW-107. He further submitted that in support of the above contention, the defence relied on Exh.D-251 to Exh.D-257 and according to them, the said building was existing even prior to the sale. According to him, no positive evidence has been adduced by the prosecution to prove the additional construction during the check period or its value. The Trial Court still accepted 80% of the alleged value of the said construction which should have been omitted.

107. Similarly, with respect of the New/Additional construction of Building at Door No.48, Jawaharlal Nehru Road, Industrial Estate, Guindy Ekkatuthangal, Chennai, (Shastry Nuts Plates) being item at Srl. No.177 of Annexure-II, at Rs.2,13,63,457/-, Mr. Naphade submitted that the DVAC and the Trial Court have assumed that the said additional construction was undertaken by Anjaneya Printers Pvt. Ltd. where A2 and A3 are directors. According to the defence, this

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construction is not undertaken by Anjaneya Printers Pvt. Ltd. and it belongs to Sastri Nuts Plates Manufacturers Pvt. Ltd. and Anjaneya Printers Pvt. Ltd. is only a tenant. It is further submitted that except the evidence of PW-15 and Exh.P-41, there is no other evidence which would indicate that any of the accused had purchased the assets of the Sastri Nuts Plates. According to him, though the Trial Court agreed with the contention of the accused that the prosecution has not proved the cost of construction, it yet granted 20% reduction in the overall cost. Hence, such overall cost should be excluded in its entirety.

108. Regarding the disputed item being Srl. No.178 of Annexure-II, relating to New/Additional Construction in the Residential Building at D.No.3/1/8C – Vettuvankeni, Chennai, it is submitted that the DVAC and the Trial Court found that this new additional construction was valued at Rs.1,52,59,076/-. He submitted that no evidence is available to show that the said construction was made during the check period. It is further submitted that aside the evidence of PW-98, no other evidence was placed before the Court to show

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that the construction was made during the check period. Accordingly, the said amount is liable to be excluded entirely as well.

109. About disputed item being Srl. No.180 of Annexure-II, relating to New Additional Construction in the Posh Bungalow at Siruthavur Village in Changai MGR District, which attributes a sum of Rs.5,40,52,298/- to A4 as the cost of construction during the check period and is based on the report which was exhibited as Exh.P-661, produced by PW-107 who claims to be the valuer, Mr. Naphade submitted that since his evidence was not put to A4 in Section 313 Cr.P.C. examination, therefore, this valuation cannot be accepted. Hence, the said cost of construction should have been rejected by the Trial Court.

110. With regard to the disputed item being Srl. No.183 of Annexure-II, relating to New Additional Construction in Building at Sea Shell Avenue, No.2/1-B-3 Apartment Sholinganallore Saidapet Taluk, it is submitted that DVAC found that this new construction was put up at the cost of Rs.80,36,868/- and the Trial Court examined the valuer PW-

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116 and marked the valuation report as Exh.P-669. According to Mr. Naphade, the said valuation report cannot be accepted as according to him, the values of special items were inflated.

111. With regard to the disputed item being Srl. No.184 of Annexure-II, relating to New Additional Construction in Building at Door No.19, Pattammal St. Mylapore, Chennai – Jaya Publication, it is submitted that the prosecution witness PW-116 stated that the value for this construction was estimated at Rs.8,00,000/-. However, the same was not accepted as its value as per the balance sheet of Jaya Publications for the year ended 31.03.1996 is shown as Rs.6,42,290/-. Hence, the balance amount is liable to be excluded.

112. With regard to the disputed item being Srl. No.185 of Annexure-II, relating to New Additional Construction in the residential building at Door No.21, Padmanabha Street, T. Nagar, Chennai, it is submitted that the said construction was undertaken by M/s. Anjaneya Printers Pvt. Ltd., according to the prosecution, to the tune of Rs.20,43,000/- and the prosecution relied upon the evidence of PW-116 and the report

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prepared being Exh.P-666 and according to Mr. Naphade, there is no positive evidence to prove that the construction was undertaken during the check period. According to Mr. Naphade, only an amount of Rs.19,05,568/- was proved by DW-88 in respect of such cost and therefore, the balance amount is liable to be excluded.

113. With regard to the disputed item being Srl. No.186 of Annexure-II, relating to New Additional Construction in residential building at No.1/66, Anna Nagar, Chennai, at the cost of Rs.24,83,759/-, it is submitted that the prosecution relied on Exh.P-641 being the report of valuation proved by PW-98 (Pages 148 to 179, Vol.IV). According to Mr. Naphade, the said evidence cannot be considered at all as the same has not been put to A4 – the owner of the property in her examination under Section 313 Cr.P.C. He further submitted that the evidence of PW-98 cannot be exhibited since he being a Civil Engineer, is not competent to give valuation of electrical items.

114. With regard to the disputed item being Srl. No.187 of Annexure-II, relating to New Additional Construction in

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building in Door No.5, Murugesan Street, T. Nagar, Chennai-17, at the cost of Rs.10,92,828/-, it is submitted that PW-98 had deposed in respect of the said construction. However, Mr. Naphade submitted that the cost of said construction as per DW-95 would work out to Rs.5,47,103/-. Hence, he submitted that the balance should be discarded.

115. With regard to disputed item being Srl. No.188 of Annexure-II, relating to New Additional Construction in residential building (4 Nos.) in the campus at No.1/240, Enjambakkam in New Mahalipuram Road, at the cost of Rs.53,11,000/-, it is submitted that the DVAC alleged and the Trial Court found that the said new additional construction had been put up but it has not been proved that the said construction was made during the check period as no evidence was adduced in this regard. The defence also examined DW-95 to show that value of special items were inflated and according to him the cost of construction would work out to Rs.29,82,392/-. Hence, the balance of Rs.5,45,725/- is liable to be excluded.

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116. With regard to disputed items, being at Srl. Nos.189, 190, 191, 242, 249, 254, 256, 257, 259, 261, 285, 287, 293, 294 & 301, Mr. Naphade submitted that although the Valuation Reports and the amounts, marked and exhibited before the Court, have been accepted by the Trial Court, according to him those values are inflated and most of the amounts should be much less than the amounts taken into account by the Trial Court. Hence, he submitted that the Trial Court did not correctly assess the evidence and the documents placed before it and according to him the inflated part of the amounts should have been discarded.

117. Mr. Naphade further contended that the income shown in assessment year 1992-1993 by A2 during the check period, including the foreign remittance, has not been taken into account by the prosecution and the Trial Court ought to have included this in the income of A2. He further contended that the income from agricultural operation and by way of gift for A2 for the assessment year 1992-1993 has not been included in the income of A2 and the Income Tax authorities having accepted the same, the DVAC and the Trial Court have

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erroneously omitted to include such income in the income of A2. The income of A2 shown in the assessment year 1993-1994 to the tune of Rs.10,00,000/- has not been accepted by the DVAC and the Trial Court. Similarly, DVAC and the Trial Court did not give due credit for the income shown in the assessment year 1994-1995 of A2 which was to the tune of Rs.24,99,005/-. It is further contended that the two loans of Rs.15,00,000/- and Rs.45,00,000/- availed by A2 for herself and for her proprietary concern Metal King, on 10.1.1996 from Housing and Real Estate Development Pvt. Ltd., Chennai and on 6.1.1996 & 5.3.1996, from Housing, Real Estate and Development Pvt. Ltd, Chennai, respectively, were not given due credit by the DVAC and the Trial Court. He therefore submitted that these loan amounts should have been included in the income of A2.

118. Further the learned senior counsel pleaded that the Trial Court failed to consider an amount of Rs.22,00,000/- which A2 had received as an advance from Bharani Beach Resorts Pvt. Ltd., paid by cheque by the said company. According to Mr. Naphade that amount should have been included in the

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income of A2. However, these documents with many others though seized during the investigation and filed in the Court were not exhibited and were kept as unmarked documents.

119. A2 further received an advance of Rs.52,00,000/- from M/s. Riverway Agro Products (P) Ltd. on 18.2.1995 which was reflected in the balance-sheet of the said company for the year ending on 31.3.1996 (Exh.D-192) and it is submitted that a notice was issued to M/s. Riverway by the Income Tax authorities and an order was passed on 30.3.2000 in which it is stated that M/s. Riverway got share application money from different persons who have necessary resources to make such contribution. But the Trial Court disallowed this amount on the ground that the said transaction was hit by Section 269-SS of the Income Tax Act. Hence, he submitted that credit should have been granted by the Trial Court in respect of the said amount.

120. He further submitted that the advance received by A2 from M/s. Meadow Agro Farms (P) Ltd., by way of cheque, being a loan from the said company but the Trial Court did not

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accept the said amount on the ground that it was hit by Section 269-SS of the Income Tax Act. He further pointed out that as a partner of different firms (9 Nos), A2 received a sum of Rs.2,20,00,000/-, Rs.25 lakhs from each establishments excepting Vigneshwara Builders in which case it was Rs.20 lakhs, aggregating to Rs.2,20,00,000/-. These payments are reflected in the bank accounts of both A2 and also the respective establishments. Without any justification, those amounts were not accepted by the Trial Court as income of A2.

121. As per Exh. P-910 and P-911, A2 had sold her properties during the check period to M/s. Meadow Agro Farms and an amount of Rs.2,90,000/- was received by her as sale consideration. The Trial Court did not give any credit to the said amount as the income of A2. It is further submitted that the cash in hand with A2 being Rs.4,35,622/- was also not taken into account by the Trial Court.

It is further submitted by the learned counsel that Sasi Enterprises availed a loan from Housing Real Estate and Development (P) Ltd. to the tune of Rs.10 lakhs on 20.2.1996. The Trial Court without considering the bank statement and

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the payments made by cheque, failed to accept the said loan transaction on the ground that the accused have not produced any acceptable evidence in proof of availing the loan from the said Housing Real Estate and Development (P) Ltd. company. Sasi Enterprises further availed a loan on 18.10.1995 to the tune of Rs.2 lakhs from M/s. Lex Properties Pvt. Ltd. which was borne out by the Exh.P-1255, Bank Statement of Sasi Enterprises. This amount has not been taken into account by the DVAC and the Trial Court.

122. Sasi Enterprises had received a contribution of Rs.75 lakhs on 29.9.1992 from A1 which she had availed from CANFIN Homes Ltd. as loan against FD of Rs.1 crore. Therefore, Sasi Enterprises had an income of Rs.75 lakhs as capital contribution by A1 during the check period which has been ignored and overlooked by DVAC and the Trial Court without any justification. The learned counsel submitted that this amount is also to be included as income of the firm during the check period. Mr. Naphade further submitted that the Trial Court without approving the transaction in question, held the circumstance to infer conspiracy. He further pointed

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out that during 1992-1993, M. Ramachandran, Nagammal and Subramanian owed amounts to Sasi Enterprises to the tune of Rs.16,91,000/- which duly came to the coffers of Sasi Enterprises during 1992-1993, but this amount was not accepted by the Trial Court. Thus, the said amount has to be added in the income of said firm, according to Mr. Naphade.

123. It is further submitted that Sasi Enterprises had rental income during the assessment years 1992-1993 to 1996-1997. These rental incomes have been disclosed to the Income Tax authorities in their returns which were duly accepted by them. Thus Sasi Enterprises had rental income to the tune of Rs.16,47,800/- during the check period of five years which was ignored by the Trial Court. It is also submitted that Sasi Enterprises had agricultural income also during the said assessment years, to the tune of Rs.9,72,550/- which was also not taken into consideration by the Trial Court on the ground that no proof was produced by Sasi Enterprises. During the assessment year 1994-1995, Sasi Enterprises sold some capital assets for Rs.10,20,000/- which was rejected by the Trial Court. Similarly, the income of Sasi Enterprises from

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business operation to the tune of Rs.2,39,701/- was not accepted by the Trial Court. The sale of building materials to the tune of Rs.6 lakhs was also not accepted by the Trial Court as the income of Sasi Enterprises. It is also stated that during the assessment year 1995-1996, Sasi Enterprises had received an advance of Rs.23,80,000/- towards sale of its property at Neelankarai which was not accepted by the Trial Court.

124. Mr. Naphade further asserted that M/s. Jaya Publications had made profits during the assessment year 1992-1993 to 1996-1997, to the tune of Rs.1,15,94,849/- as is borne out by the income tax returns accepted by the Income Tax authorities. According to him, the said amount should have been added in the income of Jaya Publications, but the Trial Court rejected the same mainly on the ground that the supporting documents relied upon were Income Tax proceedings.

125. He underlined that Jaya Publications used to publish a newspaper by name 'Namadhu MGR' and a separate account

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was maintained for running of the said newspaper. To boost the subscription of 'Namadhu MGR', deposits were received from the subscribers. In this scheme, a total amount of Rs.14,10,35,000/- was received by Jaya Publications from 1.7.1991 to 30.4.1996 during the check period. According to Mr. Naphade, the said amount should have been added to the income of Jaya Publications as the same was accepted by the Income Tax authorities after detailed scrutiny. But DVAC and the Trial Court did not give any credit to the said income.

126. Qua M/s. J. Farm House, in which A2, A3 and A4 were partners, it is submitted that it had availed a loan of Rs.25 lakhs from M/s. Housing Real Estate and Development (P) Ltd. during the financial year 1995-1996 which was acknowledged by the said company. This amount was available as income of the said company during the check period. No credit thereto has been given by the Trial Court. Mr. Naphade submitted that this amount should have been included as income of the company. Similarly, M/s. Green Farm House in which A2, A3 and A4 were partners, availed a loan of Rs.25 lakhs on 20.10.1995 from M/s. Housing Real

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Estate and Development (P) Ltd., during the financial year 1995-1996. It is submitted that this amount was available as income of the said M/s. Green Farm House during the check period but no credit has been given in respect of the same and the Trial Court completely ignored this fact. Thus, this amount must be included in the income of the company, according to Mr. Naphade.

127. It is submitted that prior to the incorporation of M/s. Super Duper TV Pvt. Ltd., the business was conducted in the name of M/s. Super Duper TV by A3 as the Proprietor and subsequently it was registered as a company and the business of the proprietary concern continued even after its formation. It held a current account in Indian Bank, Abhirampuram Branch. During investigation, a zerox copy of statement of the said account for the period 12.8.1994 to 23.8.1995 was seized but the same was not marked as exhibit, because it did not bear the signature as required under Bankers' Books Evidence Act, 1891. Mr. Naphade submitted that the said proprietary concern had received certain amounts from different companies which ought to have been taken into consideration

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but the same has been discarded by the Trial Court. He further contended that there are certain other amounts which have not been taken into account by DVAC. According to him, out of the total income generated by A2 to A4, related firms and companies, further amounts were transferred to partners which needs to be deducted from the sums available to them. Hence, according to him, a sum of Rs.4,30,14,469/- should have been excluded by the Trial Court in order to avoid double entry. He further contended that the disputed items should have been deleted from Annexure-IV related to A2 to A4, their firms and companies.

128. Mr. Naphade submitted that according to DVAC an expenditure of Rs.50,93,921/- was incurred by Jaya Publications towards the interest payable to Indian Bank in respect of loan obtained from the said bank. According to him this item cannot be taken as an additional item in the Expenditure Column in Annexure-IV. According to him the prosecution is trying to mislead the Court as on the one hand, it does not show that the net profit of Jaya Publications is derived after debiting the interest amount and on the other, it

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is showing the payment of interest as an item of expenditure, thereby subjecting the accused to double jeopardy.

129. Similarly, he tried to explain the expenditure of Rs.11,81,425.16 which was incurred by Anjaneya Printers towards the interest payable to Indian Bank in respect of loan obtained from the said bank. The defence case is that the said amount of Rs.11,81,425.16 cannot be taken as additional item in the Expenditure Column. According to him, the prosecution has failed to establish the payment of interest. The documentary evidence produced by the prosecution does not indicate that the said amount was paid to the bank during the check period. The defence submitted that during 1993-1994 to 1995-1996, the total interest paid in the aforesaid three years, aggregated to Rs.24,25,685/- and the net profit for the said period came to Rs.53,50,215/-. According to him, the Trial Court has totally ignored the defence evidence and came to its conclusions. He has urged that the Trial Court wrongly did not give any weight to the evidence produced by the defence and has failed to give credit in favour of the accused. He further contended that the Trial Court is totally wrong and has

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come to conclusion disregarding the evidence produced before the Court on behalf of accused Nos.2 to 4.

130. In the backdrop of the vast canvas of factual and statistical plenitude, expedient it would be, before embarking on the invigilation of the evidence adduced oral and documentary and the scrutiny of the appreciation thereof by the Trial Court and the High Court, to recapitulate the quintessential soul of the competing legal postulations based thereon even to some extent at the cost of repetition.

131. Mr. Dushyant Dave, learned senior counsel representing the State of Karnataka has emphatically urged that the impugned decision is afflicted by a host of errors apparent on the face of record rendering it unsustainable in law and on facts. According to him, the High Court had totally misconceived the scope and nature of audit of the findings recorded by the Trial Court and in the process has totally misled itself to err on fundamental principles, thus vitiating its findings to the core. Whereas the approach of the Trial Court was noticeably exhaustive and dialectical in its analysis of the

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evidence oral and documentary, the High Court in reversing the conviction recorded by the Trial Court did not record any persuasive finding to justify the same, thus rendering its decision unworthy of acceptance. The High Court reversed the conviction on a wholly purported and superficial treatment of the materials on record and on an apparent wrong interpretation of the law applicable. Mr. Dave was severely critical of the High Court in what according to him was visibly a laconical assessment of the evidence without any application to the various factual aspects brought out by different witnesses and the documents adduced by the prosecution. He asserted that the view point of the High Court throughout appeared to extend the benefit of the decision in ***Krishnanand Agnihotri***, (supra), to the respondents-accused. The learned senior counsel urged that the High Court not only wrongly reduced the cost of constructions and the marriage expenses, it as well wrongly totalled the income derived from loans and thereby on an apparent erroneous application of the formula to work out the percentage of disproportionate assets, accorded the benefit of ***Krishnanand Agnihotri*** (supra) to the respondents and acquitted them of the charges. Apart from

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the fact that the High Court having accepted Rs.66,44,73,573/- as the value of the assets as cited by the prosecution, it could not have deducted the marriage expenses therefrom, as is conceptually impermissible, he contended that had the uncalled for reduction in the value of assets and the marriage expenses not been effected, the percentage of disproportionate assets would have been in the vicinity of approximately 76.75%. Mr. Dave was particularly scathing about the purported analysis of the evidence pertaining to the valuation of the income, assets and expenditure and contended that the findings arrived at on the basis thereof being patently perverse are liable to be set aside. As the materials on record did conspicuously demonstrate that the assets acquired by the respondents during the check period were grossly disproportionate to their known source of income, it was their burden, primarily though of A1, being a public servant at the relevant point of time, to satisfactorily account therefor, more particularly in the face of the charge under Section 13(1)(e) of the 1988 Act read with Section 109 and 120B IPC. Mr. Dave argued that having regard to the evidence available on records, it is hyaline clear that A1 being a public

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servant at the relevant time could not have disclosed the assets involved to be her own and therefore did collaborate with A2, A3 and A4 and on the basis of their conspiracy and abetment distributed the same amongst themselves as well as the firms/companies of which they were partners or Directors as the case may be. As the "sources of income" contemplated in Section 13(1)(e) of the 1988 Act denotes "lawful source of income" and as is known to the prosecution, it was the obligation of the respondents-accused in the facts of the case to satisfactorily account for the visibly disproportionate assets at their disposal and they having miserably failed to do so, the High Court fell in grave error in recording their acquittal, he maintained. In doing so, the High Court while heavily relying mostly on the delayed income tax returns and the orders passed therein was severely flawed in its approach, and thereby also blatantly disregarded the law to the contrary as proclaimed by this Court, he asserted. Mr. Dave urged that not only the belated income tax returns, as the evidence divulged, were self-serving in nature qua the respondents and that too sans the required probative value vis-a-vis the charges levelled, those were even otherwise not binding on the Trial

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Court and therefore the unreserved reliance thereon by the High Court has rendered its adjudication incurably faulty. He insisted that the High Court in evaluating the evidence on record did totally misconstrue the letter and spirit of the 1988 Act as well as the long standing precedential expositions with regard thereto, thus rendering its findings, irreversibly illegal and indefensible. According to Mr. Dave, the conclusions recorded by the Trial Court, following a painstaking and laborious appraisal of the materials on record are unassailable in merit and content and therefore there was no justification at all to overturn the same by resorting to a casual and purported review thereof by the High Court. The learned senior counsel has asserted that having regard to the stringent predication of the law on corruption and the proof of the charges against the respondents beyond all reasonable doubt, their conviction as recorded by the Trial Court ought to be restored in toto.

132. Mr. Acharya, Special Public Prosecutor for the State of Karnataka while conveying his general endorsement of the above referred submissions, elaborated on the various factual

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aspects bearing on the charge and the evidence adduced in respect thereof. He reiterated that the High Court in quantifying the income had wrongly included Rs.13.5 crores and reduced as well the value of the assets and the marriage expenses and on the basis of such wrong figures held against the charge of disproportionate assets of the respondents by relying on the decision in **Krishnanand Agnihotri** (supra). While strongly refuting the imputation made in course of the arguments on behalf of the respondents that the prosecution against them has been unfair, the learned senior counsel inter alia referred to a show cause notice that was issued to A1 to explain the disproportionate assets before launching the prosecution. In discarding the income tax returns and the orders passed thereon for the various assessment years during the check period to be unworthy of any credence, the same having been belatedly filed much after the charge-sheet with an obvious purpose, Mr. Acharya emphasized that evidence adduced authenticated unabated cash flow from 36, Poes Garden, i.e. the residential Secretariat of A1 to various accounts of the other respondents as well as the firms and the companies of which they were partners/Directors, culminating

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in the acquisition of huge properties thereby. According to him, the accounts of A2, A3, A4 and of the firms/companies involved were apparently false fronts to mask the flux of cash deposits and exchanges originating from A1 and circulated inter se in order to defeat the charge under Section 13(1)(e) of the 1988Act and Sections 109 and 120B IPC. While reiterating that the income tax returns and the orders of the Income Tax Authorities thereon are not at all binding on the Criminal Courts, he further asserted that as the State was not a party to the proceedings, these are neither relevant nor admissible nor of any probative worth qua the defence offered on the basis thereof. Not only the assessment and computation of the income has been grossly wrong, the High Court did commit apparent errors in evaluating the assets and quantifying the expenditure, he urged. According to Mr. Acharya not only the purchases amongst others of the immovable properties by the 146 sale deeds in the names of the firms created during the check period were sham transactions on the face of the record and were occasioned through two attorneys representing the owners thereof, the deals have been undervalued and further even the rules for registrations thereof have been flexed to the

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advantage of the respondents, obviously on the instructions of A1 who was then in power. The learned senior counsel argued that on an overall analysis of the evidence on record, the deep rooted design of the respondents in distributing the otherwise disproportionate assets of A1 amongst themselves and the firms/companies administered by them has been proved beyond all reasonable doubt and the acquittal recorded by the High Court is patently unmerited and if allowed to stand would result in travesty of justice and trivialization of the avowed objectives of 1988 Act. He submitted that in the face of the overwhelming evidence in support of the charge, the respondents, by no means could have been extended the benefit of the decision in **Krishnanand Agnihotri** (supra).

133. Dr. Subramaniam Swami, in supplementation has argued that in the teeth of a new legal regime ushered in by the 1988 Act ordaining an uncompromising stand point in re a charge of corruption more particularly in public life, the High Court did grossly err in acquitting the respondents by applying the decision in **Krishnanand Agnihotri** (supra). According to Dr. Swami not only this decision does not lay down an

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uniform proposition of law regardless of the textual facts, even assuming without admitting that the computation undertaken by the High Court in evaluating the income, the assets and the expenditure to be correct, the respondents could not have been exonerated of the serious charges levelled against them in the overwhelming perspective of the statutory intolerance against pervasive and pernicious escalation of corruption in public life destroying the vitals of the systemic soul of our democratic polity.

134. Mr. Anbazaghan, the petitioner in SLP (Crl.) Nos.6294-6295 of 2015 impeaching as well the acquittal of the respondents has in his written submissions insistently asserted in favour of his locus to maintain the challenge by profusely referring to the pronouncements of this Court in ***K. Anbazhagan Vs. Superintendent of Police and others*** – (2004) 3 SCC 767 and ***K. Anbazhagan*** (supra). Apart from contending that his standing having been unreservedly recognized by this Court and his intervention inter alia in occasioning the transfer of the prosecution from the State of Tamil Nadu to that of Karnataka on valid reasons as noticed

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therein, he has pleaded that he indeed had constructively contributed at all stages of the trial to ensure a fair conduct thereof. That he had also submitted detailed written arguments before the Trial Court has been mentioned. He has expressed his grievance as well, on the non-consideration of his written submissions by the High Court. While asserting his right to pursue his assailment of the decision of the High Court acquitting the respondents, he has chiefly focused on the error committed by it in quantifying the amount of loan as income in ascertaining the percentage of disproportionate assets. According to him, in reiteration of the contention of the State as well, the High Court had wrongly incorporated an amount of Rs.13,50,00,000/- on that count, which if omitted, the disproportionate assets on the basis of the formula applicable would mount to 76.7% thus disentitling the respondents to the benefit of the decision in ***Krishna Nand Agnihotri*** (1977) 1 SCC 816.

135. In persuasive refutation, learned senior counsel for A1 emphatically endorsed the impugned decision on all scores. The learned senior counsel at the first place questioned the

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locus of Mr. K. Anbagazhan to offer any oral submission in addition to those advanced by the other counsel for the State. He argued that not only Section 13(1)(e) of 1988 Act insists on income from lawful source which envisages one not prohibited by law, in absence of any special law, rules or orders, produced by the prosecution, requiring a public servant to intimate the sources of such lawful income, the charge against his respondent has remained unproved. He asserted that as no charge has been framed against A1 either under Section 7 or 11 or 13(1)(a) or 13(1)(b), no presumption for the offence under Section 13(1)(e) of 1988Act is available under Section 20 thereof. Further, the initial burden being on the prosecution to call in evidence, in support of the charge of disproportionate assets on the basis of the sources of income known to it, no burden in this case did shift on A1 on any point of time, as such prerequisites remained uncomplied. The learned senior counsel dismissed the evidence with regard to benami transactions stemming from the imputation that the properties of A1 have been allegedly purchased/held in the name of A2, A3, A4 and the firms/companies involved, as no charge with regard thereto had been framed. According to the learned

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senior counsel not only the relevant income tax returns of his client had been filed before the raid was conducted in her house on 07.12.1996, the orders passed by the Income Tax Authorities thereon after a full-fledged scrutiny of all relevant aspects proffer a complete answer to the accusations made against her. The learned senior counsel asserted that the income tax records were relevant and admissible as public documents even without reference to Section 43 of the Indian Evidence Act, 1892 (for short hereinafter referred to as the "Evidence Act"). He urged that the income tax proceedings/orders passed, following detailed enquiries into the inputs provided and successively tested in appeals before several tiers, thus cannot be wished away as of no evidentiary value as commented by the Trial Court. Additionally, the defence not only did refer to the income tax records but also had produced the same at the trial by way of primary evidence which by no means could have been overlooked by the Trial Court. The learned senior counsel elaborated on various aspects of the evidence pertaining to income, assets and expenditure to insist that the appraisal thereof by the High Court and the findings based thereon are incontrovertible.

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While repudiating the charge of abetment of conspiracy as well the learned senior counsel maintained that mere joint residence of A1 to A4 could not be construed to be a decisive factor in support thereof and in absence of any tangible evidence of diversion of reserves of A1 to the co-accused and the utilization thereof for the acquisition of the properties involved, the High Court was justified in exonerating them therefrom. According to him, having regard to the two inconsistent views recorded by the two forums, this Court ought to examine the evidence on record afresh to adjudicate the issues involved. In any case, the learned senior counsel argued that the burden of A1, qua the charges was only by way of preponderance of probability which she adequately discharged though not warranted, the prosecution having failed to substantiate the same. While endorsing the assessment undertaken by the High Court with regard to the valuation of the assets, the learned senior counsel discarded amongst others the so called reports made by the expert team to be sketchy, inchoate and unreliable being not either supported by reasons or any contemporaneous record/document.

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136. Mr. Naphade, representing A2 to A4, at the first instance, has denounced the decision of the Trial Court to be vitiated by non-application of mind and non-consideration of vital pieces of evidence adduced by the defence. According to him, the verdict of conviction is fraught with conjectures and surmises, not permissible in any view of the matter, on the proved facts. While criticizing the approach of the Trial Court to be prompted by disproportionate emphasis on extraneous considerations, the learned senior counsel has maintained that the prosecution has utterly failed to prove the charge. Mr. Naphade has asserted that in absence of any evidence to prove cash-flow from A1 to the co-accused or the firms and companies involved, the substratum of the charge had been rendered non est. According to him, the Trial Court had gone conspicuously wrong in ignoring the income tax records and in overlooking the fact that even prior to the check period, A2 had been in business and had filed her income tax and wealth tax returns. That all the six firms/companies were in existence before the check period and had been in business, have been overlooked as well by the Trial Court in assuming the

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culpability of the respondents de hors supporting materials, has been emphasized. In any view of the matter, Mr. Naphade submitted that the prosecution has failed to discharge its burden that A1 by herself and/or with the co-accused on her behalf had committed any corrupt practice, and thus the High Court was perfectly justified in recording their acquittal in absence of any tangible proof of abetment and conspiracy. The learned senior counsel asserted that in any case A2, A3 and A4 not being public servants at the relevant point of time, they cannot be called upon to explain the charge under Section 13(1)(e) of 1988 Act. He dismissed as well the evidence of the prosecution with regard to the income, assets and expenditure, with particular reference to the reports of the experts in connection therewith, branding the same to be lacking in inherent worth and credibility. That the Trial Court had grossly erred in analyzing the evidence of the prosecution and leaving out of consideration most of the materials adduced by the defence, in inferring the complicity of the respondents in the charge, has been highlighted. According to him, by no means, the banking transactions involving the respondents and the concerned firms/companies could be attributed any

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sinister or indictable attribute to assume a culpable design of the respondents, to return a finding of guilt against them. That mere joint residence of the respondents and their business association by no means could have been accepted as a decisive index of abetment and conspiracy has been underlined to deduce prejudice in the approach of the Trial Court. Mr. Naphade took pains to demonstrate that the evidence on record did authenticate that the prosecution had deliberately omitted to add substantial amounts of income of the respondents and the Trial Court disregarded the same as well in recording their conviction.

137. Apt it would be, as a multitude of propositions have been exchanged, to notice at this juncture, the salient features of the anti corruption law involved the relevant decisions cited at the Bar pertaining thereto and the legal precepts of binding impact applicable to the issues seeking adjudication.

The Prevention of Corruption Act, 1947

138. The preamble of this statute manifests that it is a legislation with the objective of enhanced effective prevention

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of bribery and corruption. As the Statement of Objects and Reasons of this enactment demonstrates, it was impelled by the felt necessity for curbing bribery and corruption of public servants which noticeably had enormously increased by the war conditions, lingering at that point of time. The post war fall outs bearing on large amounts of government surplus stores and related disbursement of large sums of government money, visibly facilitated wide scope for corrupt practices, which necessitated immediate and drastic initiatives to stamp out the said malady. As the existing law proved to be inadequate to tackle the sprawling menace, the legislation was enacted.

139. Apart from providing the definition of the expression "public servant", as contained in Section 21 of the Indian Penal Code, by Section 3, the offence punishable under Section 165A of the said Code was construed to be a cognizable offence for the purposes of the then Code of Criminal Procedure, 1898. Section 14 lodged the presumption where a public servant was found to accept or agreeable or attempting to accept/obtain any gratification other than legal

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remuneration. In the eventualities, as mentioned therein, Section 5 defined criminal misconduct by a public servant. Noticeably, by Section 6 of Act 40 of 1964 i.e. the Anti Corruption Law (Amendment) Act, 1964, amongst others, the following insertion by way of clause (e) was incorporated in Section 5:

> "if he or any person on his behalf is in possession or has, at any time during the period of his office, been in possession, for which the public servant cannot satisfactorily account, of pecuniary resources or property disproportionate to his known sources of income.".

140. A bare perusal of this extract would reveal that the criminal misconduct of the public servant, as envisaged therein, would ensue if he/she or any person on his/her behalf was in possession or had, at any point of time during the period of his/her office, been in possession of pecuniary resources or property, disproportionate to his/her known sources of income, which the public servant cannot satisfactorily account. Significantly, for such misconduct, the possession of the disproportionate pecuniary resources or property, which the public servant is unable to satisfactorily

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account, can be held either by him/her or any person on his/her behalf is essential. This offence thus, enfolds in its sweep a definitive involvement and role of persons other than the public servant, either as a abetter or a co-conspirator in the actualisation of the crime. Consequently, thus such abettors or co-conspirators or partners in this item of offence, if proved, cannot escape the legal consequences for their participatory role. The other segments of Section 5, not being of immediate relevance, are not being referred to.

141. Section 7A mandated application of the Code of Criminal Procedure, 1898 (then in force) to any proceeding in relation to any offence punishable under Sections 161, 165, 165A of the IPC or Section 5 of the Act subject to the modifications as enumerated therein.

The Prevention of Corruption Act, 1988

142. The 1947 Act was succeeded by a new version of anti corruption law in the form of the Prevention of Corruption, 1988, which seeks to consolidate and amend the law relating to the prevention of corruption and for matters connected

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therewith. The statute, as the prefatory introduction thereof authenticates, retraced the evolution of the law regarding the offence of bribery and corruption amongst public servant, starting from the Indian Penal Code to the 1947 Act seeking to respond to the exigencies of time, precipitated by the post World War-II manifestations. Having felt that even the 1947 Act had proved to be inadequate to deal with the offence of corruption effectively warranting a result oriented legislation, the 1988 Act was ushered in amongst other by widening their coverage and re-enforcing the provisions thereof. The Bill as a precursor of the 1988 Act was introduced in the Parliament with these objectives.

143. The Statement of Objects and Reasons of this statute, while reiterating the above mission, referred to the provisions in Chapter IX of the Indian Penal Code, dealing with public servants and those who abet the offences mentioned therein, by way of criminal misconduct. The provisions in the Criminal Law Amendment Ordinance, 1944 enabling attachment of ill gotten wealth, obtained through corrupt means, was also adverted to. The Bill was clearly contemplated to incorporate

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all these provisions with necessary modifications, so as to make those more effective in combating corruption amongst public servants. With that end in view, the ambit of "public servant" was sought to be expanded. Additionally, the offences hitherto enumerated in Sections 161 to 165A IPC were recommended to be incorporated in the legislation with enhanced penalties. Finality of the order of the Trial Court upholding the grant of sanction for prosecution and provision for day to day trial of cases were also integrated as few other unique features of the initiative.

144. In order to obviate avoidable references, certain provisions of decisive relevance would only be dilated upon. Section 3 empowers the Central or the State Government to appoint Special Judges, by notification in the official gazette, to try cases, as may be specified therein, namely;

(a) any offence punishable under the Act; and

(b) any conspiracy to commit or any attempt to commit or any abetment of the offences specified in clause (a).

145. Section 4 clarifies that the special Judge, so appointed,

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shall try the offences specified in Section 3 of the Act and may also try any offence other than those with which an accused may be charged at the same trial under the Code of Criminal Procedure, 1973 (hereinafter referred to as the 'Code' as well). Section 5 predicates that subject to the deviations, as contemplated in sub-sections (1) and (2) thereof, the provisions of the Code would, so far as they are not inconsistent with the Act, apply to the proceedings before a special Judge, whose court would be that of Court of Session and the person conducting it would be deemed to be a public prosecutor. Section 5(6) enjoins that a special Judge, while trying an offence punishable under the Act, would exercise all the powers and functions, exercisable by a District Judge under the Criminal Law Amendment Ordinance, 1944.

146. Chapter III dwells on "offences and penalties" and Section 13 thereunder sets out the contingencies under which a criminal misconduct is committed by a public servant. Clause 1(e) of Section 13 being the gravamen of the charge herein is quoted hereunder:

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> "if he or any person on his behalf, is in possession or has, at any time during the period of his office, been in possession for which the public servant cannot satisfactorily account, of pecuniary resources or property disproportionate to his known sources of income.
>
> Explanation:-For the purposes of this section, "known sources of income" means income received from any lawful source and such receipt has been intimated in accordance with the provisions of any law, rules or orders for the time being applicable to a public servant."

147. A significant addition to this clause otherwise reproduced from the 1947 Act is the explanation appended thereto which exposits the expression "known sources of income" to be the income received from any lawful source, the receipt whereof has been intimated in accordance with the provisions of any law, rules or orders for the time being, applicable to a public servant.

148. Lawfulness or legitimacy of the known sources of income of the public servant, to satisfactorily account the pecuniary resources or property, alleged to be disproportionate thereto, is, thus the indispensable legislative edict.

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149. Section 22 of the Act also makes the provisions of the Code of Criminal Procedure, 1973 applicable to a proceeding in relation to an offence punishable thereunder, subject to certain modifications as mentioned therein. Here as well, the applicability of Section 452 of the Code otherwise empowering a criminal court to order for disposal of the property at the conclusion of the trial before it, has not been excluded. While Section 27 recognises a special Judge under the Act to be a Court of Session qua the powers of appeal and revision, conferred by the Code of Criminal Procedure, 1973 available to the jurisdictional High Court, Section 28 ordains that the provisions of the Act would be in addition to and not in derogation of any other law for the time being in force and that nothing contained therein would exempt any public servant from any proceeding which might be instituted against him/her. By Section 29, amongst others, paragraph 4A of the Criminal Law Amendment Ordinance Act, 1944 has been substituted as hereunder:

> "4A – An offence punishable under the Prevention of Corruption Act, 1988".

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Significantly, prior to the substitution, paragraph 4A of the afore-mentioned ordinance read as follows:

> "4A: An offence punishable under Section 5 of Prevention of Corruption Act, 1947"

150. Assuredly thus, the offence under Section 5 of the Prevention of Corruption Act, 1947 (for short "1947 Act"), was included in the schedule of offences, appended to the Criminal Amendment Ordinance, 1944 since 18.12.1964 w.e.f. which Anti Corruption Laws (Amendment) Act, 1964 was enforced.

151. As a consequence of the integration of the offences uner Sections 161 to 165A contained in Chapter IX of the Indian Penal Code dealing with the criminal misconduct of a public servant and the offence of abetment thereof, by Section 31 of the statute, these provisions were omitted from the IPC and were construed to have been repealed by a Central Act.

152. The scheme of the Act 1988, thus ensure a stricter legislation to combat and eradicate corruption in public life and takes within its sweep, not only the public servants but

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also those who abet and conspire with them in the commission of offences, enumerated therein. The avowed objectives of the statute prompted by the compelling exigencies of time and the revealing contemporary realities, thus demand of a befitting curial approach to effectuate the same sans qua the rule of benefit of doubt on intangible and trivial omissions and deficiencies.

153. A plain perusal of the scheme of the Act presents several noticeable special features thereof in accord with the legislative intendment to achieve the objectives set therefor. Apart from the overwhelming backdrop demanding the necessity to consolidate and reinforce the anti corruption law, the main mission being to achieve a catharsis in public office, the statute besides expanding the notion of "public servant" to effect maximum extension of its sweep as envisaged, has ordained the constitution of a court of Special Judge to try the offences thereunder and also the charge of any conspiracy or attempt or abetment in the commission thereof. Thus, an exclusive autonomous adjudicative regime has been put in place. The provisions of the Code have been

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made applicable subject to the modifications contemplated and the special Judge in particular, while trying an offence punishable under the Act has been authorised to exercise all powers and functions invocable by a District Judge under the Ordinance. Sections 7 to 12 of the Act correspond to Section 161 to 165A of the Indian Penal Code, thereby integrating the offences in the legislation to be tried by a special forum as envisaged. Resultantly, Sections 161 to 165A have been effaced from the Indian Penal Code for obvious reasons. Explanation to Section 13(i)(e) makes it limpid that the known sources of income of the public servant, to satisfactorily account the pecuniary resources or the property otherwise alleged to be disproportionate thereto, has to be from a lawful source and further that the receipt thereof had been intimated in accordance with the provisions of any law, rule or orders for the time being applicable to him/her, as the case may be. This prescription indubitably emphasizes the lawfulness or legitimacy of the income to enable the public servant to satisfactorily account for the pecuniary resources or property otherwise imputed to be disproportionate thereto. Not only the Act entertains presumption against the public servant, in the

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eventualities as comprehended in Section 20 of the Act, it is clarified in Section 28 that nothing in the statute would exempt any public servant from any proceeding which might apart from the Act, be instituted against him or her. Section 29, amongst others to reiterate, has substituted in paragraph 4A of the Ordinance, an offence punishable under the 1988 Act, in lieu of the offence under Section 5 of the 1947 Act. The legislation thus is a complete code by itself, vibrant with the purpose therefor and animated with the spirit to effectuate the statutory goal. All these predicate a purposive explication of the provisions thereof to further the salutary legislative vision.

CONSPIRACY

154. While dwelling on the concept of conspiracy this Court in ***Mohd. Husain Umar Kochra Etc. Vs. K.S. Dalipsinghji and Another Etc.***, (1969) 3 SCC 429 held that in conspiracy, agreement is the gist of the offence and a common design and common intention in furtherance of the common scheme is necessary. Each conspirator plays his separate part in one integrated and united effort to achieve the common purpose. It

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was enounced that conspiracy may develop in successive stages and new techniques may be invented and new means may be devised, and a general conspiracy may be a sum up of separate conspiracies having a similar general purpose, the essential elements being collaboration, connivance, jointness in severalty and coordination. (Emphasis supplied)

155. ***Noor Mohammad Mohd. Yusuf Momin*** (supra), encountered a fact situation witnessing a clash between the neighbours on a very trivial incident of a cow blocking a passage. Murderous assaults followed in which the appellant along with 4/5 associates were involved. The appellant along with others were found guilty under Section 302/34 IPC. This Court held that participation is the gravamen of common intention but Section 109, abetment can be attracted even if the abettor is not present. Qua conspiracy, it was exposited that it postulates an agreement between two or more persons to do or cause to be done an illegal act or an act which is not illegal by illegal means. It was elucidated, that conspiracy is of wider amplitude than abetment though there is a close association between the two. It was ruled that conspiracy can

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be proved by circumstantial evidence and proof thereof is largely inferential founded of facts and this is because of the difficulty in securing direct evidence of criminal conspiracy. It was explicated that once a reasonable ground is shown to suggest that two or more persons have conspired, then anything done by one of them in reference to their common intention becomes relevant in proving the conspiracy and the offences committed pursuant thereto. (Emphasis supplied)

156. In ***Saju Vs. State of Kerala*** (supra), it was propounded that to attract Section 120B IPC, it is to be proved that all the accused had the intention and they had agreed to commit the crime. It was assumed that conspiracy is hatched in private and in secrecy, for which direct evidence would not be readily available. It was ruled that it is not necessary that each member to a conspiracy must know all the details of all the conspiracy. (Emphasis supplied)

157. This Court recalled its observations in ***Yash Pal Mittal Vs. State of Punjab,*** (1977) 4 SCC 540 that there may be so many devices and techniques adopted to achieve the common

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goal of the conspiracy, and there may be division of performances in the chain of actions with one object to achieve the real end, of which every collaborator need not be aware but in which each one of them would be interested. There must be a unity of object or purpose but there may be plurality of means, sometimes even unknown to one another, amongst the conspirators. The only relevant factor is that all means adopted and illegal acts done must be to fulfill the object of the conspiracy. Even if some steps are resorted to by one or two of the conspirators without the knowledge of the others, it will not affect the culpability of those others when they are associated with the object of the conspiracy.

It was noted that as an exception to the settled position of law, an act or action of one of the accused cannot be used as evidence against another, Section 10 of the Evidence Act provided otherwise. To attract the applicability of Section 10, the Court must have reasonable ground to believe that two or more persons had conspired together for committing an offence and then the evidence of action or statement made by one of the accused could be used as evidence against the

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other. (Emphasis supplied)

158. In ***Ram Narayan Popli Vs. Central Bureau of Investigation*** (supra), the executives of the Maruti Udyog Limited were charged with criminal conspiracy to siphon off its funds in favour of A-5 and were prosecuted under Sections 13(1) (c) and 13(2) of the 1988 Act along with Sections 120B, 420,409, 467 and 471 of the IPC. This Court reiterated that the essence of a Criminal conspiracy, is unlawful combination and ordinarily the offence is complete when the combination is framed and that the law making conspiracy a crime, is designed to curb the immoderate power to do mischief which is gained by combination of the means. It was held that the offence of criminal conspiracy has its foundation in an agreement to commit an offence. A conspiracy consists not merely in the intention of two or more but in the agreement of two or more to do an unlawful act by unlawful means.

The agreement which is the quintessence of criminal conspiracy can be proved either by direct or by circumstantial evidence or by both and it is a matter of common experience that direct evidence to prove conspiracy is rarely available.

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159. The following excerpt from Halsbury's Laws of England 4th Edition Volume XI, page 54, para 58 was relied upon:-

> "The conspiracy arises and the offence is committed as soon as the agreement is made: and the offence continues to be committed so long as the combination persists that is, until the conspiratorial agreement is terminated by completion of its performance or by abandonment or frustration or however, it may be the actus reus in a conspiracy is the agreement to execute the illegal conduct, not the execution of it. It is not enough that two or more persons pursued the same unlawful object at the same time or at the same place. It is necessary to show the meeting of minds to a consensus to effect an unlawful purpose. It is not, however, necessary that each conspirator should have been in communication with each other."

160. Reference was made to ***Regina Vs. Murphy,*** (1837) 173 ER 502 where Coleridge J, was of the view that although common design is the root of the charge, it is not necessary to prove that these two parties had come together and actually agreed in terms to have the common design and to pursue it by common means and so to carry it into execution, as in many cases of established conspiracy, there are no ways of proving any such thing. If it is found that these two persons pursued by their acts, the same object, often by the same means, one performing one part of an act and the other

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another part of the same act so as to complete it, with a view to attain the object which they are pursuing, you will be at liberty to draw the conclusion that they have been engaged in a conspiracy to effect that object. (Emphasis supplied)

161. The overwhelming judicial opinion thus is that a conspiracy can be proved by circumstantial evidence as mostly having regard to the nature of the offending act, no direct evidence can be expected.

162. In ***Firozuddin Basheeruddin & Ors. Vs. State of Kerala,*** (supra), it was ruled that loosened standards prevail in a conspiracy trial regarding admissibility of evidence. Contrary to the usual rule, in conspiracy prosecution, any declaration by one conspirator, made in furtherance of a conspiracy and during its pendency, is admissible against each co conspirator. Despite the unreliability of hearsay evidence, it is admissible in conspiracy prosecutions. It was observed that thus the conspirators are liable on an agency theory for statements of co conspirators just as they are for the overt acts and crimes committed in their confederates.

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(Emphasis supplied)

163. In ***Mir Nagvi Askari Vs. Central Bureau of Investigation***, (2009) 15 SCC 643, it was enounced that courts in deciding on the existence or otherwise, of an offence of conspiracy must bear in mind that it is hatched in secrecy and that it is difficult, if not impossible to obtain direct evidence to establish the same. The manner and circumstances in which the offences have been committed and the accused persons had taken part are relevant. To prove that the propounders had expressly agreed to commit the illegal act or had caused it to be done, may be proved by adducing circumstantial evidence and or by necessary implications. (Emphasis supplied)

164. The following extract from **Russels on Crimes 12th Edition**, Volume I was quoted with approval:-

> "The gist of the offence of conspiracy then lies, not in doing the act, or effecting the purpose for which the conspiracy is formed, nor in attempting to do them, nor in inciting others to do them, but in the forming of the scheme or agreement between the parties. Agreement is essential. Mere knowledge, or even discussion, of the plan is not, per se, enough."

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165. It recalled its conclusions in ***Kehar Singh & Ors. Vs. State (Delhi Administration)***, (supra), that to establish the offence of criminal conspiracy, it is not required that a single agreement should be entered into by all the conspirators at one time. Each conspirator plays his separate part in one integrated and united effort to achieve the common purpose. Each one is aware that he has a part to play in a general conspiracy though he may not know all its secrets or means by which the common purpose is to be accomplished. On the touchstone of the above adumbrated legal postulations, the evidence on records would have to be assayed to derive the deduction as logically permissible. (Emphasis supplied)

Approach of Court in PC Cases

166. Qua the required orientation of a Court vis-a-vis offences under the Act, it has been *inter alia* emphatically observed in ***State of M.P. & Ors. Vs. Ram Singh***, (2000) 5 SCC 88, that corruption in a civilized society is a disease like cancer, which if not detected in time is sure to afflict the polity of the country leading to disastrous consequences. It was ruled that corruption is like a plague which is not only contagious but if

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not controlled spreads like fire in a jungle. It was proclaimed that corruption is opposed to democracy and social order, being not only anti people but aimed and targeted against them. It affects the economy and destroys the cultural heritage and therefore, unless it is nipped in the bud at the earliest, it is likely to cause turbulence, shaking the socio-economic-political system in an otherwise healthy, wealthy, effective and vibrating society.

167. The history of the enactment of the 1947 Act was traced in ***R.S. Nayak Vs. A.R. Antulay***, (1984) 2 SCC 183 and a caveat was sounded to the effect that whenever a question of construction arises upon ambiguity or if two views are possible of a provision of an anti corruption law (then Act 1947), it would be the duty of the Court to adopt that construction which would advance the object underlying the statute, namely to make effective the provision for the prevention of bribery and corruption and at any rate not to defeat it. It was underscored that procedural delays and technicalities of law should not be permitted to defeat the object sought to be achieved by the statute and the overall public interest and the

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social object is to be borne in mind while interpreting the various provisions thereof and in deciding cases under the same. (Emphasis supplied)

168. In ***Niranjan Hemchandra Sashittal & Anr. Vs. State of Maharashtra,*** (2013) 4 SCC 642, this Court while dwelling on the same theme, exposited as hereinbelow :

> "It can be stated without any fear of contradiction that corruption is not to be judged by decree, for corruption mothers disorder, destroys societal will to progress, accelerates undeserved ambitions, kills the conscience, jettisons the glory of the institutions, paralyses the economic health of a country, corrodes the sense of civility and mars the marrows of governance. It is worth noting that immoral acquisition of wealth destroys the energy of the people believing in honesty, and history records with agony how they have suffered. The only redeeming fact is that collective sensibility respects such suffering as it is in consonance with the constitutional morality."

169. A Constitution Bench of this Court in ***Subramanian Swamy Vs. Director, Central Bureau of Investigation & Anr.***, (2014) 8 SCC 682, reiterated that corruption is an enemy of the nation and tracking down corrupt public servants and punishing such persons is a necessary mandate of the Act 1988.

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170. On the touchstone of the above entrenched legal prescripts the evidence on record would have to be assayed to derive the deductions as logically permissible.

Probative worth of Income Tax Proceedings qua lawfulness of the source of income

171. The respondent in ***Commissioner of Income Tax, U.P. Vs. Devi Prasad Vishwanath Prasad,*** (1969) ITR 194 was a firm dealing in handloom cloth and silk fabrics. In the proceeding for the assessment year 1946-47, the income tax officer, amongst others, found a credit of Rs.20000/- in its books of accounts as a deposit in the name of M/s. Banshidhar Rawatmal of Ratangarh. After considering the evidence procured by the assessee, the Income Tax Officer rejected the plea that the amount had been deposited by the above firm and concluded that it was the assessee's income from undisclosed source. Eventually, the statement of case was referred to the High Court with the following question:

> "Whether, on the facts and in the circumstances of the case, there was any material to hold that the

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> sum of Rs.20,000/- was income of the assessee from some other source and was not income included in the assessed income on the rejection of the books of account?"

The High Court, having answered in the affirmative in favour of the assessee, the issue reached this Court.

172. It was exposited that there was nothing in law which prevented the Income Tax Officer in an appropriate case from taxing both the cash credit, the source and nature of which was not satisfactorily explained, and the business income estimated by him under Section 13 of the Income Tax Act, 1922, after rejecting the books of accounts of the assessee as unreliable. It was propounded as well that where there was unexplained cash credit, it was open to the Income Tax Officer to hold that it is the income of the assessee and no further burden lies on the Income Tax Officer to show that that income is from any particular source and that it was for the assessee to prove that even if the cash credit represented income, it was an income from a source which had already been taxed.

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173. In ***Anantharam Veerasinghaiah & Co. Vs. C.I.T., Andhra Pradesh,*** (1980) Suppl. SCC 13, the return filed by the petitioner – assessee, who was an Abkari contractor, was not accepted by the I.T.O. as amongst others, excess expenditure over the disclosed available cash was noticeable and further several deposits had been made in names of others. The assessee's explanation that the excess expenditure was met from the amounts deposited with him by other shopkeepers but were not entered in his book, was not accepted and penalty proceedings were taken out against him holding that the items of cash deficit and cash deposit represented concealed income resulting from suppressed yield and low selling rates mentioned in the books. The Appellate Tribunal however, allowed the appeal of the assessee and set aside the penalty order. The High Court reversed the decision of the Appellate Tribunal and the matter reached the Supreme Court.

174. It was held that as per Section 271(1)(c) of the Income Tax Act, 1961, penalty can be imposed in case where any person has concealed the particulars of his income or has

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deliberately furnished inaccurate particulars of such income. The related proceeding was quasi criminal in nature and the burden lay on the revenue to establish that the disputed amount represented income and that the assessee had consciously concealed the particulars of his income or had deliberately furnished inaccurate particulars. The burden of proof in penalty proceedings varied from that involved in assessment proceedings and a finding in assessment proceedings that a particular receipt was income cannot automatically be adopted as a finding to that effect in the penalty proceedings. In the penalty proceedings, the taxing authority was bound to consider the matter afresh on the materials before it, to ascertain that whether a particular amount is a revenue receipt. It was observed that no doubt the fact that the assessment year contains a finding that the disputed amount represents income constitutes good evidence in the penalty proceedings, but the finding in the assessment proceedings cannot be regarded as conclusive for the purpose of penalty proceedings. Before a penalty can be imposed, the entirety of the circumstances must be taken into account and must lead to the conclusion that the disputed amount

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represented income and that the assessee had consciously concealed the particulars of his income or had deliberately furnished inaccurate particulars.

175. The decision is to convey that though the I.T. returns and the orders passed in the I.T. Proceedings in the instant case recorded the income of the accused concerned as disclosed in their returns, in view of the charge levelled against them, such returns and the orders in the I.T. Proceedings would not by themselves establish that such income had been from lawful source as contemplated in the explanation to Section 13(1(e) and that independent evidence would be required to account for the same.

176. Though considerable exchanges had been made in course of the arguments, centring around Section 43 of the Indian Evidence Act, 1872, we are of the comprehension that those need not be expatiated in details. Suffice it to state that even assuming that the income tax returns, the proceedings in connection therewith and the decisions rendered therein are relevant and admissible in evidence as well, nothing as such,

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turns thereon definitively as those do not furnish any guarantee or authentication of the lawfulness of the source(s) of income, the pith of the charge levelled against the respondents. It is the plea of the defence that the income tax returns and orders, while proved by the accused persons had not been objected to by the prosecution and further it (prosecution) as well had called in evidence the income tax returns/orders and thus, it cannot object to the admissibility of the records produced by the defence. To reiterate, even if such returns and orders are admissible, the probative value would depend on the nature of the information furnished, the findings recorded in the orders and having a bearing on the charge levelled. In any view of the matter, however, such returns and orders would not ipso facto either conclusively prove or disprove the charge and can at best be pieces of evidence which have to be evaluated along with the other materials on record. Noticeably, none of the respondents has been examined on oath in the case in hand. Further, the income tax returns relied upon by the defence as well as the orders passed in the proceedings pertaining thereto have been filed/passed after the charge-sheet had been submitted.

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Significantly, there is a charge of conspiracy and abetment against the accused persons. In the overall perspective therefore neither the income tax returns nor the orders passed in the proceedings relatable thereto, either definitively attest the lawfulness of the sources of income of the accused persons or are of any avail to them to satisfactorily account the disproportionateness of their pecuniary resources and properties as mandated by Section 13(1)(e) of the Act.

177. A Constitution Bench of this Court in ***Iqbal Singh Marwah & Anr. Vs. Meenakshi Marwah & Anr.,*** (2005) 4 SCC 370, in this context had ruled that there is neither any statutory provision nor any legal principle that the findings recorded in one proceeding may be treated as final or binding on the other as both the cases have to be decided on the basis of the evidence adduced therein.

178. In ***CIT Patiala Vs. Piara Singh***, 1980 Supp. SCC 166, the respondent was apprehended while crossing the Indo Pakistan Border and a sum of Rs.65,500/- was recovered. He revealed at the interrogation, that he was taking the currency

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notes to Pakistan for purchase of gold to smuggle it into India. The currency notes were confiscated. In the income tax assessment proceedings of the respondent, the I.T.O., held that out of Rs.65,500/- an amount of Rs.60,500/- constituted income of the assessee from undisclosed sources. The plea of the respondent was that if he was regarded as engaged in the business of smuggling gold, he was entitled to deduction under Section 10(1) of the Income Tax Act of the entire amount at Rs.65,500/- as loss incurred in the business due to the confiscation thereof. His claim was upheld. It was ruled that if the activities of smuggling can be regarded as business, the currency notes carried by the assessee was meant for acquiring gold in Pakistan to be sold in India at a profit. The carrying of currency note was thus an essential part of the business and the confiscation of currency notes was a loss occasioned in pursuing the business and would be akin to an eventuality, as if the currency notes had been stolen or dropped on the way, while carrying on business.

(emphasis supplied)

This rendition too proclaims against probative efficacy of an income tax proceeding or order passed therein as a

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conclusive determinant of lawfulness of the source of any income involved therein.

179. In ***State of Tamil Nadu by Inspector of Police Vigilance and Anti-Corruption Vs. N. Suresh Rajan & Ors.***, (2014) 11 SCC 709, the allegation against the respondent, who was the Minister of Tamil Nadu was acquisition of pecuniary resources and properties in his name and in the names of his family members, and friends, disproportionate to the known sources of income. Charge of abetment was also levelled against the family members and friends. Charge sheet was submitted under Section 109 IPC read with Section 13(1)(e) and 13(2) of the 1988 Act. All of them were discharged by the High Court.

180. This Court ruled that the fact that the accused, other than the two Ministers, had been assessed to income tax and had paid income tax could not have been relied upon to discharge the accused persons in view of the allegation made by the prosecution that there was no separate income to amass such huge property. It was underlined that the property

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in the name of the income tax assessee itself cannot be a ground to hold that it actually belongs to such an assessee and that if this proposition was accepted, it would lead to disastrous consequences. This Court reflected that in such an eventuality it will give opportunities to the corrupt public servant to amass property in the name of known person, pay income tax on their behalf and then be out from the mischief of law. (emphasis supplied)

181. In ***Commissioner of Income Tax, Gujarat Vs. S.C. Kothari***, (1972) 4 SCC 402, the respondent S.C. Kothari was a registered firm and carrying on the business of commission agents and general merchants. During the assessment year 1958-59, the assessee claimed to have incurred a loss of Rs.3,40,443/- in certain transactions and pleaded that the above loss was allowable under Section 10(1) of the Income Tax Act, 1922 as a deduction against its other business income. The Income Tax Officer was of the view that the transactions in question were hit by the provisions of the Forward Contracts Regulation Act, 1852 and the Rules and Regulations of the Saurashtra Oil and Oilseeds Association Ltd. The losses were thus held to have been incurred in

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illegal transactions and the Income Tax Officer, thus rejected the contention of the assessee that even on the assumption that the losses were incurred in illegal transactions, they would be allowed in the computation of the income. The appellate Assistant Commissioner confirmed the order of the Income Tax Officer but the Tribunal held, in further appeal, that the transactions in question were not illegal contracts but were contracts which had been validly entered into under the Act and the bye-laws etc. The Tribunal remanded the matter to the Appellate Assistant Commissioner for a report and on the receipt thereof, it eventually held that such loss could not be set off against the other income but was of the view that the assessee was entitled to a set off of the loss against the profits in speculative transactions.

182. The High Court in the reference made, inter alia, held that even though the disputed contracts were not validly entered into in accordance with the above mentioned Act, the loss of Rs.3,40,443 was liable to be taken into account in computing the business income of the assessee under Section 10 of the Act of 1922 and the assessee was entitled to set off

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against the profits from other speculative transactions. This Court in the above factual backdrop held that it is well settled that contracts which are prohibited by statute, the prohibition being either express or implied, would be illegal and unenforceable if they are entered into in contravention of the statute. If the business is illegal, neither the profits earned or the losses incurred would be enforceable in law. But that does not take the profits out of the taxing statute. Similarly the taint of illegality of the business cannot detract from the losses being taken into account for computation of the amount which can be subjected to tax as "profits" under Section 10(1) of the Act of 1922 and the Tax Collector cannot be heard to say that he will bring the gross receipts to tax. He can only tax profits of a trade or business and that cannot be done without deducting the losses and the legitimate expenses of the business. The view of the High Court that for the purpose of Section 10(1), the losses which have actually been incurred in carrying on a particular illegal business must be deducted before the true figure relating to profits can be computed or determined to be brought to tax, was upheld.

(emphasis supplied)

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183. The import of this decision is that in the tax regime, the legality or illegality of the transactions generating profit or loss is inconsequential qua the issue whether the income is from a lawful source or not. The scrutiny in an assessment proceeding is directed only to quantify the taxable income and the orders passed therein do not certify or authenticate that the source(s) thereof to be lawful and are thus of no significance vis-à-vis a charge under Section 13(1)(e) of the Act.

184. In ***Vishwanath Chaturvedi Vs. Union of India & Ors.***, (2007) 4 SCC 380, a writ petition was filed under Article 32 of the Constitution of India seeking an appropriate writ for directing Union of India to take appropriate action to prosecute R2 to R5 under the 1988 Act for having amassed assets disproportionate to the known sources of income by misusing their power and authority. The respondents were the then sitting Chief Minister of U.P. and his relatives. Having noticed that the basic issue was with regard to alleged investments and sources of such investments, the

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respondents 2 to 5 were ordered by this Court to file copies of income tax and wealth tax returns of the relevant assessment years which was done. It was pointed out on behalf of the petitioner that the net assets of the family though was Rs.9,22,72,000/-, as per the calculation made by the official valuer, the then value of the net assets came to be Rs.24 crores. It was pleaded on behalf of the respondents that income tax returns had already been filed and the matters were pending before the authorities concerned and all the payments were made by cheques, and thus the allegation levelled against them were baseless. It was observed that the minuteness of the details furnished by the parties and the income tax returns and assessment orders, sale deeds etc. were necessary to be carefully looked into and analysed only by an independent agency with the assistance of chartered accountants and other accredited engineers and valuers of the property. It was observed that the Income Tax Department was concerned only with the source of income and whether the tax was paid or not and, therefore, only an independent agency or CBI could, on court direction, determine the question of disproportionate assets. The CBI was thus

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directed to conduct a preliminary enquiry into the assets of all the respondents and to take further action in the matter after scrutinizing as to whether a case was made out or not.

This decision is to emphasize that submission of income tax returns and the assessments orders passed thereon, would not constitute a full proof defence against a charge of acquisition of assets disproportionate to the known lawful sources of income as contemplated under the PC Act and that further scrutiny/analysis thereof is imperative to determine as to whether the offence as contemplated by the PC act is made out or not.

Consistent approach of Courts in P.C. matters

185. In ***State of M.P. Vs. Shambhu Dayal Nagar***, (2006) 8 SCC 693, this court while responding to the plea for a lenient view qua a charge of corruption expressed its concern against rampant venality by public servant observed that the malady is corroding like cancerous lymph nodes, the vital veins of the body politics, social falenic of efficiency in public service and

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demoralizing the honest officers. The need for public servants to devote their sincere attention to the duties of the office was emphasized**.**

186. In ***Subramanian Swamy*** (supra), this Court was examining the challenge to the constitutional validity of Section 6A of the DSPE Act, 1946 - qua a classification amongst public servants made by Section 6A for the purpose of inquiry/investigation into any offence under the 1988 Act. It was observed that the corruption is an enemy of the nation and to track down the corrupt public servant and to punish them is the necessary mandate of the 1988 Act and as such the purposes of law being either to eliminate public mischief or achieve public good, the classification militates against the same and in a way advances public mischief and protects the crime doer. It was held that the provision thwarts independent unhampered, unbiased, efficient and fearless inquiry/investigation to track down the corrupt public servants. Section 6A of the DSPE Act and Section 26 (c) of the CBC Act struck down.

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187. In ***Niranjan Hemchandra Sashittal*** (supra), this Court, apart from elucidating the objective of the 1988 Act ruled that the gravity of the offence thereunder is not to be judged on the measure of quantum of obribe, as corruption is not to be justified in degree. A serious concern was expressed noticing the permeating presence of the malady in the contemporary existence, so much so, that immoral acquisition of wealth visibly has the potential to destroy the morale of the people believing in honesty, destroying societal will to progress, aside corroding the sense of civility and enervating the marrows of governance.

LIFTING OF CORPORATE VEIL OF THE COMPANY

188. In ***Aron Salomon (Pauper) Vs. A. Salomon and Company Limited***, 1897 AC 22, the House of Lords accentuated the distinctive entity of a company qua its subscribers as elucidated hereunder:

> "The company is at law a different person altogether from the subscribers to the memorandum; and, though it may be that after incorporation, the business is precisely the same as it was before, and the same persons are managers, and the same

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> hands receive the profits, the company is not in law the agent of the subscribers or trustee for them."

The caveat of Lord Halsbury L.C. in this context, as extracted hereinbelow, however is revealing:

> "I am simply here dealing with the provisions of the statute, and it seems to me to be essential to the artificial creation that the law should recognise only that artificial existence – quite apart from the motives or conduct of individual corporation. In saying this, I do not at all mean to suggest that if it could be established that this provision of the statute to which I am adverting had not been complied with, you could not go behind the certificate of incorporation to show that a fraud had been committed upon the officer entrusted with the duty of giving the certificate, and that by some proceeding in the nature of scire facias you could not prove the fact that the company had no real legal existence."

189. While elaborating on the same theme, this Court in ***Delhi Development Authority Vs. Skipper Construction Co. (P) Ltd. & Anr.***, (1996) 4 SCC 622, noted that the above legal proposition was, however, subject to several exceptions amongst others, when the corporate personality is blatantly used as a cloak for fraud or improper conduct, as scripted by **Gower – Modern Company Law – 4th Edn. (1979)** (page 137).

190. The following passage from **Company Law by**

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Pennington – 5th Edition 1985 at page 53 was also quoted with approval:

> "The concept of 'piercing the veil' in the United States is much more developed than in the UK. The motto, which was laid down by Sanborn, J. and cited since then as the law, is that 'when the notion of legal entity is used to defeat public convenience, justify wrong, protect fraud, or defend crime, the law will regard the corporation as an association of persons'. The same can be seen in various European jurisdictions."

This Court also in that decision, referred to the following synopsis on the subject as entered by the **American Professor L. Maurice Wormser in his article "Piercing the veil of corporate entity**" :

> "When the conception of corporate entity is employed to defraud creditors, to evade an existing obligation, to circumvent a statute, to achieve or perpetuate monopoly, or to protect knavery or crime, the courts will draw aside the web of entity, will regard the corporate company as an association of live, up-and-doing, men and women shareholders, and will do justice between real persons.".

191. It was finally held that the concept of corporate entity was evolved to encourage and promote trade and commerce and not to commit illegalities or to defraud people and thus

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when the corporate character is employed for the purpose of committing illegality or for defrauding others, the Court ought to ignore the corporate character and scan the reality behind the corporate veil so as to enable it to pass appropriate orders to do justice between the parties.

192. In ***State of Rajasthan & Ors. Vs. Gotan Lime Stone Khanji Udyog Private Limited & Anr.***, (2016) 4 SCC 469, it has propounded that the principle of lifting the corporate veil was well recognized not only to unravel tax evasion but also where protection of public interest was of paramount importance and the corporate entity was only an attempt to evade legal obligations and lifting of veil is necessary to prevent a device to avoid any welfare legislation. It was acknowledged that it was difficult to enumerate the classes of cases where lifting the veil is permissible but it was stressed upon that the same must necessarily depend on the relevant statutory or other provisions, the object sought to be achieved, the impugned conduct, the involvement of the element of the public interest, the effect on parties who may be affected etc. It was recorded that the doctrine of lifting the veil could be

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invoked, if the public interest so required or if there was violation of law by using the device of a corporate entity. In the reported case, the corporate entity had been used to conceal the real transaction of transfer of mining lease to a third party for consideration without the statutory consent by terming it as two separate transactions. The real transaction was the sale of mining lease which was legally impermissible. That the doctrine of lifting the veil has to be applied to give effect to law which is sought to be circumvented, is thus the judicial precept.

193. In ***Commissioner of Income Tax Vs. P. Mohanakala***, (2007) 6 SCC 21, the issue involved related to additions made by the Assessing Officer in respect of several foreign gifts stated to have been received by the assessees from one common donor Sampat Kumar. Though the gifts were claimed to have been received from persons with two other names, in course of the inquiry, it was ascertained by the Assessing Officer that those were all aliases of Sampat Kumar. The concerned revenue authority, therefore did not accept the explanation that the receipt was a gift from an NRI. Noticeably,

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the payments were made by instruments issued by a foreign bank and credited into the respective assessee's account by negotiation through a bank in India. In course of the inquiry, except the self-serving statement of Sampat Kumar, no other material evidence as regard his financial status did surface. The Assessing Officer, on an appreciation of the evidence collected, concluded that he had given gifts to the assessees with the possibility of having received compensatory payments in lieu of the gifts made by him. It was thus, concluded by the said authority that the gifts though apparent were not real and accordingly, treated those amounts credited in the books of the assesses as their income.

194. This Court while scanning the facts involved referred to Section 68 of the Income Tax Act, 1961. It also relied on the decision of this Court in ***Sumati Dayal Vs. Commissioner of Income Tax, Bangalore***, (1995) Suppl. 2 SCC 453 to the effect that in all cases where a receipt is sought to be taxed as income, the burden lies on the department to prove that it is within the taxing provision and that if the receipt is in the nature of income, the burden of proving that it is not taxable

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because it falls within the exemption provided by the Income Tax Act lay upon the assessee. This Court in the textual facts upheld the finding of the Assessing Officer, and most importantly underlined that though the money involved had come by way of bank cheques and paid through the process of banking transaction, the same per se were of no consequence. (emphasis supplied)

195. The decision highlights two aspects, firstly if the Assessing Officer on the consideration of the materials sought for is not satisfied with the explanation provided by the assessee qua an income determined by undisclosed sources, in terms of Section 68, such income can be made subject to income tax and secondly even if such transaction is evidenced by banking operations as well as contemporaneous records pertaining thereto, the same *ipso facto* would not be determinative to hold that the transaction was that of a genuine acceptable gift. It was in this context that the distinction between a transaction that is apparent from one i.e. real has been highlighted in emphatic terms.

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196. In ***Yash Pal Goel Vs. Commissioner of Income Tax (Appeals)***, (2009) 310 ITR 75 (P&H) ***Smt. Kusumlata Thakral Vs. Commissioner of Income Tax (Appeals)***, (2010) 327 ITR 424 (P&H), ***Commissioner of Income Tax Vs. Sandeep Goyal***, (2014) 369 ITR 471 (P&H) and ***Income Tax Officer Vs. Mukesh Bhanubhai Shah***, (2009) 318 (AT) 394 (ITAT [Mum]), the common issue was with regard to applicability of Section 68 of the Income Tax Act, 1961 vis-a-vis receipts which were claimed by the assessees to be by way of gifts and thus exempted from income tax. In all these cases the assessees were asked to provide explanation to bring the receipts within the purview of gifts exempted from income tax and the AO on an indepth scrutiny thereof had concluded that the transactions were only smoke screen/subterfuge to avoid income tax. The decision in **Sumati Dayal** (supra), with reference to Section 68 of the Income Tax Act was relied upon. Further the significant aspects of creditworthiness of donors and genuineness of the transactions were highlighted. The relationship between the donors and the assessee was also examined so as to furnish an acceptable reason or justification for such gift out of natural love and affection.

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197. It was emphasized that to examine the genuineness of a gift, the test of human probability was very appropriate. It was reiterated that a gift cannot be accepted as such to be genuine merely because the amount has come by way of cheque or draft through banking channels unless the identity of the donor, his creditworthiness, relationship with the donee and the occasion was proved. Unless the recipient proved the genuineness of the transaction, the same could be very well treated as an accommodation entry of the assessee's own money, which was not disclosed for the purpose of taxation.

198. In all however, the process undertaken by the Income Tax authorities under Section 68 of the Act is only to determine as to whether the receipt is an income from undisclosed sources or not and is unrelated to the lawfulness of the sources or of the receipt. Thus even if a receipt claimed as a gift is after the scrutiny of the Income Tax Authorities construed to be income from undisclosed sources and is subjected to income tax, it would not for the purposes of a charge under Section 13(1)(e) of the Act be sufficient to hold

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that it was from a lawful source in absence of any independent and satisfactory evidence to that effect.

199. In ***Sumati Dayal*** (supra), the subject matter of scrutiny was receipts by the assessee claimed to be from her winnings in races and the explanation in support thereof. This court held that it is no doubt true that in all cases where the receipt is sought to be taxed as income, the burden lies on the Department to prove that it is within the relevant provision and if a receipt is in the nature of income, the burden of proof that it is not taxable but it falls within the exemption provided by the Income Tax Act lies on the assessee. But in view of Section 68 of the Act, where any sum is found credited in the books of the assessee for any previous year, the same may be charged as income tax as the income of the assessee of the previous year, if the explanation offered by the assessee about the nature and source thereof is in the opinion of the Assessing Officer, not satisfactory. It was expounded that in such a case there is, prima facie, evidence against the assessee viz., the receipt of money, and if he fails to rebut the said evidence, it can be used against him by holding that it

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was a receipt of an income nature.

200. In the contextual facts it was observed that though there was no dispute that the amounts were received by the appellant from various race clubs on the basis of winning tickets presented by her, the question was whether the transaction could be accepted as real. The Court recalled, the laid down proposition that apparent must be considered as real until it is shown that there are reasons to believe that the apparent is not the real and the Taxing Authorities are entitled to look in the attendant circumstances to find out the reality and that the matter has to be considered by applying the test of human probabilities. On an analysis of the various attendant factors i.e. knowledge of the appellant about racing, wild and unbelievable claim of the appellant to have won several jackpots in 3-4 races not merely at one place but at three different centres, absence of drawings from the appellant's books on the race days or on the immediately preceding days, absence of any debit either for expenses and purchase of tickets or for losses etc., the Court upheld the analysis the AO rejecting the appellant's claim of receipts of

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winning races as unreal. This Court thus upheld the approach of examining attendant circumstances and applying the test of human probabilities to ascertain as to whether the claim was genuine or not.

Gift, if Lawful Source of Income for a holder of Public Office:

201. This Court in ***R.S. Nayak Vs. A.R. Antulay & Anr.***, (1986) 2 SCC 716, amongst others dealt with the distinctive features of Sections 161 and 165 of the Indian Penal Code. It enunciated that under the former Section, a present is taken by a public servant as a motive or reward for abuse of office but under the latter, the question of motive or reward is wholly immaterial and acceptance of a valuable thing without consideration or with inadequate consideration from a person who has or is likely to have any business to be transacted is forbidden because though not taken as a motive or reward for showing any official favour, it is likely to influence the public servant to show official favour to the person giving such valuable thing. While observing that the ambit of Section 165 is wider than that of Sections 161, 162 and 163 IPC and is intended to cover cases of corruption which do not come

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within the sweep of the latter provisions, it was emphatically proclaimed that if public servants are allowed to accept presents when they are prohibited in law, they would easily circumvent the prohibition by accepting the bribe in the shape of a present. It was underscored that the provisions under Sections 161 and 165 IPC as well as the Section 5 of the Act 1947 were intended to keep the public servant free from corruption and thus ultimately to ensure purity in public life.

202. It is worthwhile to recall that with the advent of the Act 1988, Sections 161 to 165A have been omitted from the Code as those have been essentially engrafted in the said Statute and thus the essence and spirit thereof seemingly have a bearing on the constituents of Section 13 of the Act. This, in our comprehension, would comport to the Statement of Objects & Reasons of the legislation, which envisaged widening of the scope of the definition of the expression "public servant" and incorporation of the offences under Sections 161 to 165A in the Act. As a corollary, while applying Section 13 thereof in the facts of the given case, the attributes of the offences contained in erstwhile Sections 161 to 165A of

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the IPC cannot be totally disregarded.

Burden of proof and benefits of doubt

203. That the burden of proof a charge is on the prosecution subject to the defence of insanity and any other statutory exception has been authoritatively proclaimed in ***Woolmington Vs. The Director of Public Prosecutions***, (1935) AC 462, and testified by the following extract:

> Throughout the web of the English Criminal Law one golden thread is always to be seen, that it is the duty of the prosecution to prove the prisoner's guilt subject to what I have already said as to the defence of insanity and subject also to any statutory exception. If, at the end of and on the whole of the case, there is a reasonable doubt, created by the evidence given by either the prosecution or the prisoner, as to whether the prisoner killed the deceased with a malicious intention, the prosecution has not made out the case and the prisoner is entitled to an acquittal. No matter what the charge or where the trial, the principle that the prosecution must prove the guilt of the prisoner is part of the common law of England and no attempt to whittle it down can be entertained."

204. In ***Shivaji Sahabrao Bobade & Anr. Vs. State of Maharashtra***, (1973) 2 SCC 793, Hon'ble Krishna Iyer J., in

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his inimitable expressional felicity cautioned against the dangers of exaggerated affinity to the rule of benefit of doubt as hereunder:

> "The dangers of exaggerated devotion to the rule of benefit of doubt at the expense of social defence and to the soothing sentiment that all acquittals are always good regardless of justice to the victim and the community, demand especial emphasis in the contemporary context of escalating crime and escape. The judicial instrument has a public accountability. The cherished principles or golden thread of proof beyond reasonable doubt which runs thro' the web of our law should not be stretched morbidly to embrace every hunch, hesitancy and degree of doubt. The excessive solicitude reflected in the attitude that a thousand guilty men may go but one innocent martyr shall not suffer is a false dilemma. Only reasonable doubts belong to the accused. Otherwise any practical system of justice will then break down and lose credibility with the community. The evil of acquitting a guilty person light heartedly as a learned author (Glanville Williams in 'Proof of Guilt') has sapiently observed, goes much beyond the simple fact that just one guilty person has gone unpunished. If unmerited acquittals become general, they tend to lead to a cynical disregard of the law, and this in turn leads to a public demand for harsher legal presumptions against indicated 'persons' and more severe punishment of those who are found guilty.". (emphasis supplied)

205. In ***Collector of Customs, Madras & Ors. Vs. D. Bhoormall***, (1974) 2 SCC 544, this Court had observed that in all human affairs, absolute certainty is a myth and the law

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does not require the prosecution to prove the impossible. It was highlighted that all that was required is the establishment of such a degree of probability that a prudent man may on this basis believe in the existence of the fact in issue. It was exposited that legal proof is thus not necessarily perfect proof and is nothing more than a prudent man's estimate as to the probability of the case.

206. That proof beyond reasonable doubt is only a guideline and not a fetish and that a guilty man cannot get away with it because truth suffers from infirmity, when projected through human processes, was underscored by this Court in ***Inder Singh & Anr. Vs. State*** **(Delhi Administration)**, (1978) 4 SCC 161. It was remarked that if a case is proved too perfectly, it is argued that it is artificial; if a case has some flaws, inevitable because human beings are prone to err, it is argued that it is, too imperfect and thus whether in the meticulous hypersensitivity to eliminate a rare innocent from being punished, many, guilty men must be callously allowed to escape.

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207. In the same vein, this Court in ***Ashok Debbarma alias Achak Debbarma Vs. State of Tripura***, (2014) 4 SCC 747, expounded that in our criminal justice system, for recording guilt of the accused, it is not necessary that the prosecution should prove the case with absolute or mathematical certainty but only beyond reasonable doubt and the criminal courts, while examining whether any doubt is beyond reasonable doubt, may carry in their mind, some "residual doubt" even though the courts are convinced of the accused persons' guilt beyond reasonable doubt.

ISSUE - ESTOPPEL

208. This Court in ***Ravinder Singh Vs. State of Haryana***, (1975) 3 SCC 742, while dwelling on the rule of issue/estoppel enunciated that in order to invoke the rule of issue-estoppel not only the parties in the two proceedings must be the same but also the fact-in-issue proved or not in the earlier proceeding must be identical with what is sought to be re-agitated in the subsequent one.

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209. This ruling was in the context of the plea that in the face of the acquittal of the co-accused (appellant therein) in a separate trial, conviction against him (appellant) was unsustainable. This proposition has been relied upon by the prosecution to reinforce its plea that in any view of the matter, it not being a party to the tax assessment proceedings, at any level, the decision passed therein would not be of binding bearing at the trial by invoking the rule of issue estoppel.

210. A Constitution Bench of this Court in ***Iqbal Singh Marwah & Anr. Vs. Meenakshi Marwah & Anr.*** (supra), in this context had ruled that there is neither any statutory provision nor any legal principle that the findings recorded in one proceeding may be treated as final or binding in other as both the cases have to be decided on the basis of the evidence adduced therein.

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Interpretation of the expression "satisfactorily account" in the context of the offence of misconduct under Section 5(1)(e) of Act of 1947 and Section 13 (1)(e) of Act 1988

211. This Court in ***C.S.D. Swami Vs. The State,*** (supra), was dealing with an appeal from a conviction under Sections 5(1)(a) and 5(1)(d) of Act 1947. In the textual facts this Court while examining the purport of Section 5(3) of Act 1947 observed that the said provision did not create a new offence but only laid down a rule of evidence, enabling the Court to raise a presumption of guilt in certain circumstances – a rule which was in complete departure from the established principles of criminal jurisprudence that the burden always lay on the prosecution to prove all the ingredients of the offence charged and that the burden never shifted on to the accused to disprove the charge framed against him. In this premise, it was held that the test of plausible explanation was inapplicable, as under this statute, the accused person was required to satisfactorily account for the possession of the pecuniary resources or property disproportionate to its own sources of income and that the word "satisfactorily" used by the legislature deliberately did cast a burden on the accused

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not only to offer a plausible explanation as to how he came to acquire his large wealth but also to satisfy the Court that his explanation was worthy of acceptance. This Court enunciated that "known sources of income" must have reference to sources known to the prosecution on a thorough investigation of the case and it cannot be the resources known to the accused. In further elaboration, it was elucidated that the affairs of an accused person would be a matter within his special knowledge in terms of the Section 106 of the Evidence Act and that the source of income of a particular individual would depend upon his position in life, with particular reference to its occupation or avocation in life and in case of government servant, the prosecution would naturally infer that his known source of income would be the salary earned by him during his active service. That however, it would be open to the accused to prove the other sources of income which have not been taken into account or brought into evidence by the prosecution was underlined.

(emphasis supplied)

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212. In ***M. Narayanan Nambiar Vs. State of Kerala***, (1963) Suppl. 2 SCR 724, also involving the offence under Section 5(1)(d) of the Act 1947, this Court emphasised that this statute was passed to make more effective provisions for the prevention of bribery and corruption as the general law with regard thereto as contained in Sections 161 and 165 IPC proved to be insufficient to eradicate or even control the growing evil of these offences corroding the public service. This Court held a view that the rebuttable presumption contemplated by the statute though contrary to the well known principles of criminal jurisprudence had been comprehended as a socially useful measure conceived in public interest and thus deserve to be liberally construed to bring about the desired object. This Court added that when the legislature, having referred to the aim of the legislation had used comprehensive terminology in Section 5(1)(d), to achieve a purpose, it would be appropriate not to limit the content by construction when in particular the spirit of the statute is in accord with the words used therein. (emphasis supplied)

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213. The same view was reiterated, amongst others in ***State of Maharashtra Vs. Wasudeo*** **Ramchandra Kaidalwar**, (supra), dealing in specific terms with Section 5(1)(e) of 1947 Act.

The evident dispensation of this pronouncement is that the spirit of the enactment has to be acknowledged as a relevant factor to construe an offence alleged to have been committed there under. While dilating on the expressions "the public servant cannot satisfactorily account" and "known sources of income", which was construed to mean "sources known to the prosecution", this Court held the view that the plea that unless the prosecution disproves all possible sources of income, a public servant charged for having disproportionate assets in his possession, which he cannot satisfactorily account, cannot be convicted under Section 5(1)(e) of the Act was erroneous. It was enunciated that the possible sources of income beyond those known to the prosecution were matters within the special knowledge of the public servant within the meaning of Section 106 of the Evidence Act, 1872. It was, however, recognized that the burden of the accused was not so onerous as that of the

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prosecution and could be discharged by proof of balance of probabilities. (emphasis supplied)

214. In ***K. Ponnuswamy Vs. State of T.N.***, (2001) 6 SCC 674, this Court referred to the definition of the word "proved" in Section 3 of the Indian Evidence Act 1872 and also Section 114 thereof. While noting that in terms thereof, a fact is said to be proved when after considering the matters before it, the Court either believes it to exist or considers its existence so probable that a prudent man, under the circumstances of the particular case, ought to act upon this supposition that it exists. It reflected also on the permissible presumption envisaged under the statute, with regard to the existence of any fact which a Court is likely to think to have happened, regard being had to the common course of natural events, human conduct and public and private business in relation to the facts of a particular case.

215. The significance of this decision is that while evaluating the evidence on record, the attendant facts and circumstances need be taken note of as well, to determine as to whether the materials available, having regard to the common course of

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natural events and human conduct do logically prove the point in issue.

216. In the context of the sources of income of a public servant which is the kernel of the offence of criminal misconduct engrafted in Section 13(1)(e) of the Act, this Court in ***State of M.P. Vs. Awadh Kishore Gupta & Ors.***, (2004) 1 SCC 691, elaborated on the attributes of income as hereunder in para 6:

> "The phrase "known sources of income" in Section 13(1)(e) [old Section 5(1)(e)] has clearly the emphasis on the word "income". It would be primary to observe that qua the public servant, the income would be what is attached to his office or post, commonly known as remuneration or salary. The term "income" by itself, is elastic and has a wide connotation. Whatever comes in or is received, is income. But, however, wide the import and connotation of the term "income", it is incapable of being understood as meaning receipt having no nexus to one's labour, or expertise, or property, or investment and having further a source which may or may not yield a regular revenue. These essential characteristics are vital in understanding the term "income". Therefore, it can be said that, though "income" is receipt in the hand of its recipient, every receipt would not partake the character of income. Qua the public servant, whatever return he gets from his service, will be the primary item of his income. Other incomes, which conceivably are income qua the public servant, will be in the regular receipt from (a) his property, or (b) his investment.

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> A receipt from windfall, or gains of graft, crime or immoral secretions by persons prima facie would not be receipt from the "known sources of income" of a public servant." (emphasis supplied)

217. It was emphasised that the word "satisfactorily" did levy a burden on the accused not only to offer a plausible explanation as to how he came by his large wealth but also to satisfy the Court that the explanation was worthy of acceptance. The noticeable feature of this pronouncement thus is that the explanation offered by the accused to be acceptable has to be one not only plausible in nature and content but also worthy of acceptance.

218. In ***P. Nallammal & Anr. Vs. State,*** (supra), this Court while elucidating that the 1988 Act does contemplate abetment of an offence under Section 13, proclaimed that in terms of the explanation to Section 13(1)(e) of 1988 Act, the known sources of income of a public servant for the purpose of satisfying the Court should be "lawful source" and further the receipt thereof should have been intimated by him or her in accordance with the provisions of any law applicable to such public servant at the relevant time. It was underscored that a

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public servant cannot escape from the tentacles of Section 13(1)(e) of the 1988 Act, by showing other legally forbidden sources.

219. A Constitution Bench of this Court in ***K. Veeraswami Vs. Union of India & Ors.***, (1991) 3 SCC 655, again elaborating on an offence under Section 5(1)(e) read with Section 5(2) of the Act 1947 reaffirmed the view that clause (e) of Section 5(1) created a statutory offence which must be proved by the prosecution and when the onus is discharged by it, the accused has to account satisfactorily for the dis-proportionality of the properties possessed by him. It was noted that the Section did make available a statutory defence to the accused which he/she was to prove and that the public servant was required to account for the disparity of the assets qua the income. Though it was observed that the legal burden of proof placed on the accused was not so onerous as that of the prosecution, it was enunciated that it would not be enough to just throw some doubt on the prosecution version. Referring to the expression "satisfactorily account", it was ruled that due emphasis must be accorded to the word "satisfactorily" which

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signified that the accused has to satisfy the Court that his explanation was worthy of acceptance. Though it was marked that the procedure was contrary to the well known principle of criminal jurisprudence that the burden of proof lay always on the prosecution and did never shift to the accused, the competence of the Parliament to shift such burden on certain aspects and particular in matters especially in the knowledge of the accused, was acknowledged. The plea of the appellant therein that the possession of assets disproportionate to one's source of income is no offence, till the public servant was able to account for the excess thereof was not accepted. It was held that if one possesses assets beyond his legitimate means, it goes without saying that the excess is out of ill-gotten gain observing that assets are not drawn like Nitrogen from the air and that have to be essentially acquired, for which means are necessary. It was stressed upon that the public servant concerned was required to prove the source of income or the means by which he had acquired the assets. It was propounded that once the prosecution proved that the public servant possessed assets dis-proportionate to his known sources of income, the offence of criminal conduct was

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attributed to him but it would be open to him to satisfactorily account for such dis-proportionality.

220. In ***V. D. Jhingan Vs. State of Uttar Pradesh*** (supra), it was expounded that when a statute places burden of proof on an accused person, it is not that he is not required to establish his plea, but a decree and character of proof which the accused was expected to furnish could not be equated with those expected from the prosecution.

221. In ***N. Ramakrishnaiah (dead) through LRs. Vs. State of Andhra Pradesh***, (2008) 17 SCC 83, charge-sheet was submitted against the petitioner (since dead) under Section 5(1)(e) and 5(2) of the Act 1947 on the allegation of acquiring disproportionate assets compared to his known sources of income and he was convicted by the Trial Court. In the appeal before the High Court, the dispute was restricted only to Item 26 of the assets (moveables) and agricultural income. It was pleaded that the former was over estimated and deserved to be reduced and the latter was under estimated and was to be enhanced. The High Court rejected the plea. This Court noted

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that whereas the prosecution in support of the agricultural income amongst others relied on the evidence of the Mandal Revenue Officer and the details furnished by the witness in the documents proved by him, the accused placed reliance on a document without disclosing as to who was the author thereof and on what basis the entries mentioned therein had been made. Placing reliance on the decision in ***State of M.P. Vs. Awadh Kishore Gupta and others*** (supra), dealing with "income" of a public servant " known sources" of income" and "satisfactorily account", this Court affirmed the conviction. It reiterated that by using the word "satisfactorily", the legislature had deliberately cast a burden on the accused not only to offer a plausible explanation as to how he came by his large wealth, but also to satisfy the Court that his explanation was worthy of acceptance.

Scope of interference with an order of acquittal/conviction under Article 136 of the Constitution of India

222. This Court in ***State of Uttar Pradesh Vs. Chet Ram & Ors.***, (1989) 2 SCC 425, while reflecting on the scope of appeal

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against acquittal recorded by the High Court thus reversing the verdict of conviction rendered by the Trial Court propounded that though the power (under Article 136) ought to be exercised with care and restraint in setting-aside a judgement of acquittal, the Court would be failing in its duty when the ends of justice warrant the same. In the textual facts, this Court recorded that the conclusions of the High Court had been drawn on assumption of surmises without any foundation in the evidence for them. It was observed that the prosecution evidence was of unimpeachable nature and did not afford any scope of two views to be taken with one of them being more plausible than the other. It was held that as an abstract proposition of argument, though it may be stated that every case affords the potential for two views being taken, it has to be realized that the alternative view must have some content of plausibility in it and without the same, the said view cannot be countenanced in law as a plausible alternative. In this context, it recalled the enunciation in ***Arunachalam Vs. P.S.R. Sadhanantham & Anr.***, (1979) 2 SCC 297, that in dealing with an appeal against acquittal, the Court would keep in mind that the presumption of innocence in favour of the

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accused is reinforced by the judgment of acquittal. It, however, noted as well the caveat that in such an eventuality also, the Court would not abjure its duty to prevent miscarriage of justice by hesitating to interfere where interference is imperative. It was stated that where the acquittal is based on irrelevant ground, or where the High Court allows itself to be deflected by red herrings drawn across the track, or by the evidence accepted by the Trial Court but rejected by the High Court after perfunctory consideration or where the baneful approach of the High Court has resulted in vital and crucial evidence being ignored or for any such adequate reasons, the Court would feel obliged to step in to secure the interest of justice, to appease the judicial conscience as it were. (emphasis supplied)

223. That this Court ought to rarely interfere and only where there is a grave error of law or serious miscarriage of justice or the judgment of the High Court appealed against is fraught with serious and substantial error of law and legal infirmities was highlighted in ***State of Maharashtra Vs. Narsinghrao Gangaram Pimple***, (1984) 1 SCC 446. In the factual scenario

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involved therein, this Court was of the view that abstinence from interference with the order of acquittal would amount to failure in duty.

224. In ***State of Punjab Vs. Karnail Singh***, (2003) 11 SCC 271, where apart from underlining that there was no embargo on the Appellate Court to review the evidence upon which an order of acquittal is based, it was elaborated that if two views are possible on the same set of evidence, interference with an acquittal would be justified when there are compelling and substantial reasons for doing so. It was stated as well that if the impugned judgement of acquittal is unreasonable, it would as well be a compelling reason to overturn the same.

(emphasis supplied)

225. It was propounded in ***Mritunjoy Biswas Vs. Pranab alias Kuti Biswas & Anr.***, (2013) 12 SCC 796, that minor discrepancies are not to be given undue emphasis and evidence is to be considered from the point of view of trustworthiness. The test is whether the same inspires confidence in the mind of the Court. If the evidence is incredible and cannot be accepted by the test of prudence,

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then it may create a dent in the prosecution version. Every omission cannot take place of a material omission and therefore minor contradictions, inconsistencies or insignificant embellishments do not affect the core of the prosecution case. The omission should create a serious doubt about the truthfulness or creditworthiness of a witness. It was held that it is only serious contradictions and omissions would materially affect the case of the prosecution, but not every contradiction or omission is relevant.

226. This Court in ***State of U.P. Vs. Gokaran & Ors.***, 1984 Suppl. SCC 482, expounded that when incriminating evidence of a satisfactory character is brushed aside mainly by relying upon a few circumstances which do not detract from the value of such incriminating evidence, it becomes the duty of the Court to interfere with the acquittal in order to redeem the course of justice. It was elaborated that if it is found that the Court below had adopted a hyper technical approach to the entire prosecution case and that the direct ocular evidence cannot be doubted, interference would be warranted.

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227. In ***Mst. Dalbir Kaur & Ors. Vs. State of Punjab***, (1976) 4 SCC 158, this Court ruled that the Supreme Court is not an ordinary court of criminal appeal and does not interfere with pure questions of fact. It is only in very special cases where it is satisfied that the High Court has committed an error of law or procedure as a result of which there has been a serious miscarriage of justice, that it would intervene. It is generally not in the province of this Court to reappraise the evidence and go into the question of credibility of the witnesses unless the assessment of evidence by the High Court is vitiated by an error of law or procedure, by the principles of natural justice, by errors of record or misleading of evidence, non-consideration of glaring inconsistencies in the evidence which demolish the prosecution case or where the conclusions are manifestly perverse and unsupportable. In other words, substantial and grave injustice ought to be visible, warranting a review of the decision appealed against. Something substantial has to exist to persuade the Court to go behind the findings of facts. It underlined that Article 136 reserves to this Court, special discretionary power to interfere in suitable

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cases when for special reasons, it considers that interference is called for in the larger interest of justice.

228. In ***Chandrappa & Ors. Vs. State of Karnataka***, (2007) 4 SCC 415, the High Court had reversed the order of acquittal made by the Trial Court and had convicted the appellants. The scope of interference with an order of acquittal under Section 378 Cr.P.C. thus fell for scrutiny of this Court. It was ruled that in an appeal against acquittal, the High Court has full power to re appreciate, review and reconsider the evidence at large, the material on which the order of acquittal is founded and to arrive at its own conclusions on such evidence. Both questions of fact and of law are open to determination by the High Court in an appeal against an order of acquittal. It, however, has to bear in mind that there is a double presumption in favour of the accused once there is an order of acquittal. Firstly, the presumption of innocence is available to him under the fundamental principle of criminal jurisprudence that every person should be presumed to be innocent unless he is proved to be guilty by a competent court of law and secondly the accused having secured an acquittal,

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the presumption of his innocence is certainly not weakened but reinforced, reaffirmed and strengthened by the Trial Court.

229. It quoted with approval the view of Lord Russel in ***Sheo Swarup Vs. R. Emperor***, AIR 1934 PC 227 (2), that there was no foundation of the opinion that the High Court has no power or jurisdiction to reverse an order of acquittal except in cases in which the lower court has "obstinately blundered" or has "through incompetence, stupidity or perversity" reached such 'distorted conclusions as to produce a positive miscarriage of justice or has in some other way so conducted or misconducted itself as to produce a glaring miscarriage of justice or has been tricked by the defence so as to produce a similar result.

230. It was reiterated that though the High Court has full power to review the evidence upon which the order of acquittal is founded, in view of the presumption of innocence, reversal can be made only for substantial and compelling reasons. The decision quoted the observations in ***Shivaji Sahabrao Bobade*** (supra), sounding caution against the dangers of exaggerated devotion to the rule of benefit of doubt at the

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expense of social defence and to the soothing sentiment that all acquittals are always good regardless of the justice to the victim and the community. The decision also adverted to the rendition in ***K. Gopal Reddy Vs. State of Andhra Pradesh***, (1979) 1 SCC 355, to the effect that if two reasonably probable and evenly balanced views on the evidence are possible, one must necessarily concede the existence of a reasonable doubt but remote and fanciful possibilities must be left out of account. It was reiterated that in order to entitle an accused person to the benefit of doubt arising from the possibility of duality of views, the possible view in his favour, must be as reasonably probable as that against him.

(emphasis supplied)

231. In ***Ramaiah @ Rama Vs. State of Kanataka***, (2014) 9 SCC 365, this Court, while dwelling on the same theme quoted its observation in ***Harbans Singh & Anr. Vs. State of Punjab***, AIR 1962 SC 439, to the effect that in the recent years, emphasis on "compelling reasons" has often been avoided but nonetheless the emphasis on the requirement of close and careful examination of the reasons that had impelled

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the lower courts to acquit the accused has been insisted upon. While reiterating the essentiality of examination of the evidence with particular care by the Court of Appeal in deciding the assailment against acquittal, it has however been underlined that once the Appellate Court comes to the conclusion that the view taken by the lower court was clearly unreasonable, then that by itself would be a compelling reason for interference. It was highlighted that it is a court's duty to convict a guilty person when the guilt is established beyond reasonable doubt, no less than it is its duty to acquit the accused when such guilt is not so established. (emphasis supplied)

Benami transactions:

232. This Court in ***Jaydayal Poddar (Deceased) through LRs.*** (supra), enunciated that it is well settled that the burden of proving that a particular sale is benami and the apparent purchaser is not the real owner, always rests on the person asserting it to be so. The burden has to be strictly discharged by adducing legal evidence of a definite character which would

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either directly prove the fact of benami or establish circumstances unerringly and reasonably raising an inference of that fact. It was propounded that the essence of a benami is the intention of the party or parties concerned and not unoften, such intention is shrouded in a thick veil which cannot be easily pierced through. However such difficulties do not relieve the person asserting the transaction to be benami, of any part of the serious onus that rests on him nor justify the acceptance of mere conjectures or surmises, as a substitute for proof. It was exposited that the reason is that a deed is a solemn document prepared and executed after considerable deliberation, and the person expressly shown as the purchaser or transferee in the deed, starts with the initial presumption in his favour that the apparent state of affairs is the real state of affairs. It was held that though the question, whether a particular sale is benami or not, is largely one of fact and for determining this question, no absolute formula or acid test, uniformly applicable in all situations, can be laid down; yet in weighing the probabilities and for gathering the relevant indicia, the courts are usually guided by the following circumstances:

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(1) The source from which the purchase money came;

(2) The nature of possession of the property, after the purchase;

(3) Notice, if any, for giving the transaction a benami colour;

(4) The position of the parties and the relationship, if any, between the claimant and the alleged benamdar;

(5) The custody of the title-deeds after the sale and

(6) The conduct of the parties concerned in dealing with the property after the sale.

233. That the above indicia are not exhaustive and their efficacy varies according to the facts of each case was however underlined. The emphasis of the decision on benami purchase, therefore, is that there has to be either some direct evidence or strong circumstantial evidence to raise an inference that the property alleged to be benami had been purchased with the funds/resources of someone other than the person in whose name the property is shown in the document.

234. In the present case, there is also a charge of conspiracy and abetment and, therefore, the factors as above would have

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to be tested on the anvil of the overall circumstances to ascertain as to whether a reasonable inference therefrom can be drawn of a benami transaction as alleged. This is more so as by the very nature of the offence of conspiracy, the activities in connection therewith are expectedly hatched in secrecy.

PROBATIVE WORTH OF EXPERT EVIDENCE

235. In re the probative worth of experts evidence, a host of decisions in ***Mahmood Vs. State of U.P.***, (1976) 1 SCC 542, ***Chatt Ram Vs. State of Haryana***, (1980) 1 SCC 460, ***State of H.P. Vs. Jai Lal & Ors***., (1999) 7 SCC 280, ***Ramesh Chandra Agrawal Vs. Regency Hospital Limited & Ors.***, (2009) 9 SCC 709, and ***Dayal Singh & Ors. Vs. State of Uttaranchal***, (2012) 8 SCC 263, have been cited at the Bar. As all these decisions postulate identical propositions, the gravamen of these authorities would only be referred to avoid inessential prolixity. These renderings explicate that an expert is one who has made a subject upon which he speaks or renders his opinion, a matter of particular study, practice or

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observation and has a special knowledge thereof. His knowledge must be within the recognized field of expertise and he essentially has to be qualified in that discipline of study. It has been propounded that an expert is not a witness of fact and its evidence is really of an advisory character and it is his duty to furnish to the Judge/Court the necessary scientific criteria for testing the accuracy of the conclusions so as to enable the Judge/Court to form his/its independent judgment by the application of such criteria to the facts proved by the evidence. Referring to Section 45 of the Evidence Act 1892, which makes the opinion of an expert admissible, it has been underlined that not only an expert must possess necessary special skill and experience in his discipline, his opinion must be backed by reason and has to be examined and cross-examined to ascertain the probative worth thereof. That it would be unsafe to convict the person charged on the basis of expert opinion without any independent corroboration has also been indicated. It has been held that the evidentiary value of the opinion of an expert depends on the facts upon which it is based and also the validity of the process by which the conclusion has been reached. The decisions underline that

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the Court is not to subjugate its own judgment to that of the expert or delegate its authority to a third party but ought to assess the evidence of the expert like any other evidence.

HEARSAY EVIDENCE CAN BE USED TO CORROBORATE SUBSTANTIVE EVIDENCE.

236. In ***Pawan Kumar Vs. State of Haryana***, (2003) 11 SCC 241, this Court had observed that hearsay evidence could be used to corroborate substantive evidence.

Krishnanand Agnihotri (supra), In this case the petitioner was convicted by the Trial Court as well as the High Court by acting on the presumption contained in Section 5(3) of the Act, 1947 (prior to the amendment of 1964, as it was) for the offence punishable under Section 5(2). The plea of the petitioner was that the charges levelled against him under Section 5(1) had not been established and, therefore, the presumption was not available.

237. The facts revealed that the admitted income was Rs.1,12,515.43 during the check period 29.11.1949 to 1.1.1962. Various heads of income were in dispute and this Court examined the evidence adduced by the parties under

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those heads and after disallowing/allowing different amounts, reached the figure of Rs.1,27,715.43/- as the income.

Vis-a-vis the expenditure also, the admitted figure was Rs.23,459.84 and the parties were at issue on various heads. Similarly, this Court analysed the evidence adduced by the parties and after allowing/disallowing, the expenditure of different items concluded that the total expenditure of the petitioner during the check period was Rs. 83,331.84.

Thus deducting the total expenditure from the total income so computed, it transpired that an amount of Rs.44,383.59 was available with the petitioner for his acquired assets.

The admitted assets was Rs.38,572.46. Here again, under different heads by appreciating the evidence on record and by allowing/disallowing the rival claims, this Court arrived at a figure of Rs.55,732.25 as the value of the assets.

238. Comparing the income, after adjusting the expenditure that was left with the petitioner i.e. Rs.44,383.59 with the value of the assets i.e. 55,732.25, this Court held that though the value of the assets exceeded the amount of income, the excess was comparatively small and less than 10% of the total

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income i.e. Rs.1,27,715.43 and was of the view that the assets were not disproportionate to his known sources of income so as to justify the raising of the presumption under Section 5(3). The petitioner was acquitted.

239. The narration of the judgment clearly indicates that this Court had assessed the evidence on record by itself on the items of dispute pertaining to income, expenditure and assets and had recorded its own independent findings. In most of the items, where this Court had rejected the contention of the prosecution, it appears that it had not adduced any evidence whatsoever. Further the judgment does not advance any proposition that in order to adjudge the disproportionateness of the assets in comparison of the income of a public servant, the margin of 10% is a permissible index of uniform application and acknowledged as a determinant to decide as to whether a public servant charged under Section 13(1)(e) of the 1988 Act can be held guilty of a criminal misconduct contemplated by the statute judged on such benchmark.

240. The evidence on record in the above backdrop, now has to be tested in the context of the charge framed against the

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respondents. The respondent A1 has been charged with the offence of conspiracy as well as criminal misconduct under Section 13(1)(e) read with Section 13(2) of the PC Act and A2 to A4 in particular, of conspiracy and abetment in the commission of the above offence under the Act.

There are basically four broad heads for scrutiny:

(1) Income

(2) Expenditure

(3) Assets

(4) Conspiracy and abetment.

From the evidence led and the arguments advanced, it appears that the income, expenditure and assets, all have been cumulatively taken account of. Though it had been argued on behalf of A1 that she had no connection whatsoever with A2, A3 and A4 and, therefore the figures relating to income, expenditure and assets would have to be separately considered, it would transpire that while adverting to the charts submitted in the course of arguments, such segregation has not been insisted upon and is even uncalled for, having

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regard to the charge of conspiracy and abetment, for the purpose of the appraisal to follow.

INCOME

241. Under the head income, the prosecution has limited its tally to 64 items, which the respondents do not dispute but they have added seven further heads thereto. According to the prosecution, the income of the 64 heads is Rs.9,34,26,053.56, which the Trial Court on a consideration of the evidence has found to be Rs.9,91,05,094.75.

242. The High Court, however, accepted the respondents' claim of income under seven additional heads and raised the income to Rs.34,76,65,654. Noticeably, this income of Rs.34,76,65,654 is the combined total income of all the respondents. In other words, the respondents also rely on this collective income to disprove the charge. Nowhere, their plea is that the income of A1 has to be separately noted, as distinguished from the income of A2, A3 and A4. In view of the fact that the respondents accept the income of

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Rs.9,34,26,053.56 as cited by DVAC and there is no dispute with regard thereto, it is not necessary to examine the evidence of the prosecution in support of its figures.

243. As the income cited by the DVAC is not disputed and the case of the respondents is based on the additional income under the seven heads, as cited by them and accepted by the High Court, it would, thus, be necessary to examine the evidence in respect of those additional heads along with the findings of the Trial Court and the High Court.

Vis-a-vis the income, there appears to be three facets:

(i) the income as listed by the DVAC

(ii) The additional heads of income taken note by the High Court and

(iii) The heads of income introduced in evidence by the defence also supplementing the earlier two heads.

The income, as mentioned by the DVAC, to reiterate is not disputed by the defence. The respondents however seek to take advantage of the additional heads taken note of by the High Court to boost the income further.

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1. **Income from Grape Garden:**

244. This item of income has been mentioned by the prosecution at Item No.33 of Annexure III at page 1228 – Volume V and has been calculated at Rs.5,78,340/-.

The Trial Court on an assessment of the evidence has enhanced the income to Rs.10,00,000 i.e. enhanced the figure cited by the DVAC by Rs.4,21,660.

The High Court, however, accepted the claim of A1 that the income was Rs.52,50,000 and thereby added Rs.46,71,660 to Rs.5,78,340, as fixed by DVAC.

245. The argument on behalf of A1 is that the extra amount of Rs.46,71,660 has been conceded to in course of the arguments on behalf of the State and further this amount has been established on the basis of the income tax returns/orders passed thereon for the assessment years, 1995-96 to 1996-97.

As against this, the argument on behalf of the prosecution is that the income tax returns and the orders passed thereon are not binding and those by themselves do

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not prove the amount of income or the lawful source thereof.

246. The relevant evidence of the prosecution on this component is traceable to PW165 – K.R. Latha – Horticulture Officer in the office of the Assistant Director (Horticulture), Rangareddy District, A.P. PW166 – P. Kondareddy, Assistant Director of Horticulture and PW256 – Mr. R. Kadireshan, Dy. Superintendent of Police, Vigilance Department & Anti Corruption, Chennai.

PW 165 has deposed that as per the direction of Assistant Director of Horticulture on 10.12.1996, she had visited the grape garden belonging to A1 along with the Horticulture Officer Sanjay Kumar in presence of PW256. She inspected the horticulture crops and examined the varieties of grapes raised as well as the plants and the area covered.

247. PW-166 corroborated the testimony of PW-165. She also visited the grape garden and had worked out the details regarding the cost of raising the grapes and the gross and net income and submitted his report (Ex. P-938). The Assistant Director of Horticulture claimed to be competent to assess the

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basis of cost for raising various crops including grapes and mentioned the total income of seeded variety for the period 1991-96 to be Rs.3,82,420 and the reseeded variety from 1993-96 as Rs.2,18,960. He mentioned that he had assessed liberally in arriving at the above conclusion. He claimed his expertise in the matter of preparation of the assessment report pertaining to the cost of cultivation and income of crops and stated to have adopted NABARD norms in assessing the cost of cultivation and the yield. In cross-examination, he however conceded that he had not enclosed the inspection report of PW 165 along with his report Ex. P-938 and also that his evaluations were approximate and probable.

PW 256 stated that he on the request of PW 165 and Sanjay Kumar had estimated the value of the produce of the grape garden.

248. The Trial Court examined the plea on behalf of A1 that Ex. P-938 was not worthy of acceptance as it was not accompanied by any final report and also in absence of any explanation of the prosecution for such omission. It examined as well, the plea based on the income tax returns of A1 and

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the orders of the assessing officer accepting the same and that eventually on the basis of the said returns and the orders, the income from the grape garden was found to be Rs. 52,50,000.

The evidence adduced by the defence may at this stage be briefly referred to.

249. Vide Exbs. D-61 to D-64, the orders passed by the concerned income tax authorities/forums, eventually the claim of agricultural income of A1 on the basis of the particulars furnished in her returns for the relevant assessment years i.e. 1991-92 to 1996-97 were accepted. As the order of the CIT (Appeals)-1, Chennai dated 30.3.1999 (Exb. D-61) would reveal, while upholding the claim of the agricultural income of A1 to be Rs.10,50,000/- for the assessment year 1994-95, the said authority relied on the report dated 25.3.1999 of the assessing officer, as called for and accepted the figure furnished by A1. The report incidentally mentioned the age of the grape vines, as enquired from the Supervisor, to be 2 to 2.5 years. Though the net agricultural income on the basis of the said report was assessed to be Rs.13,55,000/-, after applying the cost inflation

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index and the additional land in cultivation, the authority accepted the figure furnished by A1. Prior thereto, for the assessment year 1993-94, the CIT (Appeals) had accepted the agricultural income of A1 at Rs.9,50,000 as furnished by her. The same approach was adopted by the concerned authorities/forums for the assessment years 1995-96 and 1996-97 and same reasons had been cited.

250. A1 thus claimed agricultural income of Rs.52,50,000 during the check period, on the basis of the above returns/orders of the income tax authorities/forums.

The Trial Court duly evaluated the evidence adduced by the prosecution as well as by the defence in this regard in detail and concluded that the two versions were irreconcilable. It did not accept the evidence adduced by the prosecution in absence of the notes of inspection endorsing the report Ex. P-938. It also noticed the flaws in the evidence of PWs 165, 166 and 256 which revealed that the inspection of the grape garden had been made without reference to any revenue or survey records and that there was no clear and definite evidence regarding the specific extent of land used for the

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cultivation of grapes and other crops. It doubted the basis on which the yield had been determined and the price calculated by the inspecting team and, therefore held that the report was unreliable.

251. The evidence of A1 was also held to be vague and ambiguous being not supported by acceptable evidence. It was of the view that the income tax returns and the orders passed thereon were of minimal evidentiary value in determining the extent of cultivation, quantum of produce, cost of cultivation and the price fetched by A1 during the relevant years. It held that though all these aspects were within the exclusive knowledge of A1, she had failed to produce the best evidence available to her. The Trial Court was thus of the view that there was no worthwhile evidence to accept the claim of A1. The above conclusion notwithstanding, the Trial Court took note of the fact that A1 had been holding 14½ acres of agricultural land and that she had been growing grapes thereon. It referred to copies of the pahanis Exb. P2251 to P2258 in support of her stand that grapes were being grown on the land involved. The Trial Court was of the view

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that her entire claim cannot be rejected for her failure to produce convincing documentary evidence. It took note of the fact from the reports, that 10 acres of land were being used for cultivation of grapes at the relevant time. Having regard to the likely cost of cultivation and the fluctuating price prevalent during the check period, the Trial Court made a rough estimate of income from the grape garden at Rs.20,000/- per acre per annum and on the basis thereof, quantified the agricultural income for the check period of five years at Rs.10 lakhs during the check period, thus enhancing the income from Rs.5,78,340/- cited by the prosecution.

252. The High Court, on the other hand, readily accepted the income tax returns filed by the assessee and affirmed the claim of A1 of agricultural income of Rs.52,50,000/-. It was of the view that though the income tax returns had been filed belatedly, the same per se could not be a ground to reject the same as a proof of the agricultural income of A1 from grape garden. Thereby, the High Court enhanced the agricultural income of A1 to Rs.52,50,000/- permitting an addition of Rs.46,71,600/-.

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253. Apart from the fact that the approach of the High Court on this aspect appears to be summary in nature without reference to the other evidence on record as had been exhaustively discussed and analysed by the Trial Court, in law the income tax returns/orders passed thereon qua the issue are not final and binding on a criminal court, and at best only are relevant and always subject to its independent appraisal on merits.

254. It has been urged on behalf of R1/A1 that her claim of income of Rs.52,50,000/- under this head stands proved wholly on the basis of the relevant income tax returns and the orders passed thereon. Oral evidence of DW-64 and the documentary evidence by way of D-61 to D-64 have been relied upon. As observed hereinabove, the High Court had readily accepted this evidence and had thereby enhanced the income of A1 under this head to Rs.52,50,000/- by adding Rs.46,71,600/- to the sum of Rs.5,78,340/- mentioned by the DVAC. In absence of any independent evidence in support of this claim, having regard to the state of law that income tax returns/orders are not automatically binding on a criminal

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court, in our view, the effortless acceptance thereof by the High Court is in disregard to this settled legal proposition. Thereby the High Court has accorded unassailable primacy to such income tax returns/orders and have made those final and binding on the criminal court without any appreciation of the probative potential thereof.

255. The High Court thus had proceeded not only in disregard of the evidence as a whole but also being oblivious of the legal postulations enunciated by this Court that income tax returns/orders passed thereon are not binding on criminal court and that the facts involved are to be proved on the basis of independent evidence and that the income tax returns/orders are only relevant and nothing further.

LOANS:

256. The second additional head of income involved by the respondents constitutes loans in addition to the bank loans cited by DVAC as taken note of by the High Court to add Rs.18,17,46,000 to the income of the respondents.

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This item of income significantly is suggestive of the collective orientation of the respondents qua the charge as one corporate unit. The tone and tenor of the contents of the applications for loan and the composition of the firms/companies availing the benefit thereof, suggest that the respondents were in collaboration with each other in the transactions which demonstrate their combined involvement therein.

257. Here, according to the prosecution, there are two aspects, firstly there is a duplication as DVAC has included these loans in its chart which have been considered by the Trial Court and secondly, even otherwise, the High Court committed a mistake in adding up the loan amounts of these additional 10 heads to arrive at a figure of Rs.24,17,31,274 which on a correct calculation, ought to be Rs.10,67,31,224/-.

258. Noticeably, these additional loan amounts have been availed of by A1, M/s Sasi Enterprise and other firms like M/s Jaya Publications, M/s Jay Real Estate, M/s J.S. Housing, M/s J. Farm House, M/s Ramraj Agro Mills Limited, M/s

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Mahalaxmi Kalyanmandpam (hereinafter for sake of brevity 'M/s' as prefix to the names & the firms referred to would be avoided).

Apt it would be to deal with these loans in seriatim.

Indian Bank – OMTL – Jaya Publications:
Rs.1,50,00,000/-

259. This head corresponds to item No. 1 of Annexure IV (Expenditure) - Exb. P-2330. This indicates that this loan account was closed on 25.6.1994. An amount of Rs.50,93,921/- was paid by way of interest on this loan which is evident from Exb. P-1027. This has been stated by PW 182. PW6 also confirms the repayment of the loan. Thus, this head of income did not exist at the end of the check period i.e. 30.4.1996 and cannot be accounted for.

The Trial Court did take note of this aspect in its judgment while dealing with these items of loan on the basis of the evidence adduced, more particularly while dealing with the heads of expenditure.

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In that view of the matter, the High Court was in error in including this item of loan in the income of the respondents.

Indian Bank - Agricultural Loan - Rs.3,75,00,000:

260. This corresponds to item No. 8 of the Heads of Income vide Exb. P-2329 as cited by the DVAC. The oral evidence to this effect has been adduced by PW 182 who has proved Exb. P-1101. The Trial Court dealt with the evidence both oral and documentary in this regard and by referring to the letter Exb. P-1001, addressed to the bank by the applicant for the loan thereof, had concluded that the liability to liquidate the loan had been taken over by A2 to A4. The evidence on record, thus, demonstrates that the Trial Court had taken note of this item of loan and, therefore the High Court ought not to have added this figure by way of duplication.

Indian Bank – A1 – Rs.90,00,000/-

261. As would be apparent from the evidence of PW 182 who proved Exb. P-1114, this loan was taken after the check period i.e. in August 1996 and thus, the amount thereof could not

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have been taken into account by the High Court. This figure, therefore as a corollary has to be excluded.

Indian Bank – Jay Real Estate – Rs.25,00,000/-

262. This corresponds to item No. 4 of the list of income cited by the DVAC and relatable to Exb. P-2329. PW 182 through Exb. P-1161 to P-1163 has proved this loan. Exb. P-1161 written by A3 on behalf of Jay Real Estate is one seeking loan of Rs.29 lakhs providing the necessary particulars in the annexure appended thereto. Exb. P-1162 discloses that medium term loan of Rs.25 lakhs was sanctioned by the bank but as on 22.11.1995, an amount of Rs.5 lakhs had been disbursed, as is evident by Exb. P-1163.

The Trial Court has duly dealt with the evidence to this effect while quantifying the income as well as in noting the expenditure by way of interest against this loan.

The plea of the prosecution that in the above premise, the High Court was wrong in adding a sum of Rs.25 lakhs

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towards the income of the respondents under this head, has to be accepted.

Indian Bank – J.S. Housing – Rs.12,46,000/-:

263. This corresponds to item No. 3 of the heads of income cited by the DVAC vide Exb. P-2329. This loan has been proved by PW 182 through Exb. P- 1171 to 1173.The Trial Court has referred to this evidence while quantifying the income and the expenditure by way of interest on the loan amount as had been listed in Annexure IV (Expenditure) cited by the DVAC.

264. The documents pertaining to this loan transaction authenticate that though an amount of Rs.12,46,000/- had been sanctioned by the bank, it had released only a sum of Rs.7 lakhs and the principal amount and the interest had not been repaid by the firm. Thus, per se the High Court was not justified in adding a sum of Rs.12,46,000/- to the tally of income of the respondents under this head.

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Indian Bank – Jay Farm House – Rs. 50,00,000/-:

265. This corresponds to item No. 2 of the heads of income cited by the DVAC and has been proved by PW 182 through Ex P-1211. The records attest that though the full amount of Rs.50,00,000/- was sanctioned, a sum of Rs.28 lakhs was only disbursed and the principal amount with interest had not been repaid.

The Trial Court has considered the evidence, oral and documentary, to this effect. The addition of a further amount of Rs.50 lakhs by the High Court to the corpus of income of the respondents, therefore, is clearly erroneous.

Indian Bank – Ms. Sasikala – Rs. 25,00,000/-:

266. This corresponds to item No. 1 of the items of income cited by the DVAC and in fact had been availed by Sasi Enterprise, as has been deposed by PW 182 through Ex. P-1260. The amount due and outstanding to the bank, at the relevant point of time, was Rs.13,55,023/-.

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The Trial Court noted that the application for loan had been made by Ms. Sasikala as the Managing Partner of the firm and had examined the relevant evidence including the statement of account pertaining to the loan. This head of income thus had been taken note by the Trial Court and, therefore the High Court was not justified to add a further sum of Rs.25 lakhs thereunder.

Indian Bank – Mr. Sudhakaran - Rs. 1,57,00,000/-:

267. This corresponds to item No. 7 of the heads of income cited by the DVAC and has been proved by PW 182 through Ex P-1330. The Trial Court has examined the evidence relating to this loan applied for by Mr. V.N. Sudhakaran on behalf of Lex Property Development (P) Limited for a loan of Rs.1,57,00,000/-. The oral and other documentary evidence with regard to the sanction of loan and the statement of account has been analysed as well. The Trial Court, thus, had taken note of this loan while computing the income of the respondents. The principal amount, due under this account at the relevant point of time, was Rs.83,00,000/-.

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The addition of an amount of Rs.1,57,00,000/- by the High Court towards income in the above backdrop is indefensible.

Ramraj Agro Mills Limited - Rs.1,65,00,000/-:

268. This item is not included in the list of income furnished by the DVAC. PW 182 has deposed about this loan through Exb. P-1349 to P-1354. The statement of account of Ramraj Agro Mills Limited is Exb. P-1354. This has been corroborated as well by PW 235 who has stated that an amount of Rs.1.65 crores had been sanctioned as loan. There is, however,no evidence with regard to the disbursement of any amount qua the loan sanctioned. In any case, the amount due to the bank at the relevant point of time in this account was Rs.39,10,781/-. Therefore, addition of amount of Rs.1.65 crores, by no means, as done by the High Court, can be said to be justified.

269. There is no discussion about this head of loan by the Trial Court presumably due to the absence of any evidence with regard to disbursement of any amount in connection

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therewith. The High Court, however, has added an amount of Rs.1.65 crores without even referring to the evidence to ascertain as to whether any amount out of the loan sanctioned, in fact had been released in favour of the firm involved.

In any case, examination of Exb. P-1354, the statement of account of Ramaraj Agro Mills Private Limited pertaining to this loan, discloses that, at the relevant time, the outstanding amount due to the bank was Rs.39,10,781/- and thus, in any view of the matter, the High Court could not have added Rs.1.65 crores against this item.

Indian Bank – Maha Subbalakshmi Kalyana Mandapam - Rs.17,85,274/-:

270. This corresponds to item No. 6 of the heads of income cited by the DVAC and has been referred to by PW 182 who proved Ex P-1357 in connection therewith. The amount due under this account at the relevant time was Rs.19,81,802/-.

The Trial Court has considered the evidence, oral and documentary, to this effect and thus had accounted for this

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component while quantifying the total income of the respondents. In this premise, the High Court was not right in adding the entire sum of Rs.17,85,274/-, as if the same had escaped the notice of DVAC or the Trial Court.

271. As the impugned judgment of the High Court would reveal, it referred to generally the testimony of PW 182 and PW 259 and had observed that the respondents had borrowed loans from the banks as well as from the private parties which however have not been taken into consideration. While noting the loans availed by the respondents from different firms and companies, as named therein, the High Court did, however limit itself only to the loans borrowed from the nationalised banks, as referred to hereinabove, but wrongly totalled the amounts to inflate figure to Rs.24,17,31,274/- which in fact ought to have been Rs.10,67,31,224/- on a correct arithmetic. The High Court, thereafter, adjusting Rs.5,99,85,274/-, i.e. the income quantified by the DVAC added Rs.18,17,46,000/- (Rs.24,17,31,274 – Rs.5,99,85,274) to the income of the respondents.

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272. In view of the above discussion, the High Court has not only erred in including the entire amount of loan encompassed in ten items, mentioned hereto before, but also premised its finding on income on an inflated and patently incorrect figure of Rs.24,17,31,274/-. This addition of Rs.18,17,46,000/- to the income of the respondents, as done by the High Court, is obviously erroneous and thus cannot be sustained.

To reiterate, even the High Court though had referred to private loans, availed by the respondents from A3, J. Farm House, Meadow Agro Farms Limited, Sasi Enterprises, Bharani Beach Resort, Lex Property Development Private Limited, it did not include the same in the total income of the respondents. The plea of the respondents that the income from private sources had not been considered at all, is thus untenable, more particularly in absence of any challenge by them against the above exclusion by the High Court.

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GIFTS:

273. The next additional item of income indicated by the High Court is gifts offered to A1. The defence has introduced this item of income against receipts on the birthday of A 1 on 24.2.1992, claimed to have been celebrated on a grand scale as it was her first birth day as the Chief Minister of the State for the said term. Gifts by way of jewellery and cash in particular have been claimed to have been received. Foreign remittance also has been assimilated. The evidence adduced by the defence includes testimony of members of AIADMK party, of which at the relevant time, AI was the General Secretary. The decipherable pattern of the evidence adduced by the members of the AIADMK, who claimed to have contributed along with about 300/350 donors is that their contributions were collected by the concerned office bearers of the party and thereafter the amount was converted into demand draft in the name of A1. It is, however, deducible from the evidence which is almost stereotype in nature that no individual receipt had been issued to the contributors against their donations. Record of the collectors, as office

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bearers of the party, has also not been produced. No account has been maintained with regard to such collection. A copy of the draft amount of Rs.2,15,000/- has been proved. No record with regard to the banking transactions resulting in the draft has also been proved. In other words, the source of the fund of the draft has remained obscure.

274. According to the prosecution, the gifts, as claimed by the respondents, do not constitute a lawful source of income under Section 11(1)(e) of the Act and, therefore had not been included by the DVAC in the list of known sources of income.

275. A1 through her letter dated 6.9.1993 claimed receipt of gifts of jewellery, cash, demand draft, silver items, silk sarees, framed portraits etc. on the occasion of her birthday. There is also mention of receipt of similar gifts qua the relevant assessment years 1990-91, 1991-92, etc. In the concerned assessment order dated 21.3.1995, affidavits filed relating to gifts for the assessment years 1990-91, 1991-92, 1992-93 had also been considered. This assessment order would show that a total of Rs.1,26,32,657/- was taken to be the

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income against receipt of jewellery, silver articles and cash deposits in the bank.

276. Ex. P-2139 is the income tax return of A1 for the Assessment Year 1991-92 which had been filed on 23.11.1992 and does not mention any gift as income from other sources. However, the assessment order for the assessment year 1992-93 passed on 21.3.1995 Ex. P-2140 discloses that on 7.12.1992, the assessee's representative filed the receipts and payments account Exp. 2140, profit and loss account and balance sheet, as on 31.3.1992 with a request to treat the same to be read with the total income statement. Thereunder, the head "Receipt and Payment" for the period 1.4.1991 to 31.3.1992, a sum of Rs.1,94,50,012/- has been mentioned to be "gifts received". The said figure is also shown in the balance sheet as at 31.3.1992. To this, a further amount of Rs.15,00,000/- also had been added as gifts receipt.

277. This order thus suggests that in the return of A1 for the financial year 1991-92, a sum of Rs.1,94,50,012/- against gifts had not been originally shown but had been sought to be introduced on 7.12.1992 as a supplementary income

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statement. Be that as it may, this exhibit i.e. P-2140 also on the above reasoning, has taken note of this amount and this receipt as gift has been subjected to tax by taking the same to be income from undisclosed sources.

278. The attempt on the part of the defence to prove the income tax returns and the assessment orders, as above, is to show that receipts by way of cash, demand draft, jewellery, silverware etc. had been a normal feature on every birthday of A1 in view of the respect and esteem earned by her as a political personality and an adorable leader.

279. Incidentally, the CBI, vis-a-vis the claim of receipt of Rs.1.5 crores as income from gifts had filed a charge sheet against A1 constituting the same to be an offence under Section 11 of the 1988 Act. The High Court, however, had quashed the proceedings on the ground of delay in the investigation and the CBI has filed a Special Leave Petition before this Court, being SLP (Crl.) Nos. 1163-1168 of 2012 which is pending adjudication. This fact was not brought to the notice of the High Court, passing the impugned order herein. Noticeably again, as the prosecution asserts, in view of

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the 'Explanation' to Section 13(1)(e) of the PC Act, any gift received by the public servant, to be a lawful source of income should have been intimated to the authorities in accordance with law. Mentioning of such receipt in the income tax return, per se, according to the prosecution, is not enough.

280. The Trial Court, while dealing with this aspect, took note of the plea of the defence of making gift by way of cash and drafts amounting to Rs.2,15,00,012/- and foreign remittance of Rs.77,52,591/- to A1, who had disclosed the same in her income tax return for the assessment year 1992-93 filed on 22.11.1992. That the income tax authorities had treated this amount to be an income of A1 from undisclosed sources and had levied tax, which was paid by her, was also noticed by the Trial Court. The evidence of PW-259, the Investigating Officer in his cross-examination that in Tamil Nadu, party workers and ordinary people generally present such gifts on the birthdays of political leaders and that from the witnesses examined, an amount of Rs.1,94,50,012/- had been received through demand drafts as birthday gift for A1, was also taken on record. Cash receipts by way of gift

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amounting to Rs.15 lakhs for the same event, as stated by PW-259, was also considered. Receipts by way of gifts in the earlier years also did not miss the attention of the Trial Court. It noted as well, the receipt of gift of the substantial amount by way of foreign remittance in American dollars during 1992-93 from the testimony of this witness.

281. The defence evidence and the income tax returns/orders proved by the respondents, were also considered in details. The evidence in particular of DW-64 S. Shanmugam, Chartered Accountant in this regard also was analyzed. Noticeably, this witness was the auditor of A1 during the period 1996-2000 but claimed to have dealt with her accounts for the assessment years 1991-92 to 1997-98. He generally reiterated the evidence with regard to the disclosure of the receipts by way of gifts by A1 on the occasion of her birthday on 24.2.1992 amounting to Rs.2,15,00,012/- and foreign remittance of Rs.77,52,591/-. He however admitted that the income tax returns for the assessment years 1991-92 to 1995-96 of A1 were filed by her previous tax consultant and not by him.

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282. The Trial Court, on an analysis of the evidence of this witness, however was of the opinion that he was not acquainted with the true facts of the case and was incompetent to speak about the gifts received by A1 or the income tax returns said to have been filed by her, as he was not her auditor at the relevant point of time. The Trial Court examined as well the relevant returns and the orders passed by the concerned income tax authorities and rightly noted that there was no mention of the alleged presents/gifts in the return of A1 for the assessment year 1992-93 at the first instance. However the factum of receipt of jewellery as gifts for the period of the wealth tax return of 1991 was taken note of. The letter dated 18.3.1994 of A1 reiterating that she had received cash/DD/jewellery/silverwares in various years as personal gifts on her birthdays and that she had disclosed the same in her wealth tax returns and had paid the wealth tax, also was considered by the Trial Court. It however, took note of the observation made in Ex. P-2145 that the returns claiming birth day presents were not filed in the respective assessment years but long after and that for the first four

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years, i.e. assessment years 1987-88 to 1990-91, there was no mention of cash presents and that it was limited to jewellery only.

283. That aggrieved by the finding of the Commissioner of Income Tax, PW-125 that the money and assets representing the presents and gifts did constitute applicant's income from undisclosed source within the meaning of Sections 69 and 69A of the income tax Act, A1 had preferred an appeal before the Tribunal and that the same was pending, was recorded.

284. That the receipt of money or pecuniary resources in order to qualify as income within the meaning of Section 13(1) (e) of the Act, in case of a public servant should essentially be attached to his/her official post and that any windfall or gain of graft, crime or immoral secretions prima facie would not be a receipt from the known sources of his/her income as held by this Court in ***State of M.P. Vs. Awadh Kishore Gupta*** (supra), was noted. The Trial Court was of the view that though the receipt of birthday presents by themselves might not amount to windfall or immoral secretions, the receipt of huge amount of Rs.2 crores and foreign remittance as

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presents and gifts, as the Chief Minister of a State, was susceptible to serious doubts and suspicion about the nature of the receipts. The fact that the practice of offering such gifts had been discontinued after 1992 and the possibility of such offerings not being made if A 1 was not in office, was pondered over. The Trial Court discarded the evidence of the party workers and rejected the A1's claim of income from the gifts from a lawful source. The decision of this Court in ***A.R. Antulay Vs. R.S. Nayak & Anr.***, (1988) 2 SCC 602, was referred to emphasize upon the objectives of the 1947 Act to keep a public servant free from corruption and to ensure purity in public life. The Trial Court, thus, rejected the alleged gifts, said to have been received by A1 to constitute a lawful source of income.

On a reading of the discussion of the Trial Court on this issue, by no means, can it be repudiated to be one bereft of appreciation of the evidence on record or reasons or application of mind.

285. In contradistinction, the High Court quantified the amount of gifts to be Rs.1.5 crores principally referring to the

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income tax returns and the orders of the authorities passed thereon. It did notice that there had been a delay in the submission of the income tax returns but accepted the plea of the defence acting on the orders of the income tax authorities. It seems to have been convinced as well by the contention that there was a practice of offering gifts to political leaders on their birthdays in the State. Not only is the ultimate conclusion of the High Court, de hors any independent assessment of the evidence to overturn the categorical finding of the Trial Court to the contrary, no convincing or persuasive reason is also forthcoming. This assumes significance also in view of the state of law that the findings of the income tax authorities/forums are not binding on a criminal court to readily accept the legality or lawfulness of the source of income as mentioned in the income tax returns by an assessee without any semblance of inquisition into the inherent merit of the materials on record relatable thereto. Not only this aspect was totally missed by the High Court, no attempt seems to have been made by it to appraise the evidence adduced by the parties in this regard, to come to a self-contained and consummate determination.

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286. Exb. P-2145 is the order dated 25.3.1996 of the CIT (appeals) rejecting the explanation of A1 with regard to the gifts said to have been received by her by way of cash, demand draft, jewellery, silverware for the assessment years 1987-88 to 1992-93. The order, amongst others, reveals that none of the income tax returns and wealth tax returns of A1, was in time. Whereas those for the assessment years 1987-88 to 1991-92 were delayed by periods ranging between one year and five years and above, that of 1992-93 was also belated. The explanation provided by A1 in her letters to this effect was taken note of and was not accepted by the Assessment Officer and the CIT (Appeals) also sustained this conclusion. Apart from other aspects, the appellate authority also noticed the unexplained delay in the submission of the income tax as well as wealth tax returns. The observation of the Assessment Officer that the income tax returns did not disclose the presents/gifts received by the assessee during the relevant time, was also noted. The appellate authority was of the view, taking the clue from the decision of this Court in **The Commissioner of Expenditure Tax, Andhra Pradesh Vs.**

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P.V.G. Raju, (1976) 1 SCC 241, that politics is a profession and thus the collections in the form of presents/gifts cannot but were receipts from profession and, therefore were to be construed as professional income under Section 28. As would be evident from the order, the income tax authorities did limit their scrutiny only to decide as to whether the receipts by way of presents/gifts were to be treated as income or not for the purposes of Income Tax Act and not to verify the genuineness, authenticity and lawfulness of the source thereof or of the transactions relating thereto as required from the standpoint of a charge of criminal misconduct under the 1988 Act.

287. Apart from the fact that the oral testimony of PWs 215 and 259 as to the practice of entertainment of gifts and donations qua the political figures of the states on celebratory occasions is of no consequence to ascribe any legitimacy to such receipts as a lawful source of income under the 1988 Act, in view of the incorporation of Sections 161 to 165A IPC in their letter and spirit in the 1988 Act, gifts as claimed to have been made to A1 were not only prohibited by law, having regard to her office and the role attached thereto, but also

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constitute an offence thereunder. By no means therefore, the gifts in any form, as offered to A1 during the relevant period, can be construed, having regard to the rationale and rigour of the underlying objectives of this lagislation be accepted as a lawful source of income. To reiterate, disclosure of such gifts in the income tax returns of A1 and the orders of the income tax authorities on the basis thereof, do not validate the said receipts to elevate the same to lawful income to repel the charge under Section 13(1)(e) thereof. The reliance of the defence on the decisions of this Court in ***M. Krishna Reddy*** (supra) and ***Kedari Lal*** (supra), in the facts and circumstances of the case, is of no avail.

288. This Court while dilating on the permissibility of acceptance of presents by public servants, proclaimed in ***R.S. Nayak*** (supra), that if the same is allowed, it would facilitate circumvention of the prohibition of acceptance of bribe in the shape of present/gift. An analytical insight into the ingredients of Sections 161 to 165A of IPC, then on the statute book as a part of the Code was undertaken to propound that the ambit of Section 165 was wider than that of Sections 161,162 and

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163 IPC and was intended to cover cases of corruption. It was elaborated that the difference between the acceptance of bribe made punishable under Section 161 and 165 IPC was that under the former section, the present is taken as a motive or reward for abuse of office but under the latter, the question of motive or reward is wholly immaterial and the acceptance of a valuable thing without consideration or with inadequate consideration from a person who has or is likely to have any business to be transacted, is forbidden because though not taken as a motive or reward for showing any official favour, it is likely to influence the public servant to show official favour to a person giving such valuable thing. It was underlined that Sections 161 and 165 IPC as well as Section 5 of the PC Act are intended to keep the public servant free from corruption and thus ultimately to ensure purity in public life.

289. Gifts to A1, a public servant in the context of Sections 161 to 165A IPC now integrated into the Act are visibly illegal and forbidden by law. The endeavour to strike a distinction between "legal" and "unlawful" as sought to be made to portray gifts to constitute a lawful source of income is thus

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wholly misconstrued.

290. With the advent of the 1988 Act, and *inter alia* consequent upon the expansion of the scope of definition of the "public servant" and the integration of Section 161 to 165A IPC in the said statute, the claim of the defence to treat the gifts offered to A1 on her birthday as lawful income, thus cannot receive judicial imprimatur.

INCOME OF SASI ENTERPRISES BY WAY OF RENTAL INCOME, AGRICULTURAL INCOME AND REPAYMENT OF LOAN.

291. This partly corresponds to the rental income of this firm, listed at item Nos. 59,60 and 61 in the Heads of income furnished by the DVAC, amounting to Rs.6,15,900/-. Whereas the Trial Court had rejected the claim of Sasi Enterprises of having earned Rs.95,92,776/- as income under the various heads i.e. profit from business, sale of scrap, agricultural income, rental income, recovery of loan, advance receipt for sale of property and had sustained the figure mentioned by the prosecution, the High Court assessed the

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same to be Rs.25,00,000/-.

292. As the evidence on record would reveal, in support of their claim, the respondents relied heavily on the income tax returns and the orders passed thereon for the assessment years 1991-92 to 1996-97 and the oral testimony of DW-88. Ex. D-262 to D-275 were pressed into service. Qua the rental income of Sasi Enterprises, according to the respondents, against a sum of Rs.12,68,800/-, the DVAC had accepted only Rs.6,15,900/- as reflected against item Nos. 59, 61 and 62 of the schedule of income furnished by it.

293. DW-88 K. Soundravelan claimed to be a Chartered Accountant since 1992 had deposed to have handled the accounts of Jaya Publications and Sasi Enterprises and also the personal accounts of A2 and the firms concerning her. He is stated to have been involved in the finalisation of accounts of the above assessees. He generally identified the various exhibits like income tax returns, profit and loss accounts, balance sheets and the orders of the income tax authorities in connection therewith. He also stated with regard to the

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business in which Sasi Enterprises was involved in the name of FAX Universal. He referred to a lease agreement of one TSR Vasudevan with Sasi Enterprises in the year 1990 for carrying out agricultural operations and also a copy of the certificate issued by the Tehsildar of Villupuram with regard to the leasehold lands. He identified as well the documents produced by the firm indicating recovery of a part of the loan advanced to one Nagammal and Subramaniam. Noticeably, his testimony was based on the contents of the documents alone. He in the same vein, also referred to the agricultural income as reflected in the relevant income tax returns. He, however, admitted that Sasi Enterprises had not filed its return of income for the assessment years 1994-95, 1995-96 and 1996-97 in time for which notices had been issued under Section 148 of the Income Tax Act. This assumes importance in view of the prosecution launched against this firm for delayed submissions of the income tax returns.

294. The prosecution had examined PW-113 Mosin Bijapuri on this issue, who at the relevant time i.e. 1992-93, was the Managing Director in H.B.M. Foundation Limited. He stated

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about taking on rent by his company, a shop for which an advance of Rs.21,600/- was made. He also stated about the payment of rent till 1997 i.e. till vacation of the premises. He referred to a copy of the rent agreement with Sasi Enterprises but conceded that he did not know as to who had signed on behalf of the firm.

295. The Trial Court evaluated the oral as well as the documentary evidence in full. It analysed the contents of the documents individually so as to examine the tenability or otherwise of the claim of income under various heads for each assessment year during the check period. It recorded, amongst others, that in terms of Section 269 (SS) of the Income Tax Act, no one was permitted to take or accept from any other person, any amount of loan or deposit exceeding Rs.20,000/- except by way of account payee cheque or an account payee bank draft. It examined this aspect in the context of the definition of "known source of income" applied in Section 13(1)(e) of the Act. Reference to Section 269-D regarding repayment also through an account payee cheque or an account pay bank draft was made. Though it had been

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argued on behalf of the respondents that in view of the Direct Tax Laws (Amendment) Act of 1987, Section 276DD, which provided for prosecution and penalty for contravention of Section 269DD, had been repealed, non-compliance of Section 269SS, even assuming that such violation did not attract prosecution under the Act, the same cannot be ignored in order to determine the veracity and/or the acceptability of the transactions involved. At least to this extent, the approach of the Trial Court and the application of Section 269SS merits acceptance.

296. The Trial Court was also of the view that vis-a-vis the plea of recovery of loan, the defence had mainly endeavoured to substantiate the claim of income under the aforementioned head on the basis of the profit and loss account, there being no other tangible proof either of grant of loan or the repayment thereof. That the defence had neither examined the loanee nor had produced any material in support of the transaction was recorded. It also discarded the profit and loss account in support of the plea of the defence that an amount of Rs.16,91,000/- had been recovered out of the loan advance

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to Nagammal and Subramanium.

297. The Trial Court rejected the lease agreement between TSR Vasudevan and Sasi Enterprises, amongst others, on the ground that the claimant's lease was for a period of 11 months which was impermissible under Section 107 of the Transfer of Property Act. Further there was no acceptable evidence that the land had been cultivated to claim agricultural income. The letter of the Tehsildar, Vellupuram Ex. 259 certifying that A2 was a lessee of the land involved from 1980 to 1988 was also rejected in absence of any evidence that the lease, the original term whereof had expired on 21.7.1992, had been extended thereafter. Additionally, the certificate dated 25.10.2001 was de hors any proof of any local inquiry or scrutiny of the relevant lease deeds, rendering the said document a suspect. According to the Trial Court, the income tax returns, the profit and loss accounts and the balance sheets as well as the orders of the income tax authorities did not prove the claim of income as made by the defence in absence of independent and persuasive evidence to that effect. The letter produced by the Housing Real Estate

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and Development Private Limited cited as a tenant of the firm in support of the plea of having paid to it an amount of Rs.10 lakhs as rent, was also rejected, the document being on a plain sheet of paper without any date of issuance thereof. The discrepancy in the name of the firm was also noticed to dismiss this claim as inauthentic. Ex. D-274 adduced by the defence as an excerpt from the confirmation of accounts, furnished by Housing and Real Estate Development Pvt. Limited also did not find the approval of the Trial Court, the same not having been proved by the author thereof and in absence of the required particulars of the transaction, pertinent thereto. The Trial Court as a whole thus rejected the claim of Sasi Enterprises of the additional amount of income of Rs.95,92,776/- during the check period.

298. The High Court accepted wholly the documents produced by the defence as enumerated hereinabove and acted on the contents thereof. It is however noteworthy that the narration in relation thereto, does not reveal any analytical approach to the fathom probative value thereof on the touchstone of acceptability of the proof of the facts proposed

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thereby. Neither the oral nor the documentary evidence has been tested independent of the income tax returns, profit and loss accounts and the balance sheets to determine the intrinsic worth thereof. At the conclusion, however, against the claim of Rs.95,92,776/-, the High Court assessed the income of Sasi Enterprises to be Rs.25,00,000/-. No acceptable basis for this computation has also been disclosed.

299. We have examined the oral and documentary evidence referred to hereinabove to the extent warranted. Apart from the fact that the contents of the income tax returns, the profit and loss account and the balance sheet for the relevant assessment years, as well as the determination made by the income tax authorities on the basis thereof, are not final and binding on the criminal court, the investigative approach of the Trial Court visibly has been relatively exhaustive and searching qua every piece of evidence adduced as expected. Though the orders of the income tax authorities on the various aspects of the issue under consideration, reveal examination of the materials considered to be relevant therefrom in the limited perspective of computation of taxable income alone, we

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are left with the impression that High Court has not made any endeavour to appraise the evidence available, independent of documents/records pertaining to income tax assessments and the decision of the tax authorities to arrive at its conclusions. The income tax returns and the appendices thereto as well as the orders of the income tax authorities, to reiterate are neither decisive nor binding on the criminal court and the facts narrated therein, if fall for scrutiny in a criminal proceeding, have to be essentially addressed by adducing evidence to prove or disprove the same, as the case may be. Correspondingly, the court would be legally obliged to undertake an incised scrutiny thereof on its own to record its deduction therefrom.

300. The respondents having claimed the income of Rs.95,92,776/- as against Rs.6,15,900/- quantified by the DVAC, the onus was on them to prove the same. Even judged by the bench mark of balance of probabilities, in our view, the High Court in order to reverse the determination of the Trial Court, on the same set of evidence ought to have applied itself to examine and assess the evidence in this perspective.

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301. The High Court, in our view, having regard to its approach has failed as an appellate forum and as a higher court of facts to appreciate the evidence in the correct legal context. The finding of the High Court, on this issue, thus, cannot be sustained.

Rental Income of A1

302. Whereas the DVAC quoted Rs.40,01,127/- to be the income under this head as listed against Item Nos. 53 & 54 of the Heads of Income, according to the defence, the same ought to have been Rs.43,75,132/-. The Trial Court considered the oral evidence of PW-102 Raghwan, who at the relevant time, was the Manager (Administration) of the firm Plant Construction Private Limited which had taken on rent from M/s Jaya Publications, vide lease deed Ex. P651, the building mentioned therein and owned by M/s Jaya Publications on a monthly rent of Rs.1,05,000/-. This witness also proved the agreements whereby the tenancy had been extended thereafter from time to time on enhancement of rent.

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303. This witness testified as well with regard to the tenancy of another house also belonging to M/s Jaya Publications vide lease deed Ex. P655 initially at a monthly rent of Rs.10,000/-, which stood enhanced thereafter on renewal of the tenancy/lease. According to this witness, the rent was paid through cheques and in all for the period January, 1993 to April, 1996, an amount of Rs.43,75,132/- was paid to this effect to M/s Jaya Publications.

304. It has been urged on behalf of A1 that she had received an amount of Rs.90000/- by way of monthly advance and Rs.2,32,000 by way of rental income during the check period. Reliance has been placed on Ex. P-936 (statement of Central Bank of India of A1), P-2334 and P-2336 being her statements of account during the relevant period. The evidence of DW-64 S-Shanmugam, who claimed to be her Chartered Accountant, has also been referred to.

305. The learned Trial Court accepted this evidence and noted that though the total rent paid did sum up to Rs.43,75,132/-,

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the prosecution had taken this figure to be Rs.40,01,127/-. It however declined to interfere on the ground that rental income was taxable under the Income Tax Act. The High Court, on the other hand, without any discussion of the evidence added Rs.3,22,000/- to the rental income as the prosecution had omitted to do so.

306. In our view, as the evidence adduced by the defence did establish that Rs.43,75,132/- had been paid as rent for the two premises in question, as identified under item nos. 53 & 54 in the list of income provided by the DVAC, the High Court was justified in adding Rs.3,22,000/-.

Income of Jaya Publications and Namadhu MGR:

307. The appellant-State has also taken exception to the addition of an amount of Rs.4 crores by the High Court towards income of Jaya Publications and Namadhu MGR in addition to the figure cited by the DVAC.

308. Jaya Publications is the proprietorship firm of which, at the relevant time, A1 and A2 were partners. As per the deed of

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partnership, it carried on business of all types of printing and publication of newspapers/magazines/ periodicals etc. and such other business or businesses to be mutually agreed upon between the partners. It, as per the records, purchased a factory shed with the factory building and had installed a printing press thereat and had commenced its business of printing and publication of news letter of AIADMK party namely; "Namadhu MGR" for circulation amongst the public and various other agencies.

309. It is claimed by the defence that a non-interest paying deposit scheme was started in the year 1990 to supply free copies of the newsletter against deposits of Rs.12,000, Rs.15000, Rs.18000 annually for which the subscribers could get 4, 5 or 6 copies of such newsletter per day, correspondingly. The provision for refund of the deposit by giving prior notice was made as well.

310. The defence examined DW-88 K. Soundravalan, a Chartered Accountant who claim to have handled the accounts of Jaya Publications and Sasi Enterprises and was involved in the finalisation of accounts of the said firms

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during the period 1992 to 1996. He referred to the aforementioned scheme and also the rates of subscription. He stated that Jaya Publications was an assessee of income tax from the year 1991. According to him, he had personally produced the books of account of the assessee before the special auditors for the assessment year 1994-95 which were certified to have been maintained properly. He identified the income tax returns of the firm for the assessment years 1991-92 to 1993-94 i.e. Exbs. D-218, D-219, D-220, submitted on 6.11.1988. He also identified the income tax returns of Jaya Publications for the assessment years 1994-95 to 1996-97 i.e. Exbs. D-221 submitted on 17.3.1998 and D-222, D-223 submitted on 17.3.1999. He deposed that along with the returns, statement of income tax, balance sheets, profit and loss accounts were furnished for the respective years. He however admitted that the balance sheets for the assessment years 1994-95, 1995-96, 1996-97 were not available in the records produced in court by the income tax department and that he did produce the attested copies of the balance sheets and profit and loss accounts of the assessee for the years ending 31.3.1994, 31.3.1995 and 31.3.1996 i.e. Exb. D-224,

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D-225 and D-226 respectively. He also referred to the list of subscribers to the deposit scheme for the year 1992-93 i.e. Exb. D-228 and also mentioned about the scrutiny of the accounts for the years 1991 to 1996 by the income tax authorities. He stated that the assessing officer did not accept the claim of scheme deposit for the assessment year 1991-92 by his order dated 26.3.2001. But the concerned C.I.T. (Appeals), in the appeal filed by the assessee, accepted the claim of scheme deposit subscription.

Similarly, the CIT (Appeals) did uphold the claim of the assessee for the assessment years 1992-93 and 1993-1994.

311. Qua the assessment years 1994-95 to 1996-97, according to this witness, the assessing officer partially allowed the claim which was upheld in the appeals by the CIT (Appeals). Eventually, the Income Tax Appellate Tribunal, B-Bench, by a common order, accepted the claim of the assessee regarding the deposit scheme except in respect of 41 depositors, who denied to have made such deposits. The witness did disclose that the matter was remanded to the assessing officer with a direction to afford an opportunity to

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the assessee to cross-examine these 41 depositors. The witness admitted that such enquiry was pending. He, however, deposed that under the deposit scheme, Jaya Publications collected an amount of Rs.14,23,89,000/- over the period of six years.

312. The witness disclosed that the main source of income of Jaya Publications was sale of newspapers, advertisements and printing on job work basis and that as per its profit and loss statement, the net profit derived by it from the above sources, during the assessment years 1992-93 to 1996-97, was Rs.1,15,94,848.60/-. He also mentioned about agricultural operations being carried out by Jaya Publications in the name of Sapthagiri Farms which yielded agricultural income.

313. The Trial Court, took into account the particulars of income of Jaya Publications as claimed by the defence for the assessment years 1992-93 to 1996-97 sought to be proved through the oral evidence of DW 88 and various documents Exh. D-217 to D-235. The break up of the income from various sources, as furnished by the firm, discloses that its

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income through scheme deposit over the above period was Rs.14,10,35,000/- and qua other sources including sales, job work, advertisements, interest, agricultural income, rentals etc. Rs.1,15,94,848/-. The Trial Court was conscious of the fact that the defence in support of its claim of the income aforementioned, had called in evidence the testimony of 31 witnesses, who did speak about the deposits made by them under the scheme, in addition to DW 88 and that further reliance had been placed on the special audit report obtained by the income tax authorities, Exb. P-217, orders of the commissioner of income Tax (Appeals) Exb. D-231 to D-234 as well as the balance sheets filed along with the returns Exb. D-218 to D-222.

314. The Trial Court rightly noticed that the returns for the assessment years 1991-92, 1992-93, 1993-94 had been filed much belatedly on 6.11.1998 and that in these returns, the nature of the business of the firm was shown as "printing, publishing and dealing in properties". It also noted that in the balance sheet, enclosed to the return of the year 1991-92, an amount of Rs.13,54,000/- was shown in the liability column.

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The amounts of Rs.82,14,000/- and Rs.3,05,40,000/-, being scheme deposit, were also shown in the liability column in the balance sheets enclosed with the returns for the assessment years 1992-93 and 1993-94. The Trial Court noticed as well that the return for the assessment year 1994-95 Exb. D-221 had been filed only on 17.3.1998 and that the balance sheet attached thereto, showed scheme deposit of Rs.51,31,50,00/- in the liability column. That the return for the assessment year 1995-96 was also filed only on 17.3.1999 much belatedly, was noticed as well. The Trial Court mentioned and rightly that this return as well as the return for the assessment years 1996-97 i.e. Ex. D-222 and D-223 did not mention about the scheme deposit. That the defence, however, separately got marked the profit and loss accounts for the years ending 31.3.1994, 31.3.1995 and 31.3.1996 vide Exb. D-224, D-225 and D-226, was taken note of. The Trial Court, however, left out of consideration these documents i.e. profit and loss accounts, aforementioned firstly because those were only attested copies and secondly, as those did not disclose in any manner, to have been filed with the corresponding return before the income tax authorities or produed before them at

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any point of time.

315. The evidence of the 31 witnesses with regard to the deposits made by them of amounts varying from Rs.12000/- to Rs.18000/- is more or less of the same model and owing allegiance to the AIADMK party. Some of them also proved their application for becoming subscribers but though they stated to have been issued receipts for the deposits made, none produced the same.

316. The Trial Court, in assessing the evidence on record traced the proceedings before the income tax authorities on this count, beginning from the assessment year 1991-92. It marked as to how the claim of scheme deposit had been rejected by the assessing officer as the impounded books of accounts did not reflect the same, whereafter following the re-assessment proceedings, the Commissioner of Income Tax (Appeals) upheld the same. In this backdrop of the initial failure of the assessee to produce the necessary documents before the assessing officer supporting the scheme deposit and the unexplained delayed in submission of the income tax

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returns for the assessment years 1991-92 to 1993-94 only on 6.11.1998, the Trial Court held the view that the defence had contrived the story of scheme deposit only in the year 1998 and in furtherance thereof, mentioned about it in the profit and loss account statement enclosed to such returns. The Trial Court, however, did not rest contended on that finding but scrutinised as well the applications of the subscribers brought on record. It, however, noted the explanation of the assessee before the income tax authorities for non-production of such application forms, counter-foils of receipts etc. on the ground that those had gone missing and that a complaint with regard thereto had been lodged. The Trial Court thus reflected on the credibility of the defence stand that such application forms had been obtained from the income tax department. It, however, appears that DW-88 did refer to the files containing the applications. In any view of the matter, these applications under Exb. D-230 had been produced at the trial by the defence.

317. The Trial Court recorded that DW-88 had admitted that there was no mention in Exb. D-217, the report of the

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Chartered Accountant of Jaya Publications addressed to the income tax authorities, that the books of accounts of the assessee had been produced before the special auditors. Further, it had been noted in the report Exb. D-217 that all payments through cash were not supported by any outside document or evidence and that they were only supported by internally made vouchers with proper payees signatures. The Trial Court also recorded that DW-88 had admitted that profit and loss accounts/balance sheets of the assessee as on 31.3.1994, 31.3.1995, 31.3.1996 i.e. Exb. D-224 to D-226 did not bear the date, seal and signatures of the income tax authorities. Further Exb. D-228, the claimed list of subscribers also did not contain the seal and signatures of Jaya Publications. That the original subscription applications contained in Exb. D-230(1) to Exb. 230(17) had not been produced before the income tax authorities but their xerox copies were only produced, was noted as well. The Trial Court was categorical in bringing on record the fact that it was only after the CIT (Appeals) had set-aside the assessment order i.e. 3.3.1988 rejecting the claim of scheme deposit of the assessee on 15.9.1998 that Jaya Publications filed its returns for the

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assessment years 1991-92, 1992-93, 1993-94 on 6.11.1998 mentioning for the first time such deposits. That in the course of the scrutiny thereafter, in response to the notice issued by the assessing officer, Jaya Publications did not produce the originals of the applications and the counter-foils of deposits but only copies, was taken note of.

318. The Trial Court also analysed the evidence of PW 201 C.K.R.K. Vidya Sagar, an officer of the Canara Bank, Mylapore Branch disclosing the transactions of heavy amounts inter se the accounts of Jaya Publications, Namadhu MGR, Sasi Enterprises, Metal King Company of which A2 was the proprietor and Vinod Video Vision to indicate, according to it, circulation of unaccounted and undisclosed funds in the names of various firms and companies of which A1 to A4 were either directors or partners at the relevant point of time. Referring to the amounts mentioned by PW-201 in the accounts of Jaya Publications, the Trial Court disbelieved the plea of credit of deposit of Rs.14,10,35,000/- as collection from subscription under the deposit scheme as claimed by the defence.

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319. The Trial Court on an overall assessment of the evidence concluded that the story of scheme deposit had been introduced by the defence only after the charge-sheet had been filed on 4.10.1997 i.e. through the income tax returns filed in the year 1998. That no evidence had been produced before the Court to show that the scheme had been floated in the year 1990, was recorded. While rejecting the claim of this head of income by the defence, the Trial Court sought to draw sustenance from the fact that the assessee had not produced the primary documents either before the special auditors or the assessing officers and also rejected the applications Exb. D-230 series as manufactured. The testimony of subscribers was dismissed also on the ground that they were hardened party workers.

320. The High Court, though had traversed the above facts in lesser detail, dealt with the oral and documentary evidence and noted that the defence claim of scheme deposit of Rs.13,89,19,475/-, as accepted by the concerned CIT (Appeals), was subjudice before the High Court, Madras. The High Court reiterated as well that the income tax returns for

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the relevant assessment years had been filed very belatedly and that no plausible explanation, therefor was forthcoming. That neither A1 nor A2 had examined themselves, was noted. The High Court also did take into account the fact that at one point of time, the assesee had complained that the applications by the subscribers were missing and that complaint to that effect had been lodged, but subsequently those applications said to have been presented before the income tax department were marked in court. The High Court categorically held that delayed and unexplained submission of income tax returns did give rise to doubt of the genuineness thereof. This notwithstanding, the High Court only in the face of the oral evidence of the 31 witnesses claiming themselves to be the depositors/subscribers for the newsletter, returned a finding that the whole claim of the assessee could not be rejected only on the ground of delay in filing of the income tax returns. Acting solely on this consideration, the High Court, thus allowed addition of a sum of Rs.4 crores as income of Jaya Publications.

321. Not only as referred to hereinabove, in our view, the Trial

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Court had been alive to the relevant materials bearing on this issue and had founded its conclusions on elaborate scrutiny thereof, its criticism by the defence that it had left out of consideration amongst others, the oral evidence of PWs 201, PW-230 and DW2 to DW67 and DW88 is not acceptable. The grievance with regard to non production of the report of the internal auditor of the DVAC about the affairs of Jaya Publications and the accounts of Namadhu MGR as adverted to by PW 259 in his testimony, is also not of any conclusive relevance. Not only the absence of the report does not prove the defence plea, significantly, no endeavour was made on behalf of the respondents to summon the said report. The contention that the omission on the part of the prosecution to examine the internal auditor and to produce his report warrants adverse inference against the prosecution, does not commend for acceptance.This is more so as the prosecution had not accepted the deposit under the Namadhu MGR scheme to be a lawful source of income. The respondents consequently in order to establish it to be one, ought to have discharged their burden to satisfactorily prove the same and for that matter, ought to have taken necessary steps, if such

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report was construed to be vitally essential.

322. Vis-a-vis the balance sheet and the profit and loss account for the relevant assessment years, rejected by the Trial Court, suffice it to record that mere marking of documents without any objection from the prosecution ipso facto, in law is not an authentication or proof of contents thereof and the plea to the contrary, thus cannot be sustained. Further, reliance on the presumption based on clause (d) of the Explanation under Section 139(9) of the Income Tax Act, 1961, to suggest that the balance sheet and the profit and loss accounts must have been filed along with the corresponding income tax returns and that the failure on the part of the income tax department to produce the same, does not demolish the plea of the defence of submission of such balance sheets and profit and loss accounts along with the returns, in our estimate, is no answer to the inaction on the part of the respondents to prove by better evidence that the balance sheets and the profit and loss accounts supposed to accompany the income tax returns mandatorily, had infact been filed therewith, more particularly in view of the apparent

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discrepancies in the balance sheet and the profit and loss account for the assessment year 1994-95, proved at the trial.

323. The evidence of PW 201 on which great emphasis has been laid by the respondents, to start with, is contradictory on the date of opening of the current account of Namadhu MGR. Though reference has been made by this witness vis-a-vis current account No. 1952 of Namadhu MGR about deposits made therein from 18.12.1991, significantly it is apparent from his testimony that sizeable amounts have been transferred therefrom to the accounts of A1, A2, A3 and A4, Jaya Publications, Sasi Enterprises, Anjaneya Printers Pvt. Ltd., Metal King, Green Farmhouse, Meadow Agro Farms and Fax Universal (unit of Sasi Enterprises) on various dates during the check period.

324. Having regard to the overall evidence with regard to the scheme deposit and the free flow of funds from the account of Namadhu MGR to the respondents and their firms, the concurrent conclusions of the Trial Court and the High Court against this source of income, as claimed by the defence,

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appear to be unexceptionable.

325. Significantly, though the High Court had rejected this source of income also on scrutiny of the materials on record albeit less exhaustively compared to the Trial Court and noticing as well the unexplained belated submission of the income tax returns of the relevant years, the said finding has remained unchallenged by the respondents.

326. At the cost of repetition, having regard to the conspectus of facts pertaining to this issue, the Trial Court was within its authority and being obliged in law, rightly scrutinised the evidence independently to assay the genuineness or otherwise of the claim of scheme deposit made by Jaya Publications. Considering the different phases of the process undertaken by the income tax authorities, the failure of the assessee to produce the primary documents in original before the auditors and the income tax authorities in support of such scheme deposit and more particularly the inordinate delay in submission of income tax returns much after the submission of the charge-sheet, along with the other attendant circumstances considered by the Trial Court, we are of the

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view that the High Court was not justified in allowing an additional sum of Rs.4 crores as income of Jaya Publications on account of scheme deposit merely on the basis of the oral evidence of the 31 witnesses. This is more so when it was otherwise convinced on the appreciation of the evidence on record that the income tax returns, in particular for the relevant assessment years, incorporating the scheme deposit were doubtful in view of the unexplained delay in submission thereof. In other words, though the High Court itself was left unconvinced about the acceptability of the claim of scheme deposit, due to largely delayed income tax returns, it benignly did award an income of Rs.4 crores to the assessee only on the basis of the oral testimony of 31 witnesses who, as noted by the Trial Court, owed unstinted allegiance to AIADMK party with no legally acceptable documentary evidence to corroborate the same. The addition of this additional sum of Rs.4 crores as income of Jaya Publications, having regard to the state of the evidence with regard thereto, cannot be upheld.

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Income of A1 by way of interest on bank deposit:

327. A further sum of Rs.18,49,210/- has been claimed on behalf of R1/A1 as her income by way of interest on bank deposits. Though the prosecution against the relevant items of income has accepted a sum of Rs.58,90,925/-, according to the R1/A1, it ought to have been Rs.77,40,135/-. Thus the claim of the additional amount of Rs.18,49,210/-. To endorse this claim, this respondent has again wholly relied on the income tax returns/orders for the assessment years 1992-93 to 1996-97, where various amounts were shown under the head "income from other sources".

328. The Trial Court had dealt with these items elaborately. It examined the evidence of PWs 164, 173, 201 and 202, officers of the concerned banks with reference to the copies of the contemporaneous statements of accounts and had accepted the figures available thereunder. It, however, declined to accept the profit and loss account statements adduced on behalf of the said respondent in support of the enhanced claim of Rs.77,40,135/- as her income by way of interest in absence of any other reliable evidence to that

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effect. Even assuming that the contention on behalf of this respondent that profit and loss accounts were indeed part of the respective income tax returns and had, in any case, been separately tendered and marked in evidence at the trial, in law the same per se was not an unassailable authentication of the probative worth of the contents thereof, so much so to repudiate the approach of the Trial Court to be incurably erroneous. Further the High Court seems to have omitted to adjudicate this issue.

329. To reiterate, as the scrutiny of the evidence on record in a trial on a charge under the 1988 Act, coupled with the imputation of conspiracy and abetment has to be essentially in the perspectives attuned to the ingredients of the offences involved and not divorced therefrom, unreserved reliance on the disclosures of income in the income tax returns and the orders passed thereon by the income tax authorities would be an approach not in accord with law. The omission on the part of the prosecution to object either to the admissibility of the income tax returns/orders or the mode of proof thereof, ipso facto would not endow the contents thereof with probative

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efficacy. The reliance on the decision of this Court in ***R.V.E. Venkatachala Gounder vs Arulmigu Viswesaraswami & V.P. Temple and another*** (2003) 8 SCC 752 on this aspect is thus of no avail to the respondents.

330. This decision dwell on the nature of objections as to the admissibility of documents e.g. an objection that it is by itself inadmissible in evidence or as to the mode of proof thereof alleging the same to be irregular or insufficient. It is not an authority on the proposition that if none of these objections is taken, the contents of the document so introduced, would automatically have to be accepted as the unassailable proof of the facts conveyed thereby.

Income of Super Duper T.V. Pvt. Ltd. – Rs.1,00,00,000/-.

331. Whereas the Trial Court has rejected this claim, the High Court has allowed it. This head of income was not included by the DVAC in its list and the defence plea has been that the same had been wrongly and deliberately excluded. This amount is claimed to be the legitimate income of A3 from his

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business initially carried on as the proprietor of Super Duper T.V. and later incorporated as Super Duper T.V. Private Limited. The Trial Court did refer to the evidence of PW 259, the Investigating Officer, who deposed that the seized documents included 22 fee receipt books maintained by the firm, each of 100 leaves and that the counter-foils showed receipt of Rs.5000/- each. The witness, however, denied that the sum otherwise totalled at Rs.1,10,00,000/- was the income of Super Duper T.V. and that this amount was not included as income of A3 as the same had been utilised in the expenditure to run the company.

332. As referred to by the defence, the learned Trial Court did take note of the testimony of witnesses DW 65 to DW 73 about the deposits made by them with the company during the check period. The documents exhibited by DW 85, the Manager of the company to prove the receipt of Rs.1.10 crores was also considered. The Trial Court recorded that this company was one of those floated by A2, A3 and A4 during the check period and that it had introduced a deposit scheme whereunder the cable operators made cash deposit of

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Rs.5000/- or multiples thereof and that in that process the company received deposit of Rs.1,06,10,100/-. In addition thereto, the Trial Court noted as well that the company did receive periodical lease rent of Rs.1500/- p.m. from other equipments given on hire. The lease agreements to this effect were also considered. The claim that the company had supplied equipments to Tamil Nadu Tourism Development Corporation Limited was recorded. The copies of the assessment orders exhibited were examined and the Trial Court concluded that there was no reason to doubt the business transactions carried on by A2 and A3 in the name of Super Duper T.V. Private Limited. It, however, recorded with reference to the assessment orders relied on by the defence i.e. Ex. D-182, D-183 and D-184 that those were belatedly submitted after the charge sheet was filed on 4.10.1997.

333. Vis-a-vis the claim of the defence that the amount of Rs.1,06,10,100/- as business income was available with A2 and A3 in addition to other incomes, the Trial Court noted, amongst others, that as per the Cable Television Network Rules, 1994 enforced on and from 29.4.1994, only refundable

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security deposits was permissible and that though receipt books and counter-foils of the payee-in- slips to show that the amount of Rs.5000/- each collected from large number of subscribers were credited to account No. 1152, there was nothing on record to show how the investments were made for the purchase of equipments claimed to have been supplied by the company to various subscribers and that in any case, this amount could not have been available with the A3 as the stable corpus of income for purchase of immovable properties, as claimed. Referring to the evidence of DW-85, PW-182 and PW 201 in details, the Trial Court recorded the huge cash inflow and outflow to and from the account of the company. Noticeably, such deposits and withdrawals had been, vis-a-vis several accounts involving A1 to A4 and the firms and companies floated by them during the check period of which they were partners/directors, as the case may be. All these were noted by referring to the accounts and the individual transactions. The Trial Court having regard to the enormity of bank transactions inter se amongst the respondents and their firms/companies declined to sustain the contention of A3 that they were possessed of independent source of income and the

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same was available with him and A2 for acquisition of properties in their names.

334. As against this, the High Court chiefly relied on the evidence of DW-85, who introduced himself as the Manager/Administrator of the company during 1995-96 and the fee receipt books and the counter-foils pertaining to the claimed deposit of Rs.5000/- per member as non-refundable entrance fee.

335. Further, it accepted the investments/documents exhibited at the trial with regard to payments received by the company amongst others from the Tamil Nadu Tourism Development Corporation Ltd. and other public/public sector undertakings in connection with the business transactions entered into. It, in the passing also, noticed the assessment of the returns of the company by the income tax authorities and assessed the same to be Rs.1,00,00,000/-.

336. In our considered view, the High Court in appreciating the evidence adduced missed the facets of the charges levelled against the respondents and confined itself seemingly to the

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statements of the claimed depositors and the deposit books and the counter-foils in connection therewith. The Trial Court in contradistinction, not only did analyse the oral and the documentary evidence adduced by the parties in proper details, it took pains to examine the trail of the income claimed by the company and the feasible investments thereof. It also took note of the huge inflow and outflow of cash to and from the accounts of the firms/companies of which the respondents were partners/directors during the check period so much so that the income claimed by A3 under this head ceased to retain its independent identity so as to be accepted as the discernible earnings of the company for transacting its business activities as a distinctly separate institution. The revelation regarding the bank transactions are matters of record gleanable from the oral and documentary evidence to this effect and, in our estimate, assume great significance in the backdrop of the charge of conspiracy and abetment imputed against the respondents. The summary treatment of the evidence on this issue by the High Court, in our comprehension, lacks the desired approach and insight and,therefore, cannot be sustained. The addition awarded by

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it of income of Rs.1,00,00,000/- to Super Duper T.V. Pvt. Limited, thus cannot be upheld.

Refund of Wealth Tax to A1:

337. Respondent No.1/A1 has pleaded addition of further amount of Rs.1,35,631/- by way of refund of wealth tax as on 22.4.1993 and to reinforce this claim, has placed reliance on Exh. P-2336 and P-1382 being her Statement of Affairs as on 31.3.1994 and the Statement of Account of Canara Bank, Mylapore, Madras, for the period 1.4.1993 to 30.4.1993 showing the receipt/deposit of the said sum. The testimony of DW64 has also been pressed into service.

338. Having regard to the concept of wealth tax and the comprehension of assets and net wealth attracting such levy, this refund, though contemplated by the Wealth Tax Act, 1957, ipso facto does not certify the lawfulness of the wealth on which initially, a tax was charged and later refunded. In absence of any other evidence to satisfactorily prove the legitimate origin and status of the wealth relatable to the

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refund, in our view, the same cannot be accepted to be an income from the lawful source as envisaged in Section 13(1)(e) of the Act. More over there appears to be no discussion or analysis of this claim of income by the R1/A1 either by the Trial Court or by the High Court.

Income of A1 from M/s Sasi Enterprises:

339. The next addition sought for is by way of income from M/s Sasi Enterprises. To bolster this claim, reliance has been placed on Ex. D-267, the balance sheet of Sasi Enterprises as on 31.3.1993 indicating payment of registration charges of Rs.2,86,569/- for 31A, Poes Garden and Ex. P-2334, the statement of account of A1 for the assessment year 1996-97 showing receipt of an amount of Rs.3,42,000/- from M/s Fax Universal to her current account No.2018. It is in this premise, A1 asserted that under this head, she had an income of Rs.6,28,569/- from Sasi Enterprises, M/s Fax Universal being an unit of the said firm. Incidentally and indubitably, at the relevant time, A1 and A2 were the partners of Sasi Enterprises and A2 was one of the partners of M/s Fax Universal as well. The exchanges of the reserves mentioned

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hereinabove are therefore for all practical purposes inter se A1 and A2. The claim of the defence to accept the above amount to be lawful income in the attendant facts and circumstances, lacks persuasion.

Loan by A1 from A2:

340. Loan of an amount Rs.1,53,03,000/- from A2 and her proprietary firms forms the next sequence of income claimed on behalf of A1. The oral testimony of PW-201, Manager, Canara Bank, Mylapore Branch and Ex. P-2332, 2334, 2335, 2336, statement of account of A1 for the assessment year 1996-97, P-1382, P-1117 have been referred to for demonstrating the receipts/deposits of various amounts from A2, Fresh Mushroom Limited and Vinod Video Vision.

341. Admittedly, A2 was the sole proprietor of both, Fresh Mushroom and Vinod Video Vision at the relevant time and thus the deposits, though speciously are evidenced by bank transactions are visibly, inter se, A1 and A2 and her firms. These receipts essentially have to be tested in the backdrop of

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the charge of conspiracy and abetment so as to determine their genuine evidential worth.

342. As referred to hereinabove, this Court in ***Commissioner of Income Tax Vs. P. Mohanakala*** (supra), while examining the challenge to the addition made by the Assessing Officer in respect of receipts through foreign gifts, exhibited by bank transactions, held on an evaluation of the materials on record that the transactions of gift were not real, though apparent and concluded that the fact that money had come by way of bank cheques and had been paid through the process of banking transaction by themselves was no certificate of authenticity. While comprehending that a transaction though apparent may not be real, as may be demonstrated by contemporaneous factors, associated therewith, rejection of the genuineness of the gift by the Assessing Officer, was sustained.

343. Having regard to the amalgam of the persons and the entities involved in the transactions, aforementioned, we are not inclined, in the absence of other convincing evidence, to accept the said receipts/deposits to be lawful income as

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envisioned in Section 13(1)(e) of the Act.

A1's Income from Jaya Publications, CANFIN Homes and Namadhu MGR:

344. The next unit of income of A1 as per the respondents is receipts as a partner from Jaya Publications from three sources i.e. drawings from Jaya Publications, loan from CANFIN Homes which had been repaid by Jaya Publications on behalf of A1 and withdrawals from Namadhu MGR. Vis-a-vis the first component referred to hereinabove, it has been endeavoured on behalf of A1 to demonstrate on the basis of oral and documentary evidence which mostly constitute entries in the Current Account No. 2047 of Jaya Publications by way of withdrawals of various amounts therefrom in favour of A1. Such transfers as the relevant statement of account of A1 and the entries in the aforementioned current account of Jaya Publications would indicate are of 5.8.1991, 12.8.1991, 21.10.1992, 21.3.1995, 17.7.1995, 7.11.1995, each of an amount ranging from Rs.2 lakhs to Rs.5 lakhs. This is significant in the backdrop of the recorded facts that as disclosed in the income tax returns of Jaya Publications for

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the assessment years 1992-93 to 1996-97, its net income during the said period had been Rs.1,15,94,848/-. According to A1, under this head, an amount of Rs.1,01,49,900/- had been withdrawn from the current account No. 2047 of Jaya Publications.

345. In addition to the above, it has been claimed on behalf of A1 that she had availed loan of Rs.75 lakhs from CANFIN Homes on 29.9.1992 which was repaid by Jaya Publications on 27.3.1995. It is asserted by her that this amount was not refunded by her to Jaya Publications and has to be construed to be her drawings as a partner of the said firm. In other words, during the check period, Jaya Publications, apart from disbursing Rs.1,01,49,900/- in favour of A1 did also repay her loan of Rs.75 lakhs. Noticeably, as has been recorded by the Trial Court, while discussing the aspect of loan taken by A1 from CANFIN Homes, prior to such loan, she had deposited Rs.1 crore in the fixed deposit with the said financial institution on 6.3.1992. This, as the Trial Court has, brought on record is vide the testimony of PW-95 Veerappan, Regional Manager, CANFIN Homes. This witness has disclosed further

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that the above loan amount was taken on this fixed deposit. He stated that on 25.8.1995, A1 again took loan of Rs.75 lakhs on this fixed deposit, however qua a different loan account.

346. In re the third head, admittedly Namadhu MGR is only a publication of Jaya Publications but has a separate bank account. A1's claim of having drawn Rs.94,33,000/- as well from Namadhu MGR is seemingly also in the capacity of a partner of Jaya Publications.

347. The deposits and withdrawals represented through the different entries in the bank accounts suggest multiplication of transactions stemming from the same corpus. The maze of financial exchanges in fragments involving different combinations hint at the attempt to inflate individual and collective income of the respondents. The banking transactions, though resorted to for proclaiming genuineness thereof, having regard to the overall factual conspectus do not appear to be real. The claim of income of Rs.2,70,82,900/- of A1 by way of receipts from Jaya Publications, therefore is

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unconvincing. In other words, A1, in our estimate, has failed to satisfactorily prove this constituent of income.

Additional Income Claimed by A2 to A4:

348. Apropos, A2 to A4, their cavil is that the prosecution had omitted to take into account their actual income and had limited it to Rs.6,72,41,640/- in all. They claim that the prosecution had not taken into account Rs.26,50,57,478/- being their individual income as well as that of their firms/companies Sasi Enterprises, Jaya Publications, Jay Farm House, Green Farm House, Super Duper T.V., Anjaneya Printers Private Limited, J.Jay T.V. Private Limited and Super Duper T.V. Private Limited. Break ups of income under different heads have been furnished in the form of a chart and after effecting deductions of amounts included by the prosecution and payments made to the outsiders/partners, they assert that their total income, during the check period, ought to have been recorded as Rs.28,23,16,656/- instead of Rs.6,72,41,640/-.

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349. The compilation of the relevant facts and figures in endorsement of the above claim indicates the oral and documentary evidence in support of the different items of income, those which have not been considered by the Trial Court at all according to them but dwelt upon by the High Court as well as those examined by the Trial Court but not accepted by it. Qua certain items, it is not clear as to whether those had been taken note of by the Trial Court or not. There are instances as well of components of income, scrutinised by the Trial Court but not responded to by the High Court. The constituents of income referred to by A2 to A4 include those recorded in the income tax returns of A2 during the relevant assessment years, loan payable/availed/received by her from the related firms in the capacity of a partner and otherwise, loan secured by such firms from the bank and the sister firms, rental advance, agricultural income of Sasi Enterprises, rental income, sale of capital assets, net profit of Jaya Publications and scheme deposits of the Namadhu MGR.

350. Further income of A3 through his proprietorship firm, inter alia from Super Duper T.V. and loan availed from sister

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firms and income of A4 through loans from the related firms, rent receipts etc. has been cited. Earnings of Anjaneya Printers Private Limited and rental advance received by the firm have also been included. Loan availed by J. Jay T.V. Private Limited from Indian Bank, non-refundable deposits obtained from the subscribers by Super Duper T.V. Private Limited have been taken into account as well to compute the income claimed.

351. In reinforcement of the plea that an amount of Rs.26,50,57,478/- by way of income of A2 to A4 ought to be added, a collage of statistics qua the different heads of earnings/ receipts had been pressed into service. For the sake of convenience in scrutiny, these are proposed to be dealt with in cognates groups.

352. Vis-à-vis the item numbers 1 to 21, according to the respondents, the High Court had dealt therewith in the judgment but except for the item number 8, according to them, the Trial Court did not even consider the evidence relatable thereto. The sources of income against item numbers 1 to 5 are traceable to the income tax returns of A2

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for the assessment years 1992-93, 1993-94 and 1994-95. The income pertains amongst others to foreign remittance of Rs.51,47,955/- and agricultural income of Rs.35,000/- of A2. Documentary evidence in particular by way of income tax returns and the orders of the income tax authorities have been relied upon. The oral testimony of DW-88 has also been referred to.

353. Per contra it has been contended on behalf of the prosecution that not only the income tax returns and the orders passed in connection therewith are not conclusive of the lawfulness of the income as referred to therein, the fact that M/s Sasi Enterprises along with A1 and A2 had been prosecuted for delayed submission of the returns for the assessment years involved cannot be lost sight of while judging the credibility of the defence based thereon. It has also been urged that receipt of such huge amount of foreign remittance by A2 is plainly unacceptable more particularly in absence of any explanation by her justifying the same. According to the prosecution thus, not only this receipt has not been satisfactorily accounted for, it is strongly suggestive

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of a remittance in favour of A1 in the name of A2 thus attracting the presumption to that effect. The prosecution has pleaded that such a possibility is writ large in the face of the charge of abetment and conspiracy levelled against the respondents.

354. Though a defence was sought to be taken on behalf of the assessee against the prosecution that as the accounts of the firm M/s Sasi Enterprises had not been finalized and therefore no returns had been filed and that as the assessment of the relevant returns had not attained finality, the indictment was premature, the contentions were rejected. It was held by this Court in ***Sasi Enterprises Vs. Assistant Commissioner of Income Tax***, (2014) 5 SCC 139, that pendency of appellate income tax proceedings was not a relevant factor for not initiating prosecution under Section 276CC wherein an offence had been committed for non-filing of the return. It was recorded as well that mere allusion in the individual returns of the partners, that the account of their firm had not been finalized and therefore no return could be submitted was not an acceptable plea to absolve the firm of its

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obligation under the Income Tax Act to file the return within the prescribed period.

355. Noticeably, according to the compilation provided by the defence, the High Court had dealt with item numbers 1 to 21 of the income of A2 to A4. A plain perusal of the narration of that portion of the judgment reveals that the High Court therein had dealt exclusively with loans taken from the nationalized banks as income of the respondents. Though a reference has been made of loans availed by the respondents from various firms as named therein, the High Court had not taken into the account the same and had limited itself only to the loans availed by the respondents from the nationalized banks. In that view of the matter, the items of income under scrutiny, had also been left out of consideration by the High Court. Thus the grievance of the respondents that the evidence with regard to these items of income had not been considered by the Trial Court, is not of decisive significance more particularly in absence of any challenge made by the them to the omission as well of the High Court in this regard.

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356. In course of the arguments, attention of this Court had been drawn to the Remittance of Foreign Exchange and Investment in Foreign Exchange Bonds (Immunities and Exemptions) Act, 1991. This is a statute to provide for certain immunities to persons receiving remittances in foreign exchange and to persons owning foreign exchange bond and for certain exemptions for direct taxes in relation to such remittances and bonds and for matters connected therewith or incidental thereto. Section 3 of the Act, which deals with immunities, however makes it clear in sub section (2) that such immunity would not apply in relation to prosecution for any offence punishable under Chapter IX or Chapter XVIII of the Indian Penal Code, the Narcotic Drugs and Psychotropic Substances 1985, The Terrorists and Disruptive Activities, (Prevention) Act 1987, The Prevention of Corruption Act 1988 or for the purpose of enforcement of any civil liability.

357. The assertion of the respondents qua item Nos. 6 and 7 refers to loan availed by A2 for herself and for the business purposes of her firm Metal King, from Housing and Real Estate Development Private Limited, Chennai by two transactions

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amounting in all to Rs.60,00,000/-. To demonstrate this receipt, reliance has been placed amongst others on the oral testimony of DW 88, the statement of account of M/s Metal King and also of Housing and Real Estate Development Private Limited, the lender.

358. The prosecution has refuted this claim contending that though credit entries by way of clearance have been sought to be brought on record, there is no satisfactory evidence to prove convincingly the transactions of loan. It is pleaded that no one has been examined on behalf of the lender and the documents relied upon by the respondents per se are not enough to satisfactorily account for this receipt. According to the prosecution, the documents relied upon by the respondents have not been proved and the transactions referred to have been introduced with the help of the so called lender to somehow boost the income of the respondents.

359. Noticeably, the High Court, to reiterate, did not as well accept these items of income referring to them as private loans. This assumes significance in the face of the grievance of the respondents that the Trial Court had not adverted

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thereto and there being no cavil on their part with regard to the omission of the High Court as well in this regard.

360. The next batch of income as claimed by the respondents is comprised of advances received by A2 from Bharani Beach Resorts, Riverway Agro Products (P) Limited and M/s Meadow Agro Farms (P) Limited by cheques amounting to Rs.22 lakhs, Rs.52 lakhs and Rs.32,90,000/- respectively. Reliance has been placed on the oral and documentary evidence including the balance sheet of the companies involved, the income tax returns for the relevant years and also the corresponding assessment orders. It has been contended as well that the Trial Court had wrongly left out of consideration the evidence adduced. It has been pleaded that the Trial Court had erred in discarding the transactions by referring to Sections 269SS and 276DD of the Income Tax Act. According to the respondents, the transactions having been effected through cheques, Section 269SS of the Act had no application and further Section 276DD having been deleted by the Direct Tax Laws (Amendment) Act 1987 w.e.f. 1.4.1989, reference thereto, the transactions being undertaken thereafter, was wholly

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misplaced.

361. Per contra, according to the prosecution, the agreement for sale of property Ex. D-300 against which, it is claimed that an amount of Rs.22 lakhs had been received by way of advance from Bharani Beach Resorts, has not been proved in law. DW88 being neither the executant nor a witness to the document, the prosecution has pleaded, he could not have proved this document. Alluding to the advances said to have been received by A2 from Riverway Agro Products (P) Limited and M./s. Meadow Agro Farms (P) Limited, the prosecution has underlined that A3 and A4 are the directors of both these companies and the transactions presented are really transfers of deposits from one account to the other. According to the prosecution, these deposits and withdrawals inter se the accounts are disguised exchanges involving the circulation of the money of A1 and cannot be said to be income from lawful source in the backdrop of the charge of abetment and conspiracy.

362. Whereas, the High Court did not take into account these receipts of A2, the Trial Court, apart from being of the view

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that cognizance of such transfers of fund by way of lawful transactions cannot be taken in the face of Section 269SS of the Income Tax Act and the provisions of the Companies Act, rejected these also on the ground that the respondents had failed to adduce acceptable evidence with regard to the resources of these two companies to advance such huge amounts.

363. In the opinion of this court, even without reference to Sections 269SS and 276DD of the Income Tax Act, the plea that Ex. D-300 i.e. the agreement for sale of property against which Bharani Beach Resorts had advanced Rs 22 lakhs to A2, had not been proved, cannot be lightly brushed aside. Be that as it may, vis-a-vis the other evidence on record, as adduced by the respondents in support of the advances received, in absence of evaluation thereof by the High Court, in the face of rejection of this item of income by the Trial Court, this Court is disinclined to sustain the claim of the respondents.

364. The next item of income cited on behalf of A2 to A4, is by way of earnings of A2 to the tune of Rs.2.2 crores as a partner

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of several firms. According to the respondents, all these payments have been made by cheques and the related transactions are reflected in the corresponding bank accounts of A2 and the entities involved. The bank account in particular and the oral testimony of PW-209 have been relied upon in support of this source of income.

365. As against this, the prosecution has urged that in absence of any evidence to establish the required income of the firms, which supposed to have advanced amounts ranging from Rs.20 to 25 lakhs each, these transactions are really sham and made up for the purpose of defence. It has been asserted that no tax returns (income/commercial/sales) of these firms had been brought on record to authenticate the extent of their business and earnings to make such payments feasible. Further, the statements of accounts produced show that all these accounts had been opened on the same day i.e. 20.3.1995 with cash deposit of Rs.501 and that there had been a credit entry of Rs.20,99,980/- and a debit entry in favour of A2 on 20.8.1995. Apart from this common feature in all these nine accounts, at the relevant time, A2 to A4 and Lex

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Property Developers (P) Limited were the partners thereof. It has also been urged that A3 and A4 were the directors of Lex Property Developers (P) Limited and all the nine firms were registered on the same day i.e. 15.2.1995 with the common address of No. 21, Wellington Plaza.

366. The opposition registered by the prosecution in view of the recorded facts which bear out unusual striking features of similarity of the nine firms and their constitution can by no means be lightly disregarded by construing the same to be a mere co-incident.

367. To reiterate, whereas the remonstration of the respondents is that the Trial Court did leave out of consideration the evidence in support of this source of income, the High Court as well did not refer thereto.

368. Vis-a-vis the income by way of Rs.2,90,000/-by A2 from the sale of her properties to Meadow Agro Farms (P.) Ltd., the High Court as well, according to the compilation furnished by the respondents, did not account therefor. In absence of any demurral before this Court, vis-a-vis such omission of High

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Court, we are not disposed to evaluate the facts as a court of first instance. With regard to the claim of Rs.4,35,622/- as cash balance available with A2 as on 1.7.1991, on her own showing, as per Ex. P-2191, this amount was in deposit as on 31.3.1991. In absence of better evidence, it is not possible to accept that the same amount was also available at her disposal as on 1.7.1991, the date of commencement of the check period.

369. With regard to item Nos. 46 and 47 of the compilation offered by A2 to A4, the claim that an amount of Rs.50 lakhs in all had been availed by J. Farm House and Green Farm House @ Rs.25 lakhs each from the Housing Real Estate and Development (P) Ltd. during the financial year 1995-96, these transactions have been sought to be proved on the basis of the bank statements of the lender and its written acknowledgment to that effect. The genuineness of these transactions is sought to be refuted by the prosecution by asserting that there is no satisfactory evidence in support thereof and not only none on behalf of the lender has been examined to prove the same, the documents adduced also do

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not convincingly vouchsafe this source of income. Noticeably, though it is the complaint of the respondents that the Trial Court did not at all consider this evidence, the High Court as well has not dealt therewith.

370. Item numbers 50 and 51 next referred to on behalf of A2 to A4 represent loans advanced by Bharani Beach Resorts and Vigneshwara Builders in favour of A3 on 18.3.1995 and 29.4.1995 respectively, totalling Rs.27 lakhs. The prosecution has branded these operations as mere transfer of money from one account to another under the cloak of loans which otherwise have not been proved in law.

371. The Trial Court did refer to the bank account of Bharani Beach Resorts i.e. CA-9006 while dealing with the broader aspect of opening of more than 50 accounts apart from the loan accounts during the check period. It did note that at the commencement of the check period, there were hardly 10 to 12 bank accounts standing in the names of A1 and A2. It marked the particulars of 52 accounts in all which were opened during the check period in the names of the firms/companies of which A1, A2, A3 and A4 were

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partners/directors as would appear from the table referred to. The bank account of Bharani Beach Resorts i.e. C.A. 9006 was opened 6.2.1995 and noticeably, as claimed by A2 to A4, as per the compilation relied upon, loan was advanced by the said firm on 18.3.1995 to A3. To reiterate, the High Court did not at all advert to the oral and documentary evidence sought to be relied upon by A2 to A4 in this regard.

372. Qua item numbers 52 to 54, which are loans availed by A4 from Iyyeppa Property Development, Bharani Beach Resorts (P) Ltd and Housing and Real Estate Development (P) Ltd. during the financial year 1995-96 to the tune of Rs.62 lakhs, the prosecution in response to the oral and documentary evidence sought to be relied upon by A2 to A4, has sought to dismiss these transactions as mere exchange of funds, inter se accounts of A2 to A4 and their firms by giving the same a colour of loan transactions. These items as well have been left out of consideration by the High Court as is evident from the impugned decision.

373. With regard to the item of income by way of hire charges at serial number 55 of the compilation, suffice it to state that

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the Trial Court while dealing with item numbers 45 and 48 of the Heads of Income of the DVAC had awarded the differential amount of Rs.6,60,064/- and therefore the respondents ought not to have any cavil in this regard.

374. Qua item number 56, A4 claims that though she had received an amount of Rs.1,11,231/- by way of gratuity, the prosecution has recorded this receipt to be of Rs.1,01,231/-. The Trial Court, while dealing with this item of income at serial number 63 of the Heads of Income of the prosecution, has observed that in terms of service register, Rs.40,000/- had been sanctioned to the legal heirs of T.V. Jayaraman, the husband of A4. In any view of the matter, the amount in difference as claimed by A4 being small, nothing much would turn on this.

375. The next item of income sought to be included by A2 to A4 is by way of rentals of Mahasubhalakshami Kalyana Mandapam. It is claimed that the actual amount received under this head was Rs.17,85,023/- but the prosecution had quantified it to Rs.14,50,097/- and thus a further sum of Rs.3,34,926/- ought to be added to the income of A4. Oral

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evidence by way of the testimony of DW90 and documentary evidence has been relied upon. Both the Trial Court and the High Court have not referred to this head of income or the evidence pertaining thereto.

376. Vis-a-vis item numbers 58 and 59, which represent the net income of Anjaneya Printers Pvt. Ltd for the years ending 31.3.1994, 31.3.1995 and 31.3.1996 and rental advance received by this firm during the check period, totalling Rs.55,07,715/-, there seems to be no consideration of the oral and documentary evidence in support thereof by the High Court. The Trial Court however, exhaustively examined all relevant aspects with regard to the business activities of Anjaneya Printers Pvt. Ltd since its incorporation on 14.7.1993 with A2 and A3 as its directors. It noted that the company had filed its income tax return on 29.8.1997 declaring undisclosed income for the block period 1.4.1986 to 24.9.1996 of an amount of Rs.10,81,478/-. It referred to Ex. D-278 relating to the assessment year 1994-1995 that a sum of Rs 747/- had been declared as income from business operations but during the year of accounting, an aggregate

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sum of Rs.30 lakhs had been credited as share application money received from Jaya Publications in three installments on 29.9.1993, 23.1.1994 and 23.2.1994. Apart from noticing the fact that M/s Jaya publications had not filed the income tax returns for the relevant years, the Trial Court noted as well that in the confirmation letter Ex. D-278, the sources of funds available with Jaya Publications for making such advances to Anjaneya Printers had not been disclosed. Referring to this document, further, the Trial Court recorded that during the search operations of the premises of Anjaneya Printers, no regular books of accounts was found and that consequently the assessing authority had held that the computerized copy of the accounts produced by the authorised representative of the assessee company would have to be construed as not written in the normal course of business. The Trial Court thus in this backdrop entertained a doubt with regard to the business operations of this company as claimed by it so as to render its claim of income under these items to be unacceptable in law. To reiterate, the High Court did not deal with the oral and documentary evidence in this regard.

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377. So far as item number 60 is concerned, which according to A2 to A4 is income of Rs.1 crore by way of loan availed from Indian Bank by M/s J. Jay T.V. Private Limited, reliance has been placed on the bank statement of this firm. As per the prosecution, this firm is not one of those involved in the case and therefore its transactions had been left out from the purview of investigation culminating in the charges. Whereas the High Court has not dwelt upon this item, it is likely that for the reasons cited by the prosecution, there is no reference of this loan in the decision of the Trial Court as well.

378. As the principal grievance of the respondents is that such evidence though available on record, the Trial Court did not advert thereto, the respondents ought to have assailed the omission on the part of the High Court before this Court in the manner as contemplated in law. In arguments as well, no reservation was expressed in this regard.

379. The item of income at serial number 22 of the compilation submitted on behalf of A2 to A4, pertains to loan

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said to be availed by Jaya Publications from Indian Bank, Abhayrampuram Branch. It is an admitted fact that this loan amount of Rs.1.5 crores had been repaid. The High Court has allowed this head of income and the necessary analysis in this regard having been undertaken, repetition is avoided.

380. According to the respondents, Sasi Enterprises had availed loan of Rs.10 lakhs from Housing Real Estate and Development (P) Limited and Rs.2 lakhs on 18.10.1995 from Lex Properties, both by cheques. These transactions are sought to be authenticated by the respondents on the basis amongst others, of the bank statements , their grievance being that the Trial Court had erroneously excluded these amounts by overlooking the evidence to that effect.

381. The prosecution has refuted the genuineness of these transactions of loan contending that the bank statements and the letters of confirmation from the lenders concerned, as sought to be relied upon by the respondents, do not per se prove the loan.

382. Though the Trial Court did refer to the documents, relied upon by the respondents, it rejected the same as unreliable.

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In doing so, it made reference in particular to letter of confirmation of Housing Real Estate and Development (P) Ltd..

383. The High Court, on the other hand, did accept these transactions by making passing reference to the documents called in evidence by the respondents in this regard. The High Court readily acted upon the letter of confirmation of accounts issued by M/s Housing Real Estate Development (P) Limited and also the balance sheet of Sasi Enterprises indicating that an amount of Rs.2 lakhs had been received by way of unsecured loan from Lex Properties Development Private Limited. No attempt was made to examine the credibility of the documents in the context of the charges levelled.

384. The respondents have next claimed income of Rs.75 lakhs by way of capital introduction in Sasi Enterprises by A1 on 29.9.1992. According to them, this amount was contributed by way of capital by A1 which she had availed as loan from CANFIN Homes Limited against her fixed deposit of Rs.1 crore. Reliance had been placed on the bank accounts of Sasi Enterprises showing the receipt of Rs.75 lakhs as capital

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contribution by A1 as its partner during the check period.

385. The prosecution has dismissed this transaction as inter se transfer between the accounts of A1, the partner of Sasi Enterprises and the said firm, so much so that it could not be construed to be a genuine income. The High Court did not deal with the oral and documentary evidence to this effect in details. The Trial Court was however of the view that this receipt by Sasi Enterprises was in fact diversion of unexplained wealth of A1 to its account.

386. Next in the que of income claimed by A2 to A4 is by way of dues repaid to Sasi Enterprises by M. Ramachandran Nagammal and Subramaniuim during 1992-93. The balance sheets of Sasi Enterprises as on 31.3.1991 and 31.3.1992 along with the relevant orders of Commissioner of Income Tax (Appeals) have been pressed into service in support of this assertion. According to A2 to A4, under this head an amount of Rs.61,91,000/- has been received by Sasi Enterprises by way of repayment of advances made by it to these persons. The prosecution has repudiated this claim contending that the balance sheets for the years in question have been belatedly

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prepared to conjure this plea and thus cannot be relied upon.

387. The Trial Court indeed did deal with this document and took note of the fact as well that the claim of repayment of loan had been accepted by the income tax authorities. It however declined to accept the transaction of loan and repayment thereof to Sasi Enterprises by holding principally that the statement of profit and loss account submitted before the income tax authorities and proof thereof was not reliable and authentic. This is more so according to the Trial Court as neither the loanee of the firm had been examined nor there was any other material to show that these transactions had been disclosed before the income tax authorities at any point of time before the registration of the case.

388. The High Court, however, accepted on its face value the relevant balance sheet, the profit and loss account as well as of the orders of the income tax authorities to this effect without embarking upon any independent verification of the contents thereof to ascertain the correctness or genuineness of the same, in the teeth of the finding of the Trial Court, contrary thereto.

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389. Against item Nos. 28, 30, 32, 34, 38 and 41 of the compilation, A2 to A4 have claimed rental income of Rs.16,47,800/- during the check period. The breakups of the different amounts of income have been set out as well. They have mainly relied upon the returns of the respective assessment years and have contended that as the income tax authorities had accepted the said returns disclosing their rental income, the sum of Rs.16,47,800/- ought to be included in their total tally of income.

390. Per contra, the prosecution has refuted this claim on the ground that the balance sheets adduced before the income tax authorities were all belatedly prepared as had been admitted by DW-88 and thus cannot be accepted to be authentic to sustain this item of income of A2 to A4.

391. The Trial Court rejected this claim *inter alia* on the ground that the respondents had failed to produce any lease deed or rent receipt as acceptable proof of such income and has analysed the oral and documentary evidence offered by A2 to A4 in this regard. The High Court however relied principally

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on the income tax returns and the statement of income and the balance sheet of the concerned years to accept this claim.

392. A2 to A4 have next claimed a sum of Rs.9,72,550/- as the agricultural income of M/s Sasi Enterprises during the assessment years 1992-93 to 1996-97. Whereas according to the concerned respondents, the income tax returns as accepted by the income tax authorities adequately demonstrate the agricultural income of the firm, the prosecution has dismissed this claim contending that the income tax returns, the statement of income and the balance sheet to this effect are all prepared subsequently and cannot be accepted to be genuine.

393. The Trial Court noticed the reliance of the respondents on the relevant income tax returns and the orders of the income tax authorities accepting the same rather than on any independent and acceptable evidence of lease involved and in fact rejected the copy of the lease deed produced in one of such instances by recording cogent reasons. It did take note of the fact that neither the lessor in any case nor any person who had purposely carried on the agricultural operations had

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been examined and discarded the materials produced by the respondents in support of this head of income.

394. Apropos the next segment of income, i.e. from sale of capital assets of Sasi Enterprises, the respondents have claimed it to be Rs.10,20,000/- during the assessment year 1994-95. Reliance has been placed on the related income tax return which had been accepted by the concerned authorities. The prosecution has repudiated this claim contending that the same being based on belated balance sheet prepared and produced through DW-88, the same is per se unacceptable in law. The Trial Court did take note of this income and while considering the same along with other heads of income i.e. agricultural income, rental income, repayment of loan etc. dismissed the same principally on the ground of want of reliable evidence. It discarded the statement of income, balance sheet and profit and loss account for the relevant year in support of this item of income

395. To reiterate, the High Court however acted on the income tax return and on a overall consideration of the evidence, mostly the income tax returns and the orders of the

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authorities together with the related balance sheet and the profit and loss account accepted the income of Sasi Enterprises collectively to be Rs.25 lakhs during the check period.

396. Vis-a-vis the income from business operations of Sasi Enterprises as enumerated against item numbers 36 and 39 of the compilation, which according to the respondents, was in all Rs.2,39,701/- by way of income from business operations for the year ending on 31.3.1994 and profit of business operations for the year ending 31.3.1995, they again wholly relied on the income tax returns for the assessment years 1994-95 and 1995-96, which as a matter of record, had been submitted on 1.1.1997 and 26.9.1997 respectively. Whereas the respondents assert that the income tax authorities having accepted these returns, this amount of Rs.2,39,701/- ought to be added to the income of Sasi Enterprises during the check period, the prosecution has rejected the claim on the ground that the belated income tax returns and the corresponding balance sheets lack in credibility and thus cannot be accepted as evidence in support thereof.

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397. The Trial Court duly noted this head of income along with the other sources of income of the firm. It dealt with amongst others the oral testimony of DW-88 and on a comprehensive scrutiny of the evidence adduced, declined to accept the same in absence of any authenticated proof in support thereof. While dealing with the other sources of income as well, the Trial Court refused to rely on the income tax return, the statement of income, the balance sheet and the profit and loss account for the concerned assessment years doubting the genuineness of these documents/records. This was more so, according to the Trial Court, in absence of any other independent and cogent evidence in support of the claim of income made by the firm.

398. The High Court generally referred to the evidence adduced by the respondents and without any endeavour to evaluate the same to ascertain its probative worth, readily acted thereon to return a finding that the income of the firm, cumulatively having regard to the various sources claimed by it, was assessable at Rs.25 lakhs.

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399. Qua the claim of A2 to A4 that they earned Rs.6 lakhs during the assessment year 1996-97 from the proceeds of sale of building materials pertaining to industrial estate, Gundy and Rs.23,80,000/- as advance received towards sale of property by it during the assessment year 1995-96 based too on the relevant income tax returns, the prosecution has adhered to the same stand i.e. unreliability of such returns as valid and absolute proof of such claim. The Trial Court took note of the fact that the claim of total income of Sasi Enterprises during the check period was Rs.95,92,776/- which included these two items. On an analogy of reasonings, rejecting the income tax returns and the records associated therewith, it declined to take cognizance thereof.

400. Item number 44 of the compilation deals with the net profit earned by Jaya Publications for the assessment years 1992-93 to 1996-97 amounting to Rs.1,15,94,849/-. The respondents contend that the above income by way of profit stands duly proved by the income tax returns for these years and are supplemented by the profit and loss accounts. Their grievance is that the Trial Court had rejected this head of

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income by dismissing the income tax returns and the profit and loss accounts as unreliable, the same having been filed after the registration of the case. The prosecution has endorsed this approach of the Trial Court.

401. The High Court, while dealing with this aspect did notice as well that the income tax returns for the relevant years of Jaya Publications had been filed much belatedly and had expressed its reservation qua this claim. The High Court, while dwelling on this segment of income, did elaborate its appraisal mainly on the scheme deposit but concluded that in view of the belated submission of the income tax returns, the assessee stood disentitled to any relief based thereon. While recording that the Namadhu MGR newspaper was one of the publications of Jaya Publications and that none of the two accused persons i.e. A1 or A2 who then were the partners had examined themselves in support of the claim of income from the deposits made by the subscribers under the scheme, the High Court, however did not reject the claim of the respondents as a whole and awarded a sum of Rs.4 crores as income earned by Jaya Publications acting solely on the

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evidence of the ardent party workers de hors any independent corroboration.

402. The Trial Court noted the different sources of income of Jaya Publications with the corresponding figures and exhaustively assayed the evidence, oral and documentary in connection therewith. It analysed the oral evidence of the depositors under the scheme as well as the income tax returns, the profit and loss accounts of the corresponding assessment year, the orders passed by the income tax authorities and eventually rejected the claim wholly, taking the view that the evidence adduced in support thereof did not commend for acceptance. It noticed as well the fact that the income tax returns of the firm had been submitted much beyond the time statutorily prescribed and in particular, after the case had been registered against the respondents. In this context, it noticed the inflow and outflow of funds from and to the current account of Jaya Publications vis-a-vis the Namadhu MGR's current account and that of the account of A1, Sasi Enterprises, Vinod Video etc. of which either A1 and A2 together or A2, A3, A4 were the partners/proprietor

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thereof. While rejecting the scheme deposit as sham and frivolous and designed after the filing of the charge sheet, the Trial Court concluded that the evidence in support thereof had been devised only for the purpose of defence against the charge levelled.

403. Regarding the other heads of income of Jaya Publications during the relevant assessment years, the Trial Court also referred to the evidence adduced in support of agricultural income in the form of testimony of DW-88 and the orders passed by the concerned income tax authorities and rejected the same as lacking in probative worth, the income tax returns of the assessment years 1991-92, 1992-93, 1993-94 having been filed on 6.11.1998 and those of 1994-95, 1995-96 and 1996-97 on 17.3.1999 much after the registration of the case against the respondents. That no witness in support of the factum of cultivation and the nature of crops grown was examined, was noted.

404. With regard to income from sales/works, the Trial Court observed that the profit and loss account statement for the

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relevant years, at the first place, had not been enclosed with the returns, but were produced after the year 1999. Moreover, those lacked in veracity and therefore, were wanting in credence.

405. The earnings by way of rental income were also rejected being based on the profit and loss accounts of the respective years which the Trial Court discarded as untrustworthy.

ASSETS

406. The items of assets of the respondents as on 1.7.1991 (i.e. at the beginning of the check period) have been set out in Annexure I to the charge-sheet and comprise of 52 heads valued at Rs.2,01,83,956.53. (Annexure P-2327). Annexure II, according to the DVAC, lists 306 items of assets at the end of the check period i.e. 30.4.1996, valued at Rs.66,44,73,573.27 (Annexure P-2328). Thus, according to the prosecution, the value of assets acquired during the check period by the respondents is Rs.64,42,89,616/-.

407. The prosecution has distributed these assets in 12 categories. For ready reference, the figures cited/arrived at

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by the prosecution, defence, Trial Court and the High Court have been furnished in the table below:

SL.	**Categories**	**As per DVAC** **Rs.**	**As per T.C.** **Rs.**	**As per H.C.** **Rs**	**As per Respondents** **Rs.**
1	Immovable Property (Consideration, cost of registration)	22,83,99,174.70	20,07,80,246	6,24,09,120/-	16,19,03,301
2	Cash paid over and above sale consideration	2,53,80,619/-	1,58,30,619	nil	NIL
3	New or additional construction of buildings	28,17,40,430	22,53,92,344/-	5,10,54,060/-	8,60,59,261/-
4	Gold and Diamond jewellery	5,53,02,334.75	2,51,59,144/-	As per prosecution	NIL
5	Silverwares	48,80,800/-	20,80,000/-	As per prosecution	NIL
6	F.Ds. and shares	3,42,62,728/-	3,42,62,728	As per prosecution	2,30,00,000
7	Cash balance in bank accounts	97,47,751.32	97,47,751.32	As per prosecution	97,47,751.32
8	Vehicles	1,29,94,033.05	1,29,94,033.05	As per prosecution	81,35,106
9	Machinery	2,24,11,000	2,24,11,000	As per prosecution	94,25,835
10	Footwears	2,00,902.45	Nil.	Nil.	NIL
11	Sarees	92,44,290.00	Nil.	Nil.	NIL
12	Wrist watches	15,90,350.00	15,90,350	As per prosecution	Nil.
	TOTAL	**68,61,54,413.27**	**55,02,48,215/-**	**25,46,52,177/-**	**29,82,71,254.32**

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408. The judgment of the High Court at page 966 reveals that it has for the purposes of computation, accepted the value of the assets of the respondents at the end of the check period to be Rs.66,44,73,537/- as noted by the prosecution. Further, though it has reduced the value of the assets vis-a-vis item Nos.1, 2, 3, 10 and 11 out of the 12 categories aforementioned, it essentially caused modification, in quantifying the value of assets, with regard to item number 3, pertaining to new or additional construction of buildings. As would be evident from its rendering, it assessed the value of this item of assets, to be Rs.5,10,54,060/- compared to Rs.28,17,40,430/- as mentioned by the prosecution. It thus reduced the value of the assets by Rs.23,06,86,370/-. While making the calculations, however the High Court took the value of the cost of construction as cited by the prosecution to be Rs.27,79,88.945 and on the basis of its assessment of the value of the new or additional construction of buildings at Rs.5,10,54,060/-, it effected a reduction of Rs.22,69,34,885/-. According to the prosecution even if this valuation of the new or additional construction of buildings as made by the High Court is accepted, the other items remaining intact, the total

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value of assets of the respondents at the end of the check period, would be Rs.66,44,73,573/- minus Rs.22,69,34,885/- = Rs.43,75,38,688.

409. According to it, thus while computing the percentage of disproportionate assets qua the income of the respondents, this figure ought to have been applied in the relevant formula.

410. Noticeably, the valuation of the assets except as cited by the prosecution at serial numbers 1, 2, 3, 10 and 11 has been accepted by the High Court. Nevertheless, while computing the value of the assets finally, it did not take into account as well its evaluation in respect of item numbers 1, 2, 10 and 11 and limited its consideration only to item number 3 which it had valued at Rs.5,10,54,060/-.

411. Thus in the above revealing perspective, it is not considered essential to scrutinise the evidence on the assets pertaining to all items thereof and it would be adequate enough to limit the audit only qua item number 3 i.e. new or additional construction of buildings, more particularly because of its decisive bearing on the adjudication.

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412. In the above premise, being of crucial relevance, evidence with regard to the item number three namely; new or additional construction of buildings in the list of assets demands scrutiny. As mentioned hereinabove, though the High Court had altered the value of five out of twelve items, in the ultimate quantification, it did focus only on the item of new or additional construction of buildings and computed the worth thereof to be Rs.5,10,54,060/- against Rs.22,53,92,344/- adjudged by the Trial Court. According to the prosecution, however, the investment on this count had been Rs.28,17,40,430/-. Significantly, the respondents had valued this item of their assets at Rs.8,60,59,261/- which is about Rs.3.5 crores above the valuation made by the High Court.

413. Be that as it may, whereas the prosecution had listed out twenty one items under the head new or additional construction of buildings, the Trial Court took note of eighteen items and the High Court of seventeen items as would be adverted to in details hereafter. The total construction area of these twenty one items, according to the

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prosecution is 23,076.84 sq. meters which is equivalent to 2483.97 squares. The area of four items left out by the High Court when deducted from the total area of 2483.97 squares calculate to 2174.69 squares. However, the High Court computed the value by adopting the area of the 17 items selected by it to be 1668.39 squares instead of 2174.69 squares and thus reduced the actual area under consideration by 506.3 squares. Ergo, according to the prosecution, not only did the High Court exclude four out of twenty one items in assessing the value of the assets under examination, it erred as well on the resultant area corresponding to the seventeen items chosen by it. This did also impact upon the value eventually arrived at.

414. In course of the arguments before this Court, emphasis has been laid on item numbers 179, 180 and 181 of annexure II i.e. buildings/construction on which investments had been made to sum up the total to the figure of Rs.29,35,68,982/- according to the prosecution. According to the respondent No. 1, as against the figure of Rs.24,29,40,490/- being the value of her assets during the check period, as computed by the

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prosecution, her assertion is of Rs.6,52,34,410/-. It has been urged on her behalf that she had acquired only one property during the entire check period i.e. the item at serial number 18 in anneuxre II worth Rs.10 lakhs and in addition thereto, she had made two constructions i.e. of a farm house at Jeedimetla Village near Hyderabad and at 31-A, Poes Garden, besides renovating her residential building at 36, Poes Garden. Against item numbers 179 and 181 referred to hereinabove, it has been asserted that as against Rs.13,65,31,901/- assessed by the prosecution, the value of her assets corresponding thereto and as accepted by the income tax authorities is Rs.3,62,47,700/- and thus an amount of Rs.10,02,84,201/- needs to be deducted. The break up of expenditure on the relevant counts towards these items has been provided as hereinbelow:

a) Renovation of 36 Poes Garden	:	Rs.76,74,900
b) Construction at 31-A, Poes Garden	:	Rs.1,35,10,500
c) Hyderabad Grape Garden Farm House	:	Rs.1,39,62,300
d) Compound wall for Hyderabad Farm House	:	Rs.11,00,000
Total		**Rs.3,62,47,700/-**

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415. While endeavouring to authenticate the above figure, the deficiencies in the evidence of the prosecution relating to the valuation of the constructions have been highlighted in quite some details. Broadly, the denunciation qua the process related thereto, refers to the non-verifiable measurements in absence of essential datas and want of supporting particulars in the reports rendering them sterile and worthless being of no probative worth, absence of any scientific or laboratory tests convincingly demonstrating the age of the buildings to correctly appreciate the value thereof, absence of any basis for calculating the price of non-scheduled items etc. Vis-a-vis the price of non-scheduled items in particular, it has been asseverated that though the valuers had deposed that with regard thereto, market enquires had been made and the inputs had been recorded in a paper or a note book, the same had not been retained but destroyed and were not enclosed with the corresponding reports. The assessment of the price of the non-scheduled items has thus been dismissed to be not only as being bereft of any foundation but also as mere hearsay.

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416. The oral evidence of the prosecution witnesses namely; PW-98, PW-116 and PW-220, amongst others, has been referred to and analysed apart from the reports submitted by the inspection team which as adverted to hereinabove, have been repudiated to be lacking in indispensable datas. Other documentary evidence adduced by the prosecution has also been dealt with. Evidence of defence witnesses, amongst others of DW-64, S. Shanmugham, Chartered Accountant of R1/A1, DW-76 who was a part of the inspection team and DW-78 who was one of the signatories to the report Ex. P-671 has been highlighted. Considerable emphasis has also been laid on the orders of the income tax authorities by way of corroboration of the quantum of expenditure cited by the defence. This is more particularly as the income tax authorities had accepted the figure cited by the respondent No.1/A1 on the basis of independent enquiries conducted by the department specifically in respect of the market rates/price of the marbles/granites during the relevant period i.e. 1994-95 to 1996-97. The corresponding invoices have also been referred to in the course of arguments. According to the defence, the expenditure as shown by respondent No.1/A1

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was supported by bank documents, bills, contemporaneous vouchers proved through defence witnesses, which inter alia, establish that the price of the marble per square meter at the relevant time was between Rs.100 to Rs.180 per sq. meter as against Rs.5000 per sq. meter to Rs.21000 per sq. meter cited by the prosecution. While dismissing the valuation offered by the prosecution to be arbitrarily exaggerated and inflated, it has been asserted that though the Trial Court was right in observing that the prosecution had not been able to establish the cost of construction in respect of special items like marble, it erred in accepting the valuation made by it after granting only 20% deduction in the overall quantum. It was pointed out as well that the Trial Court's rejection of the documents i.e.. D-210 series pertaining to the price of marbles prevailing during 1995-96 by construing the same erroneously to be of subsequent years, was patently flawed. It has been urged that the prosecution had failed to prove beyond reasonable doubt, the expenditure towards the construction of the items under the head, new or additional construction of buildings and thus no burden lay on the defence to explain the amount spent towards the same. According to the defence, the valuation

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made by the High Court of the expenditure on such construction is correct and does not merit any interference.

417. Per contra, it has been insisted on behalf of the prosecution that though its computation of the expenditure against twenty one items comprising the investments in new or additional construction of buildings did sum up to Rs.29,35,68,982/-, the Trial Court taking note of eighteen such items, did quantify the expenditure at Rs.22,53,92,344/-. As sample instances, the prosecution highlighted the expenditure towards item numbers 179,180 and 181 of annexure II i.e. the list of items of assets acquired during the check period and referring to the oral testimony of PW-98,107 and 166 as well as the reports prepared and submitted by the inspection team i.e. Ex. P-645, P-661 and P-671 maintained that the sum total of expenditure on the basis thereof was Rs.19,05,84,199/-. Understandably, this figure was included in the total expenditure of Rs.29,35,68,982/- and had been highlighted as these three items accounted for the major portion of the investments.

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418. According to the prosecution, the High Court not only limited its analysis to seventeen out of twenty one items, it also erred in the measurement of the built up area of these items so much so that instead of 2174.69 squares, it proceeded to make the computation on the basis of an area of 1668.39 squares i.e. yielding a short fall of 506.30 squares. In addition thereto, it has been urged on behalf of the prosecution that the High Court appraised the expenditure towards new and additional construction by taking only the cost expended for a sentry shed by totally overlooking the additional and highly expensive enhancements and fixtures of the main buildings. According to the prosecution, whereas as per the evidence adduced by it, the cost of construction of the new/additional buildings was Rs.4037 per sq. feet, the High Court on the basis of the cost of construction of the sentry shed III adopted the rate of Rs.680 per sq. feet, as a result whereof the actual cost of construction of the new/additional building stood reduced by 83%. The prosecution has thus insisted that in quantifying the expenditure towards the construction of the new/additional building, the High Court thus patently erred not only on the actual built up area but

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also on the basic rate of cost by drawing an analogy of a sentry shed with the new/additional buildings, though these two classes of structures with the inherent characteristics thereof were not comparable by any means.

419. As referred to hereinabove, the Trial Court scrutinized the oral and documentary evidence of both sides relating to 18 items of new/additional constructions out of 21 cited by the prosecution. It exhaustively evaluated the evidence item wise and weighed the merits and demerits thereof in details. It took note of the reports submitted by the inspection team qua every new/additional building involved and also took cognizance of the denunciation by the defence thereof primarily on the ground that those lacked in details and further were not accompanied by supporting documents. The Trial Court appreciated the evidence of the prosecution witnesses who were participants in the exercise of the valuation of the buildings, the ancillary structures, accessories, fixtures and furnishings. The members of the inspection team, who were Civil Engineers drawn from the Public Works Department, in addition to Electrical Engineers from Electricity Department,

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as their evidence noticed by the Trial Court, would demonstrate did take into account all the essential aspects of the subject matter of survey including the make and age of the structures and also duly discounted the value thereof on depreciation. A common feature of the evidence is that the price of the electrical appliances mostly was assessed on the basis of their age and the expertise of the officers undertaking the inspection. Qua the non-scheduled items, according to the prosecution witnesses, the price was ascertained from the market. The demur of the defence that such evaluation was not decisive in absence of the notes of the relevant inputs was however noticed by the Trial Court. For the general items, the contemporaneous PWD schedule of rates prevailing in the districts involved were applied. The defence witnesses who mostly were the members of the same team did not radically differ from the substance of the version of the prosecution witnesses. A marked attribute of the prosecution witnesses, as noted by the Trial Court, was that when examined on their first recall, they seemed to vacillate in their disclosures in the examination-in-chief but reaffirmed the same narration on their second recall. The defence however noticing this

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demeanour has endeavoured to discredit them as prevaricating and unfaithful witnesses.

420. As had been elaborately appraised by the Trial Court, the evidence of the prosecution witnesses disclose that the members of the inspection team did minutely notice all the salient characteristics of the new/additional buildings under surveillance together with their exquisite and expensive structural attachments, trappings, fineries and adornments having formidable potential of enhancing their overall worth.

421. The Trial Court while taking note of the income tax returns disclosing the expenditure statements and the orders accepting the same after the departmental inquiries however accepted the expenditure towards the new/additional buildings to be Rs.22,53,92,344/- by discounting the figure furnished by the prosecution by 20% as according to it, the prosecution had not produced convincing evidence in support of the value fixed by the Public Works Department engineers in respect of price of the special items and as there was some dispute regarding the payments of the architects' fees. In

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arriving at this conclusion, the Trial Court did take note of every objection of the defence to the evaluation of the new/additional buildings and rejected the same. In particular, the defence plea that the valuation on plinth rate area ought not to have been adopted, was also dismissed. It took note of the evidence of DW-78 that building valuation could be done on the basis of plinth area of the building or the detailed method. It was of the firm view that the engineers involved in the process of the evaluation of the new/additional buildings were competent for the assignment entrusted and that the defence had not disputed the measurement of the buildings and the nature of the constructions as well as the quality of the materials used. It however observed that the prosecution could not produce any direct evidence in proof of the cost of the special items used and had relied on the oral testimony of its witnesses who had stated that they had ascertained the price of marbles and other special items from the market.

422. The defence has tried to demonstrate that the rejection by the Trial Court of the invoices Ex.D210 series pertaining to marbles as proved by DW96 construing the same to be the

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year 1999 was patently erroneous as the said document disclosed that those related to the period between 1994 and 1996. Be that as it may, the Trial Court however while rejecting the objections of the defence on the valuation of the new/additional buildings, effected a reduction of 20% of the total estimate furnished by the prosecution witnesses for want of persuasive evidence in support of the recorded value fixed by the PWD Engineers in respect of the special items and the dispute regarding payments of architects fees and quantified the amount of expenditure to be Rs.22,53,92,344/-.

423. Noticeably, the exercise undertaken by the inspection team was a massive one chancing minor shortcomings and from the Trial Court's comprehensive narrative of the evidence on record, in our view, its estimate on the basis thereof cannot be said to be perverse. As it is, having regard to the nature and size of the survey, insistence on proof beyond reasonable doubt with mathematical exactitude would be both unwarranted, inexpedient and un-pragmatic.

424. In our comprehension, the appreciation made by the Trial Court of the evidence on record and the final

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determination of the extent of expenditure incurred cannot be discarded as absurd or implausible.

425. The High Court on the other hand noted the reservations expressed by the defence to the valuation made by the prosecution. It noted the denouncement that the valuation made was highly inflated and that the cost of marbles and granites have been assessed on a very exorbitant measure. The remonstrance that neither any sample of marble or granite had been taken nor tenders had been called for to ascertain the rates thereof was recorded. The objection that forests officers have not been examined to price the cost of the wood and that nobody had certified that the teakwood had been used, was accounted for. The High Court did take cognizance of the reference to the inquiries made by the Income Tax Department to ascertain the prevailing rates of marble and marble slabs during the relevant period. Defence evidence to that effect was also marked.

426. The High Court in the ultimate analysis adopted the "per square foot method" in evaluating the value of the new/additional buildings. According to it, the Public Works

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Department rates were supposedly higher, taking into consideration the delayed payment and other miscellaneous expenses. The High Court accepted the cost of construction of the new/additional buildings to be Rs.28,000/- per square basing on the rate of construction of the Sentry Shed-III. Referring to the estimate for construction of such sentry shed, the High Court deduced that, it was valued for one square at Rs.31,580/- and therefrom as a measure of cost of construction for new/additional building, it applied Rs.28,000/- per square for the said purpose. It accounted for the other investments towards super structures, windows, doors, internal painting, electrification, flooring, water supply etc. The total constructed area, according to the High Court, was 1,66,839.68 sq.ft. i.e. 1668.39 squares. It accepted an area of 25662.22 sq.ft. i.e. 256.62 squares as area on which granites had been used. It added an amount of Rs.9,65,060/- towards expenditure for sanction of plan and architect fees.

427. Qua the prosecution evidence, the High Court observed that though reports had been prepared by the inspection team for the new/additional buildings involved, all the members of

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inspection team did not subscribe their signatures thereto. Further in course of the testimony, they did not speak anything about the measurement of the floor area where marbles and granites had been used. It held the view that the valuation reports by themselves did not prove the estimate of granites and marble stones and that the appreciation thereof was more or less on guess work. By adopting the valuation on square feet method and by applying the rate of Rs.28,000/- per square, the High Court computed the value of new/additional building with all its accessories and furnishings to be Rs.5,10,54,060/-.

428. *Prima facie* thus the plea of the prosecution that in assessing the expenditure of new/additional buildings, the High Court had not only taken a reduced constructed area of 1668.39 sqs. instead of 2174.69 sqs. (for the 17 items considered by it), thereby introducing a shortfall of 506.3 sqs., it also applied the rate of Rs.28,000/- per square based on the construction cost of a sentry shed, as the base value to work out the amount of investments made towards the new/additional buildings/constructions is borne out by the

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records.

429. The approach of the High Court on both counts in the face of the evidence on record does not commend for acceptance. By no means, in our estimate, the High Court could have applied the base value of Rs.28,000/- per square for quantifying the expenditure incurred towards the new/additional buildings/ constructions involved. The adoption of Rs.28,000/- per square as the base value, which is the cost of construction of a sentry shed, per se is erroneous, having regard to the fact that a sentry shed and the new/additional constructions/buildings are incomparable on many counts. Even if it is assumed, as has been pleaded by the defence that the base value so applied was only for appreciating the expenditure towards the skeletal framework of the constructions, the method adopted by the High Court in the final computation of the investments by making lump sum additions towards cost of marbles, granites/interior decorations, staircase, overhead tank and other furnishings, having regard to the description of the constructions/buildings does not appear to be either realistic

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or rational and does not merit affirmation.

430. In any case however even assuming that the arithmetic undertaken by the High Court is correct, it having accepted the value of assets to be Rs.66,44,73,573/-, the remainder would still value at Rs.43,75,38,688/-. In other words, in calculating the disproportionate assets, the amount of Rs.43,75,38,688/- has to be applied even if there is a reduction in value of assets by Rs.22,69,34,885/ i.e. (Rs.29,82,71,254.32 – Rs.5,10,54,060).

431. According to A2 to A4, the valuation of their assets at the beginning of the check period as per the prosecution was Rs.59,29,168/- and according to them Rs.63,64,790.60. At the end of the check period, the figure swelled, as per the prosecution to Rs.37,55,10,354.38, which in their computation became Rs.25,03,36,963.40/-. Thus, whereas the prosecution case is that the valuation of their assets acquired by A2 to A4 during the check period was Rs.36,95,81,186.38, it had been only Rs.24,39,72,172.80 as per the estimate of these respondents.

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432. A2 to A4 have not disputed the prosecution's figure of Rs.59,29,168/- and in fact had added Rs.4,35,622/- being the cash balance available with A2 at that point of time making the tally according to the respondents at Rs.63,64,790.60. While commenting on the prosecution's valuation of their assets at the end of the check period at Rs.37,55,10,354.38, A2 to A4 have asserted that the properties of six companies; Signora Business Enterprises (Private) Limited, Meadow Agro Farms (Private) Limited, Ram Raj Agro Mills (Private) Limited, Riverway Agro Products (Private) Limited, Lex Property Development (P) Limited and Indo Doha Chemicals and Pharmaceutical Limited being separate legal entities and not arraigned as accused in the case ought to have been excluded from the corpus of assets, more particularly in absence of any evidence that their acquisitions had been made with the funds provided by the respondents.

433. In course of the arguments on their behalf, several disputed items of assets have been highlighted, accompanied by emphatic assertion that either the value attached thereto ought to be excluded wholly or to the extent reduced on the

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basis of the oral and documentary evidence relied upon by them.

434. A plain perusal of the compilation to this effect reveals that broadly these disputed items can be categorized as "land and building, shares, acquisition of Indo Doha Chemicals and Pharmaceutical Ltd., new/additional constructions, renovation, vehicles, fixed deposits, jewellery and machinery.

435. As has been hinted hereinabove, these assets had been classified under 12 components. The High Court, though had altered the valuations in five of these items, it did ultimately limit its consideration to item No. III (i.e. new/additional construction of buildings) and reduced the cost thereof by Rs.22,69,34,885. As a corollary, for the purpose of the eventual quantification of the disproportionate assets, the High Court did not consider it essential to invoke its findings vis-a-vis the remaining four items on which it had differed from the Trial Court. As would be evident from the chart adduced by the defence, out of Part-B containing the disputed items in Annexure-II appended to the charge-sheet, ten items thereof i.e. item numbers 6,7,8,9,12,13,14,15,16,17 are

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claimed to have been acquired prior to the check period. Vis-a-vis the other disputed items, to reiterate, referring to the oral and documentary evidence, it has been urged that either the full value as cited by the prosecution or to the extent, highlighted by them, ought to have been excluded. Qua the items pertaining to "new/additional constructions", the eventual plea is that the Trial Court though had concluded that the prosecution had failed to prove the cost of construction, as cited by it, it erroneously accepted the valuation by granting 20% reduction in the overall cost. According to A2 to A4, in view of the failure of the prosecution to prove the cost of construction, the entire valuation made by it to this effect ought to have been discarded and the evidence adduced by it should have been rejected in its entirety.

436. In course of the elaboration of this salient feature of the disputation, it has been underlined that there has been non-application of mind by the Trial Court to the evidence on record in arriving at its findings. Apart from referring to the oral and documentary evidence adduced by both the parties, reliance has also been placed amongst others on the income

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tax returns and the orders passed in connection therewith. The valuation reports of the buildings submitted by the inspection team, comprised of civil engineers of the Public Works Department and others, have been seriously repudiated on the ground of being laconical, incredible, inchoate and deficient in material particulars. The respondents have been particularly critical about the valuation of electrical installations and other items as in their perception, those were wholly unfounded in absence of standard rates and corroborative proof based on market survey. Even the expertise and competence of the members of the inspection team offered by the prosecution as witnesses of valuation has been questioned. The respondents have sought to buttress this plea by examining as defence witnesses, members of the same inspection team. It has been urged as well that the prosecution could not prove that all new/additional constructions had been built during the check period. It has been contended that the valuation of the special items i.e. marbles, granites, sanitary ware, decorative tiles, teakwood etc. in absence of any schedule of rates had been highly inflated without any contemporaneous documents or

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authenticated proof in support thereof. According to the respondents, the defence witnesses who were members of the inspection team did not support the conclusions recorded in the reports rendering those wholly unacceptable. On smaller items, like vehicles, fixed deposits, jewellery and machinery, the respondents have dismissed the valuations made by the prosecution either on the ground that those had been wrongly exaggerated or had been acquired before the check period.

437. Apropos the above impeachment, the prosecution has reiterated its valuation of the assets and has reconciled to the quantification made by the Trial Court. It has reiterated that the valuation of the constructions had been made by the qualified PWD engineers and that the findings are elaborately contained in the valuation reports, based on exhaustive inspection of all necessary components of the buildings surveyed. It has stoutly refuted the defence plea that the Trial Court had rejected the evidence adduced and has maintained that the discount of 20% accorded by the Trial Court had been due to the several imponderables attendant on the massive exercise undertaken. It has insisted that in

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view of the superior quality of marbles and granite used in the buildings as well as the prevalent price of the various special items availed by way of ornate enhancements, the cost appreciation made by the Trial Court was justified. That the High Court had wrongly assessed the cost of new/additional buildings at Rs.5,10,54,060 compared to the admitted computation by the respondents at Rs.8,60,59,261 has been underscored as well.

438. Qua the other segments of the assets, the prosecution has underlined that the Trial Court had totally excluded the valuation of sarees and footwear and that had effected considerable reduction in the value of the jewellery and silverwares. In all, according to the prosecution, though it had cited higher value of the assets, it has accepted the determination thereof as made by the Trial Court.

439. The prosecution has jettisoned the disclosures in the income tax returns and the orders/opinions expressed thereon by the departmental authorities as wholly inconsequential. It has been insisted that enquiries made by the income tax

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authorities even if conducted, those had been ex-parte in which the investigating agency had not been associated. In any view of the matter, according to the prosecution, the findings of the income tax or wealth tax authorities on the valuation of the assets, neither bind the prosecution nor is of any conclusive relevance for the case and is far less final for the criminal court trying the same. The cavil of the respondents that the civil engineers of the inspection team were incompetent to undertake the valuation work has been emphatically refuted by the prosecution. That the High Court in adopting the plinth area of the new/additional buildings had erroneously reduced the same by 50,630 sq. feet, has been reiterated. It has been asserted as well that the High Court had erred in taking into account only five special items by excluding the other expensive furnishings/attachments in computing the cost of construction. In specific terms, the prosecution has been critical of the valuation of the Otis lift at Rs.15,000/- and the cost of construction of staircase, pump and overhead tanks at Rs.40,000/- to be much on the lower side. That the untenable attempt of the defence to represent that ordinary marble and granite had been issued against

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expensive versions thereof, has been highlighted as well.

440. As indicated hereinabove, the only item apart from the new or additional construction of buildings forming a major component of assets is immovable properties which the prosecution valued at Rs.19,77,18,164.70 whereas the Trial Court assessed the same Rs.20,07,80,246/-. According to the High Court, it computed the value to be Rs.6,24,09,120/-. Noticeably the respondents had indicated the value of this item as Rs.16,19,03,301/-. Significantly though in all, 146 sale deeds were involved qua the immovable properties figuring therein, the High Court limited its attention only to 97 such deeds and thus left out from its consideration, the remaining 49 sale deeds, while arriving at its quantification of this item of the asset to be Rs.6,24,09,120/-.

441. To reiterate however the High Court though did accept the valuation of the assets for the purpose of computation to be Rs.66,44,73,573/- as valued by the prosecution, for the purpose of ascertaining the disproportionate assets, it took into account only the cost of new or additional construction of buildings as assessed by it at Rs. 5,10,54,060/- thus reducing

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the value thereof as made by the prosecution by a sum of Rs.22,69,34,885/-. The omission on the part of the High Court to exclude the other four items of assets, on which as well it had scaled down the value, in working out the extent of disproportionate assets however had not been questioned by the respondents before this Court. The judgment of the Trial Court does not demonstrate as well, the alleged total non-consideration of the evidence adduced on behalf of the respondents. On an overall appraisal of the materials on record, the reduction of the cost of new or additional construction of buildings to Rs.5,10,54,060/- as effected by the High Court has to be held as patently erroneous. Consequently the quantification of the disproportionate assets is also visibly wrong.

Expenditure

442. Annexure IV to the charge-sheet enumerates 244 items of expenditure cited by the prosecution. This sums up to Rs.11,56,56,833.41 out of which the major segment being Rs.6,45,04,222/- is towards the expenditure incurred in connection with the marriage of Tr. V.N. Sudhakaran, (A3) on

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07.09.1995. Incidentally, the High Court did accept the expenditure assessed by the prosecution in respect of all items except item nos. 2 to 6 i.e. the marriage of A3 and reduced the sum of Rs.6,45,04,222/- as fixed by the DVAC to Rs.28,68,000/-, thus occasioning a drop of Rs.6,16,36,222/-. The Trial Court however had also lessened the amount cited by the prosecution by Rs.7,50,000/- against item No. 235 and also the marriage item by Rs.3,45,04,222/-, thereby reducing the total expenditure incurred to Rs.8,49,06,833/-. The Trial Court had assessed Rs.3,00,00,000/- towards marriage expenses.

443. In this factual premise, it would thus be enough, for the present adjudication vis-à-vis this facet of the debate, to confine the appraisal of the evidence, oral and documentary pertaining only to the expenditure towards the marriage of A3. As the Trial Court's appreciation of the materials on record would reveal, it analyzed the evidence under the following heads:

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a) Expenditure incurred towards the erection of marriage pandals.

b) Expenditure incurred towards the cost of food, mineral water and tamboolam.

c) Cost of 34 Titan watches - Rs.1,34,565/-

d) Cost of stitching charges of wedding dress - Rs.1,26,000/-

e) Cost of 100 silver plates - Rs.4,00,000/-

f) Postal Expenses - Rs.2,24,000/-

444. In re the erection of marriage pandals, the Trial Court did assess the oral and documentary evidence adduced by the parties. It took note, amongst others, of the testimony of PW-181 Shri Thangarajan, who was the Assistant Engineer, PWD at the relevant point of time and to whom, according to the witness, the work of estimating the expenses incurred towards the pandals, both at the marriage and reception venues was entrusted. He referred to the measurements of these pandals including amongst others those for VIPs with iron-sheet roof in his report Ex. P-1019 mentioning the estimated cost towards the same and also with regard to the incidental decorative trappings and furnishings. He mentioned as well about the air conditioners used and the chairs with the dining tables arranged at the two venues and assessed the expenditure

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towards all these at Rs.5,91,00,000/-. The Trial Court did take note of the cross-examination of this witness, branding him to be partisan and without any personal knowledge or information about the event or the expenses in connection therewith and alleged to have been set up by the prosecution with a view to inflate the expenditure by creating the document Ex P-1019. The said document in any case was denounced as not being contemporaneous, having been prepared after 2 ½ years of the marriage without any acceptable foundation therefor.

445. The Trial Court to start with did not endorse this criticism of the witness and instead proceeded to evaluate the merit of his testimony by co-relating the same with the version of the other witnesses. In doing so, the Trial Court traversed the evidence of PW-200 Shri, K.P. Muthuswami, Chief Engineer, PWD, Tamil Nadu, who, as stated by this witness, had been entrusted to complete the pandals' work by A2 in a proper manner. This witness testified to have consulted a plan given to him by the architect involved whereafter he amongst others levelled the land and put up the

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pandals as specified. This witness affirmed that several pandals had been erected amongst others for serving food to the VIPs, kitchen and cooking sheds together with marriage platform, bathroom, rooms for the bride and bridegroom. He further stated that the expenses towards this construction work were made on behalf of A1. This witness clarified that the pandal work at the reception venue was undertaken by Kumarason Nader which too he had to oversee on the instructions of the Assistant Secretary of the secretariat of A1. According to this witness, an amount of Rs.14 lakhs in four installments was also paid by the bride's father Mr. Narayan Swamy. Incidentally PW-181 had also referred to the same architect and the contractors as named by PW-200 in his evidence.

446. The Trial Court after taking note of the cross-examination of this witness, accepted his version being satisfied that he had a first-hand information about the arrangements made at the marriage venue and concluded that the same corroborated the testimony of PW-181 sufficiently.

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447. The Trial Court assessed the evidence of PW-183 Mr. Ramesh, Managing Director, Moulis Advertising Services (P) Ltd., who deposed to have printed 65,000 cards for marriage invitation as instructed by Tr. Jawahar, Assistant Secretary to A1. This witness also claimed to have printed 5000 car passes for which on the basis of his bill submitted, he had received payment of Rs.11 lakhs through cheque issued by A1. Though this witness resiled from these statements in his cross-examination, when recalled and was confronted with this inconsistency, he affirmed his version in the examination-in-chief to be correct.

448. PW-184 Mr. Vincent claimed to have lent out ten cars on hire and had received Rs.27,502/- through cheque signed by A1. This witness too recoiled from this statement in his cross-examination but reverted thereto in his re-examination.

449. PW-185 Prem Kumar did state to have, on the requisition of the Tamil Nadu Guest House lent six cars for rent for four days against which he was paid Rs.19,211/- through cheque 23.09.1995 issued by A1.

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450. The Trial Court next also took note of the evidence of PW-186 Chalapathy Rao who had supplied chairs, tables, cooking wares, vessels etc. for the event as ordered by A3 and Sachitnanandam, PRO of A1 and received payment of Rs 1,30,000/- by cheque as advance. He also received a further amount of Rs.57,250/- by cheque issued by A1 and according to him, Rs.2,65,000/- was still outstanding. This witness too vacillated in his cross-examination only to affirm the correctness of the statement in his examination-in-chief after he was recalled for re-examination.

451. The endeavour on the part of the defence that the payment received by this witness by way of cheque of Rs.1,30,000/- was in fact towards supply made to the AIADMK Party was dismissed by the Trial Court in absence of any evidence to that effect.

452. The Trial Court also examined the evidence of PW-188, Sundareshan, who was the Senior Advertisement Manager of a local daily in which a thanks giving message of A1 had been published in its issue dated 10.09.1995. According to this witness, such an advertisement was published in all other

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editions of the daily on 11.09.1995 as well and that he had raised a bill of Rs. 2,47,660/- therefor.

453. The evidence of PW-199 A.G. Krishnamurti of A.G.K. Travels, Chennai is that he had arranged two Ambassador AC cars from 06.09.1995 to 08.09.1995 on rent, raised bills in the name of A1 and received payment of Rs.15,814/- through cheque issued by her.

454. PW228 Shri Rajasekharan, Chartered Accountant claimed to have filed Income Tax and Property Tax returns of A1 for year 1984-85 to 1996-97 and stated about seizures amongst others of a file Ex. P-2218 containing the expenditure bills, receipts etc. in connection with the marriage. This witness was not cross-examined at the first instance on behalf of the respondents and thereafter he failed to appear in spite of issuance of summons. Though the defence raised a plea that in absence of cross-examination of this witness, his untested testimony ought to be eschewed, the Trial Court noted that neither the respondents-accused had cross-examined this witness when the opportunity was available nor had thereafter, when as many as 145 witnesses have been

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recalled for cross-examination, did they seek the assistance of the court to secure his presence, if necessary by applying coercive legal process. Even otherwise, according to the Trial Court the testimony of this witness pertained mainly to the seizure of the documents from his office which included amongst others, the file containing vouchers, receipts etc. relating to the expenditure incurred in the marriage of A3. This is more so as some of these documents had also been relied upon by the respondents-accused.

455. Vis-a-vis the expenditure incurred towards cost of food, mineral water and thamboolam, the Trial Court did assess the evidence of PW-237, Jawahar, who at the relevant time, was working as Assistant Secretary to A1 and his office functioned amongst others from her house at No.36, Poes Garden. This witness stated about musical concerts presented by Mr. Srinivas and Mr. A.R. Rahman whom he had met for such arrangement on the direction of A1. He deposed about the printing of invitation cards for the VIPs. He also stated generally about the other features of the marriage including the supervision of the pandal works by Mr. K.P. Muthuswamy,

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a retired Engineer. This witness too had resiled from the above, in his cross-examination but reiterated, in his re-examination, his testimony in his examination-in-chief.

456. The defence plea that the afore-mentioned witnesses in view of their contradictory orientations ought to be discarded as a whole did not meet the approval of the Trial Court. It recorded that not only the evidence of such witnesses does not deserve to be discredited as a whole and instead can be acted upon on the same analogy as of a hostile witness, the circumstances under which 76 prosecution witnesses were recalled by the respondents/accused after A1 had assumed the office of the Chief Minister of the State and the way, 64 of them had casually resiled from their earlier version, could not be lightly brushed aside. The Trial Court observed that as most of these witnesses who were in service in the Government Departments, were likely to be influenced by the status of A1, it being one of the considerations for which the trial of the case had been transferred out of Tamil Nadu to Karnataka, it concluded that the temporary retraction of these witnesses in cross-examination from their testimony in

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their examination-in-chief *ipso facto* did not warrant rejection of their version in toto.

457. The Trial Court noted the evidence of PW-192 Mr. Sanjay Jain, Proprietor of Titan Show Room, Chennai to the effect that he had delivered 34 watches amounting to Rs.1,34,565/- for which he was paid the amount in cash.

458. PW-196 Mr. Sayad Bawker, claimed to have done the stitching work of suits, shirts, sherwanis etc. for the bridegroom-A3 for which he received Rs.1,41,025/- as the charges therefor. The witness conceded that the payment was made by Ram Kumar, the maternal uncle of the bride. The Trial Court however disbelieved the statement that the uncle of the bride had made the payment.

459. On the expenditure of 100 silver plates, the prosecution had examined PW-191, Mr. Srinivas and PW-214 Mr. A.R. Rehman who had conducted music concerts. Both of them stated to have made the performances on the request made on behalf of A1 and that they had not charged therefor. They however admitted to have been offered silver plate, silk saree

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and a small kumkum box at the time of their invitation for the event. They deposed that on being requisitioned by the investigating agency, those items had been handed over to the concerned officers.

460. Acting on the evidence of these witnesses, the Trial Court concluded that on the occasion of the marriage, silver plates, silk saree/dhoti and kumkum box were presented to the VIPs.

461. Regarding postal expenses, the prosecution relied on the evidence of PW-189 Office Administrator, Head Office of AIADMK who confirmed to have sent 56,000 invitations, expending therefor, Rs.2,24,000/-. He stated to have received the said amount from Mr. Jawahar, Assistant/Joint Secretary of A1.

462. In response, the respondents had examined several witnesses with documents to butress and consolidate the oral testimony. DW1 Ram Kumar, the maternal uncle of the bride in his deposition claimed to have met the entire expenses of the marriage and for that purpose, had opened an account in

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State Bank of India being Account No. 95071 in Gopal Puram Branch, State Bank of India and had remitted a sum of Rs.92 lakhs which was spent on the occasion. He also proved Ex. D15, the photocopy of the pass book of the said account and stated that the deposit had been arranged through the brides' family. In cross-examination, he disclosed that the account was opened on 14.8.1995 but did not disclose the details of the expenditure therefrom. He also did not produce the counter-foils of the cheques issued in that account. His statement in cross-examination also revealed that he had not produced a copy of the passbook earlier in course of the investigation. He however affirmed that the total expenditure in the marriage did sum up to Rs.92 lakhs only.

463. Apart from this witness, the respondents examined a host of party workers who, at the relevant time, held various positions at the district level and elsewhere. These witnesses, as the tenor of their testimony demonstrates, in essence asserted that they had collected various sums of money from the party workers and others and had utilized the same for various purposes relating to the marriage like decorating the

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pandals erected by the bride party, crackers, music, food for the party workers, chairs in the pandals, reception on the visit of A1 to areas in connection with the event etc. All these witnesses, however, did admit that there was no instruction from the party to raise such fund and incur the expenditure but insisted that they had given their statements before the income tax department in course of the enquiry made in this regard. The witnesses also did concede that accounts/receipts in connection with the collection and expenditures had not been retained/maintained.

464. In addition to the above, the respondents examined DW64 S. Shanmugam, Chartered Accountant who claimed to be the auditor of A1 from 1996 to 2000 and had dealt with her accounts/assessment for the assessment years 1991-92 to 1997-98. He referred to the query made by the income tax department in the year 1995 about the amounts spent by her in the marriage and also the reply given by A1 in response thereto. He also deposed that on necessary enquries being made, the income tax authorities eventually did write off the expenditure of Rs.94 lakhs, which earlier, it had observed,

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had been spent by A1 on the event. Reference was also made to the assessment made by the income tax authorities with regard to food expenses to the tune of Rs.3 lakhs which also stood deleted in appeal.

465. DW24 T. Tharani, who was a painter and also Art Director of the films, was examined to affirm that in connection with the marriage, people from AIADMK party had approached him for designing the facade of the entrance of the marriage hall and that he had entrusted the work to one of his assistants Mr. Ramesh. He also added that he did not charge any remuneration for the work.

466. DW54 Gopi Kant, at the relevant time, was working as Cine Art Director and stated that on being requested by the bride's family, he met DW1 Ram Kumar, maternal uncle of the bride who introduced him to PW 200, Muthu Swamy. This witness stated that PW 200 asked him to prepare a pandal at the place of reception/public procession of the bride and the bridegroom and to erect two arches and sets at the designated locations. According to him, the cost of the work was Rs.12,98,000/- which was paid by cheque in the name of

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G.K. Arts by DW1 Ram Kumar. That a further cheque of Rs.4 lakhs was also issued by DW1 towards some items of additional work, was also stated by this witness. The witness confirmed that he was the proprietor of G.K. Arts.

467. The respondents also examined DW80, B. Vasudevan who, at the relevant time, was working as Junior Engineer, PWD, Madras. The witness deposed that the investigating officer of the case on 17.4.1997 had orally instructed him to value the marriage pandal and other works. This witness identified his signature in the report Ex. P1019 but maintained that the drawings pertaining to the pandals and the stage had not been given by Vijay Shankar, Architect and that he did not know where the said panals had been put up. He stated that the measurements mentioned in the report were based on the instructions of the I.O. and that the said report had been prepared in the office without carrying out any inspection. He also disputed the measurements mentioned in the report.

468. In cross-examination, however, this witness admitted that he along with PW 181 Thangrajan were the members of

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the valuation team and also conceded that the report contained the signatures of the Architect, Vijay Shankar.

469. DW-85, as offered by the respondents, was the Manager (Administration & Accounts) in Super Duper TV Private Limited, who conducted the TV coverage of the wedding for which, according to this witness, a sum of Rs.2 lakhs was paid by DW1. In cross-examination, this witness admitted that at that time, the bridegroom- A3- Sudhakaran and A2- Sasikala were the directors of Super Duper T.V. Pvt. Limited and that A3 was its Managing Director.

DW-97 A. Vijay Kumar, Assistant Commissioner of Income Tax, Central Circle-II, Chennai produced documents containing 10 volumes and exhibited Ex. D325 to D364, referred to by the other witnesses for the defence. This witness however admitted that the assessment for the year 1993-94 pertaining to the concerned respondents was sub judice before the High Court in appeal and that the assessment orders relating to them had not been finalised and were pending before various authorities.

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470. It has been emphatically urged that the evidence of PW181 ought to have been summarily rejected being hearsay and besides speculative, arbitrary and based on no verifiable data and that this witness is wholly untrustworthy even otherwise. It was insisted on behalf of the respondents that the learned Trial Court had also rejected the evidence of PW181 to be hearsay in character and thus in absence of any other admissible evidence, its computation of the expenditure at Rs.3 crores is also without any tangible basis and is wholly inferential. The testimony of PW181 being clearly hearsay in nature, in terms of Section 60 of the Evidence Act, the same could not have been accepted as substantive evidence and thus the Trial Court's approach of seeking corroboration thereto had also been flawed**.** According to the respondents, the version of PW200 supports the case of the accused in view of his admission that Rs.16 lakhs was paid by the bride's father towards the expenses for the construction of the pandals. It has been urged that his evidence as well is rejectable as hearsay in nature, as this witness did not personally know about the expenses, if any made by A1 and that he had only been informed of the contribution of A1 by

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some unnamed pandal contractors. In absence of any evidence to show that A1 had incurred the expenditure, as claimed by the prosecution, towards the construction of the marriage pandal or towards the actual cost thereof, the entire amount of Rs.5.21 crores, as cited by the prosecution, ought to be deducted. Qua the expenses on the other heads including food, mineral water, presentations, stitching charges, etc., it has been argued that not only the Trial Court had wrongly accepted the evidence forthcoming from the prosecution that the expenditure on Titan watches and stitching charges had been incurred by the respondents, it grossly erred in holding that on a rough estimate, an amount of Rs.3 crores had been spent by the respondents on the event. It has been canvassed that in doing so, the Trial Court left out of consideration amongst others, the evidence adduced by the defence through DW1 Ram Kumar, the maternal uncle of the bride, the party workers and most importantly the income tax proceedings, which after thorough enquiries and scrutiny at different levels did finally record that only an amount of Rs.29,66,552/-, as mentioned by A1 in her reply dated 19.09.2005, had been spent and that too by cheques

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except for a sum of Rs.3 lakhs. In all, having regard to the entire gamut of the evidence, it has been argued that considering the different segments of expenditures incurred by the bride's family and the party workers, the same is Rs.1,85,17,000/-, to which Rs.29,66,552/- only could be added on account of A1. In this premise, the respondents have maintained that the High Court's computation of the expenses of Rs.28,68,000/- only by A1 by way of expenditure incurred by the respondents is unassailably correct being based on a logical analysis of the materials on record.

471. The High Court however readily discarded the testimony of PW181 and the report Ex.P1019 primarily on the ground that this witness had no personal knowledge or idea of the structures raised at the venue of the marriage and of the reception and that his version with regard thereto was on the basis of derived inputs though it mentioned that the witness, as attested by him, did consult the architect, the Art Director, the electrician etc. who accompanied him to the site and that he had been given as well a drawing of the wedding choultry and the measurements of the pandal along with the sketch of

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the decorative arches etc. It held the view that the witness had prepared the report on the basis of what the witness had heard and seen from the drawings and the sketches and was not personally aware of the authenticity thereof and that he did not ask for quotations or confirm the sketches. That his report Ex.P1019 was deficient and scanty in essential particulars to inspire confidence for its acceptance was recorded. On this aspect, the High Court also referred to the evidence of PW200 K.P. Muthuswamy, who claimed to have been entrusted to oversee the works related to the pandals by A2. This witness, to reiterate had confirmed that he visited both the venues and that a plan for the pandals as well as stage arrangements, as prepared by architect Vijay Shankar had been handed over to him. He narrated in details about the specifications of the structures and the payments therefor. He also admitted to have received a sum of Rs.16 lakhs from the father of the bride in this regard. The High Court, however observed that this witness, amongst others, did neither tell the police about the expenses of leveling nor disclose the particulars about the number of air conditioner machines used. The High Court further commented that he did not

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supervise the work of Art Director Gopi Nath and that this witness could not remember as to how much money was spent for the marriage. The High Court touched upon the evidence of other witnesses and in particular elaborated on the testimony of PW228 R. Rajshekheran from whom the file containing the original vouchers, bills, invoices in connection with the marriage i.e. Ex. P2218 had been seized. It also analyzed the queries made by the Income Tax Department and the reply given thereto by A1 by her letter dated 19.09.1995 wherein, she provided the breakup of the expenditure incurred by her. The testimony of DW1 Ram Kumar, the maternal uncle of the bride, more specifically to the effect that the entire expenses had been borne by the bride's family to the tune of Rs.92 lakhs by remittances through the bank account opened on 14.08.1995 was taken note of. The evidence of the party workers claiming their contribution in the expenditure through collection was also recorded and eventually the High Court accepted the statement of A1 furnished to the Income Tax Department disclosing the expenditure by her of Rs.28,67,520/- towards marriage and rounded up the said figure to Rs.28,68,000/- to be her share of expenses.

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472. In reaching this conclusion, apart from rejecting the testimony of PW181 being second hand in nature, the High Court seemingly accepted in substance the version of the defence witnesses observing that at the relevant time A1 was the Chief Minister of the State and was incidentally then the General Secretary of AIADMK party as well. It recorded further that the bride was none else than the grand-daughter of famous cine actor Shivaji Ganeshan. It observed that the prosecution for no reason forthcoming, had omitted to examine the bride's father who would have been the best person to state about the actual expenses on the marriage. The High Court as well seem to have accepted that it was the customary practice for the bride's family to bear the expenses of the marriage normally and though it was of the view that such expenditure was comprised of verifiable and non-verifiable components, it was difficult to ascertain the non-verifiable segment while verifiable expenditure could be assessed through investigation. Et al, the High Court eventually accepted the figure of Rs.28,67,520/-, as cited by the A1 to be the amount expended by her in the marriage and

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limited the liability of the respondent- accused, as stated above, to Rs.28,68,000/-. Thereby the High Court reduced the expenditure of Rs.6,45,04,222/- towards marriage expenditure by the R1/A1, as mentioned by the prosecution, to Rs.28,68,000/-.

473. A2 to A4 also have positioned themselves to question the expenditure of Rs.2,38,89,609/- attributed to them by the prosecution. This amount, as is apparent from annexure IV to the charge sheet, includes sums expended not only by A2, A3 and A4 but also by nine companies/firms as named therein. In the compilation referred to in course of the arguments, the break up of the expenditures incurred by A2, A3, A4 and the firms aforementioned have been provided. It is however the contention of A2 to A4 that an amount of Rs.1,63,06,897.16 is liable to be deducted on the grounds as enumerated in the compilation so much so that the total admitted expenditure by them and their firms as named by the prosecution was Rs.75,82,712.17. Qua the disputed items, it has been urged on behalf of these respondents that the Trial Court had overlooked the defence evidence and instead had received the

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version of the prosecution witnesses though on the face of the records, the corresponding expenditures had not been proved. According to the respondents, apart from these infirmities, the Trial Court also ignored, amongst others, the aspect that on several items of expenditure by way of payment of interest, these respondents had been subjected to double jeopardy inasmuch as though these sums had been accounted for in computing their net profits, these amounts were shown separately again as expenditures. Not only sums not expended in fact had been deliberately shown to be so, the attempt on the part of the prosecution to make double and inflated additions in respect of purchase of machineries in some items has been overlooked. It has been argued as well that the Trial Court erroneously also relied on the evidence of prevaricating prosecution witnesses against the respondents.

474. Per contra, the prosecution has insisted that the challenge to the so called flaws in the assessment of the evidence by Trial Court on items other than the one pertaining to marriage expenditure is wholly misplaced and unmerited as the High Court had also endorsed the amounts corresponding

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thereto. This is more so in absence of any challenge to the conclusions of the High court in this regard by the respondents. According to the prosecution, the High Court scaled down the marriage expenditure from Rs.6,45,04,222/-, as quantified by the prosecution to Rs.28,68,000/-, though the Trial Court had computed the same to be Rs.3 crores. Arithmetically thus, the High Court endorsed the total expenditure to be Rs.5,40,20,611/- instead of Rs.11,56,56,833.41 quoted by the prosecution. It has been argued that the analysis of the evidence on record as a whole by the Trial Court and its computation of the marriage expenditure of Rs.3 crores is correct and did not call for any interference. According to the prosecution, the Trial Court did not reject the evidence adduced by it, but on a rational appraisal thereof, had moderated the marriage expenditure to be Rs.3 crores. It has been urged as well that the Trial Court had rightly disbelieved the evidence of the defence witnesses and more particularly the party workers who claimed to have collected funds to spend the same on the event. That A2 had failed to account for the expenditures, referred to by A1 in her reply to the notice to the Income Tax Department had been

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underlined too.

475. The break-up of expenditure of Rs.6,45,04,222/- on the marriage has been furnished by the prosecution as hereunder.

	Expenses towards the erection of marriage pendal over and above the admitted/recorded payments	Rs.5,21,23,532/-
	Expenditure incurred towards cost of food, mineral water and tamboolam	Rs.1,14,96,125/-
	Cost of 34 Titan Watches	Rs.1,34,565/-
	Amount paid to Tr. Syed Bawkar towards stitching of wedding dress for A-3	Rs.1,26,000/-
	Amount paid for purchase of 100 silver plates (paid by N. Sasikala)	Rs.4,00,000/-
	Postal expenses for dispatch of 56000 wedding invitations	Rs.2,24,000/-
	TOTAL	Rs.6,45,04,222/-

476. In our comprehension, though PW181 had neither visited the venues on the dates of the event nor was then in-charge of the construction of pandals and other arrangements auxiliary thereto, his evidence is not liable to be excluded as a whole. On being entrusted with the responsibility of making

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an estimate of the expenses incurred in the construction of the pandals and other arrangements, it is discernible from his testimony that he did consult the Architect Vijay Shankar, the Art Director Thotha Theerani and others, who were in fact actually involved in the said works at the relevant point of time. This witness visited the venues and stated on oath that the Architect Vijay Shankar had given him the drawing of the choultry and the measurements of the pandals on the basis of which those had been constructed. He also referred to the plans and sketches provided to him by the Art Director, based whereupon, the fixtures and ancillary structures were raised. In the report Ex.P1019 prepared by PW181, he did mention, inter alia, the areas of the various pandals together with the decorative attachments and after accounting for the cost thereof and the price of the furniture used and the amenities provided, estimated the expenditure to be Rs.5,91,00,000/- towards the pandals and other arrangements to secure the intended facilities for the couple, guests and other participants. True it is, that PW181 was not an eye-witness to the marriage arrangements and had not personally undertaken the works pertaining to the pandals and other

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associated arrangements, yet as has been observed by the Trial Court, his findings as recorded in the report Ex. P1019 could be construed to be of an expert witness and further could be used as corroboration for the testimony of PW200 who indeed had supervised the same works himself and as claimed by the prosecution on the instructions/advise of A2. The evidence of PW181, that the Architect Vijayshankar and the Art Director Thotha Tharani had provided him with the plan and the sketch map on which the pandals and other structures at the venues had been constructed, cannot be discarded as hearsay. In this view of the matter, the approach of the Trial Court to weigh the probative worth of the testimony of PW181 in conjunction with PW200 cannot be repudiated to be impermissible in law or outrageously fallacious.

477. PW200 K.P. Muttuswamy, Chief Engineer, Public Works Department, Tamil Nadu did assert on oath that he was instructed by A2 to complete the pandal works as early as possible. He also referred to a plan to that effect furnished by the Architect Vijay Shankar in presence of the contractors

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entrusted for the execution thereof. The witness claimed to have arranged land at the identified sites to be levelled and also provided in details of the number, size and specification of the pandals together with the purposes thereof. The witness was candid to state that the father of the bride had paid Rs.14 lakhs towards the expenditure and that therefrom, he disbursed payments. He deposed as well that A1 and A2 had inspected the work by visiting the site about a week prior to the marriage. He claimed to have signed the applications for securing temporary electric connections for the pandals for which payments were made by cheques on behalf of A1. In this patent premise, the conclusion of the Trial Court that the evidence of PW200 was direct and of first hand in nature with regard to the arrangements at the pandals cannot be faulted with. Its finding that his testimony thus lent sufficient corroboration to that of PW181 also cannot be dismissed as preposterous.

478. The testimony of DW-80, who was also a signatory to the report Ex. P-1019, to the effect that the same had been prepared without any inspection and that the measurements

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mentioned therein were not real had not been rightly preferred to the otherwise consistent versions of PW181 and PW200. The evaluation of the evidence of the other witnesses touching upon the remaining aspects of the expenditure incurred on the marriage, as conducted by the Trial Court, also does not merit rejection in toto. Noticeably, the Trial Court did not accept the expenditure quoted by the prosecution on the cost of Titan watches as the evidence to that effect was construed to be inadequate to lay the same in the account of the respondents. The rejection of the evidence of the party workers claiming collection of various amounts from its cadres and utilization thereof towards the purposes and arrangements mentioned by them also in absence of any persuasive corroborative evidence does not merit any repudiation. In the face of the evidence in particular of the elaborate arrangements at the venues and the expenses incurred on other items associated with the event, we are of the opinion that the Trial Court did not err in not accepting the figure of Rs.28,68,000/-, as the expenditure incurred by A1 on the basis of her reply to the queries made by the Income Tax Department. Though it has been urged on behalf of the defence that this figure had been finally accepted

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after the necessary enquiries undertaken by the income tax authorities, the result of such enquiries even if made, being not binding on the Trial Court, it was not obliged to accept the same by ignoring the evidence adduced before it. The treatment of the evidence by the High Court, on the other hand, in our assessment, had been summary and sketchy and it in a way promptly accepted the expenditure mentioned by A1 in her reply to the notice of the income tax department without independently appraising the evidence adduced by the parties at the trial.

479. Though it is not unknown, that very often the bride's family shares or bears the expenditure of marriage, dependent on the practice prevalent, it is not an invariable phenomenon and permits of exception in varying fact situations and therefore no rigid assumption either way is tenable. In any case, necessary deductions would have to be drawn on the basis of the evidence adduced. As the investigation into the expenditure on the marriage had to be conducted more than two years after the event, it is logical that the exercise involved was expected to be informed with

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some assumptions, which if realistic and logical, would not as such vitiate the assessment as incurably infirm or non-est.

480. On an overall consideration of the evidence adduced by the parties, we are inclined to hold that the computation of the expenditure incurred by A1 in the marriage as made by the High Court is unacceptable in the teeth of the materials on record to the contrary. There being concurrent findings of the two forums on the rest of the items of expenditure, we construe it to be inessential to undertake a fresh exercise with regard thereto in the present proceedings.

CONSPIRACY AND ABETEMENT

481. The prosecution asserts that the respondents i.e. A1 to A4 had entered into a conspiracy and in furtherance thereof, A1 who was a public servant, had come to possess assets to the tune of Rs.66.65 crores, disproportionate to her known sources of income, during the period 1991 to 1996 when she held the office of the Chief Minister of the State of Tamil Nadu. The prosecution has alleged as well that A2 to A4 had abetted

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her i.e. A1 in the commission of offence. To reiterate, the check period is from 1.7.1991 to 30.4.1996. To buttress this imputation, the prosecution has relied on the fact that A1, who was the Chief Minister of Tamil Nadu from 24.6.1991 to 13.5.1996 and A2 who was her close friend and associate, were amongst others partners together in Jaya Publications and Sasi Enterprises from before the check period. A2, who was the wife of Tr. M. Natarajan, a government servant with the Information and Public Relations Department, initially was a occasional visitor to the residence of A1 till 1988 whereafter she was permanently assimilated in the household. The prosecution case as well is that A3 who is proclaimed to be the foster son of A1 is the biological son of A2's elder sister Tmt. Vanamani and T. Vivekanandan. He too had come to reside in the residence of A1 during the year 1992 while pursuing studies at Chennai and remained there till 1997. It is in evidence that A1 had solemnized his marriage on 7.9.1995, claiming him to be her foster son with noticeable pamp and grandeur. A4, according to the prosecution, is the wife of the elder brother of A2 and had been residing in the house of A1 from the beginning of 1992.

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482. The above noticeable integration of A1 to A4 and their joint residence has been highlighted by the prosecution as a formindable indicator to attest the imputation of conspiracy and abetment. Apart from maintaining that A2, A3 and A4 at the time of joining the household of A1 were not possessed of properties significant enough in their names nor did have any independent source of income as such, it has insisted that the properties acquired during the check period in the names of the 34 firms and companies were with the unaccounted funds and resources of A1. It has been underlined that only few of the companies/firms which were formed with A2, A3 and A4 and Lex Property Development (Pvt). Ltd. in different combinations were registered under the Companies Act. Noticeably, the properties of these companies/firms had been acquired during the check period and significantly about 50 bank accounts were opened with the Indian Bank, Abhirampuram and Canara Bank, Mylapore in the names of the respondents and their firms/companies during that time. The prosecution has also brought on record the fact that out of these firms/companies, six firms namely; Jay Farm House,

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J. Real Estate, Jaya Contractors and Builders, Green Farm House, J.J. Leasing and Maintenance and J.S. Housing Development had been registered on the same day ie. 25.1.1994 and ten other firms namely; Vigneshwara Builders, Lakshmi Constructions, Gopal Promoters, Namasivaya Housing Developments, Ayyappa Property Developments, Sea Enclave, Navasakthi Contractors and Builders, Oceanic Constructions, Green Garden Apartments and A.P. Advertising Services on 15.2.1995. According to the prosecution, all the respondents availed of the services of common auditors, architects and accountants. It has referred to numerous inter-account transfers involving the respondents and the above firms/companies so much so to unequivocally project that those represented cash flow from their accounts inter se for common purposes. Referring to the evidence of PW198 in particular, it has been contended on behalf of the prosecution that huge unaccounted cash deposits had been made in the two accounts, maintained in Canara Bank, Mylapore and Indian Bank, Abhirampuram originating from 36, Poes Garden, Chennai, the residence/secretariat of A1 with A2 monitoring the account(s) in which such deposits were to be

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made. Vis-a-vis the purchase of immovable properties, it has been alleged that about 3000 acres of fertile lands, of which 900 acres comprised a tea estate, had been acquired in the names of individuals/companies through various transactions evidenced by 146 sale deeds. It has been underlined that qua most of the sales, A2 had suggested the names of the firms/individuals to figure in the deals. It has been imputed as well that in connection with such transactions, the vendors/owners were kept away from the purchasers and and the conveyances were made through attorneys foisted upon them. The vendors were also subjected to duress to part with the property and the officials entrusted with the duty of registration of such transactions, were subjected to instructions from higher authorities to oblige the purchasers and that the registrations did take place at the residence of A1 on many occasions. The consideration price of such sale transactions very often had been below the guidelines prescribed and the amounts were paid from various accounts of the respondents as well as their firms/companies and also by cash. According to the prosecution, all these circumstances are borne out unmistakably by the evidence on

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record, oral and documentary do prove the charge of conspiracy and abetment and that in furtherance of these criminal activities, each one of them had acted on behalf of each other in capacities either as individuals, partners, directors, of their firms/companies and also collaborators.

483. In refutation on behalf of A1, it has been broadly urged that though conspiracy can be inferred from circumstances, the same has to be essentially proved and that the mere fact that A2 to A4 had been residing in the house of A1, per se cannot be a decisive circumstance to prove conspiracy. It has been argued that from much prior to the check period, A1 and A2 had been partners in the firms namely; M/s Jaya Publication and Sasi Enterprises and their business connection ipso fact also cannot be construed to be an incriminating circumstance. It has been maintained that A2 to A4 have purchased properties with their own resources and efforts and that the prosecution has failed to establish even a single instance to demonstrate that the funds for such acquisitions had been doled out by A1. Contending that starting of a firm by a non-public servant by itself cannot be

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an irrefutable determinant to assume conspiracy with a public servant more particularly when A1 had never been a partner in any of the firms started during the check period, it has been pleaded that the finding of the Trial Court that the evidence available did prove issuance of cheques by A1 in favour of the co-accused and the applications by her for availing loan for the firms involved is factually incorrect. It has been argued that the prosecution has failed to cite even one instance where A1 had transferred any fund to A3 and A4 and for that matter to any of the six companies in particular which allegedly have acquired properties therewith. It has been underlined as well that A1 had neither received any dividend from these companies nor been either a shareholder or a director thereof. In this context, the finding of the Trial Court that A2 to A4 had acquired defunct companies with a sinister motive has been dismissed as unfounded and patently erroneous. It has been maintained that a circumstance to admit any inference of an illegal act must be one incapable of any other reasonable explanation and the prosecution having failed to offer any, by furnishing either direct or indirect evidence, the charge of conspiracy has remained unproved.

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484. Elaborating further the refutation of the imputation that the six companies namely; Meadow Agro Farms Pvt. Limited, Riverway Agro Products Limited, Lex Property Development (Pvt.) Limited, Signora Business Enterprises, Ramraj Agro Products Limited and Indo Doha Chemical and Pharmaceutical Pvt. Limited had no resources of their own and that with the induction of A2, A3 and A4 in particular, a tide of funds had flowed into their accounts generated from the coffers of A1, it has been urged with reference to the testimony of DW86 Vaidyanathan and DW87 Srikant as well as the income tax returns for the period ending 31.3.1996 and 1996-97 as well as the balance sheets of the companies that so far as Meadow Agro Farm Pvt. Limited, and Riverway Agro Products Limited are concerned, at the relevant time, the respondents were not the shareholders thereof and their share capital was formed of the contribution of the shareholders of these entities. According to the respondents, all these companies had sufficient funds of their own where from acquisition of properties and expenditures were made. That huge amount of loans were also advanced by these companies,

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to name in particular, Meadow Agro Farms Pvt. Limited, Riverway Agro Products Limited and Lex Property Development (Pvt.) Limited have been highlighted. The loans, noticeable were more prominently to A2, A3 and the firms/companies formed by them in different combinations including Sasi Enterprises and Jaya Publications. The amount of loans range from Rs.2 lakhs to Rs.62,52,000/-. Vis-a-vis Lex Property Development (Pvt.) Limited, it has been contended that from its balance sheet for the assessment year 1996-97, it was patent that it had received share application money to the tune of Rs.46,00,000 and that it had borrowed a sum of Rs.84,07,172 from the Indian Bank. Further, it had a receipt of Rs.2,04,98,350 from sundry creditors. In addition to the above, it has been pleaded that the company also received an inter-corporate deposit (ICD) from Kalyani Constructions Pvt. Ltd. of an amount of Rs. 1,56,67,000 during the year ending 31.3.1996 and Rs. 45,00,000 from Altaf Constructions Private Ltd. That this company did make an investment of Rs.2,63,49,857/- in immovable property apart from granting loans to A3 and three other firms including Sasi Enterprises, has been mentioned. According to the respondents, thus the

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total expenditure of this company including advances did sum up to Rs.3,03,48,357/- which was met from its own corpus, as had been accepted by the income tax authorities.

485. It has been insisted in particular that the properties acquired by Signora Business Enterprises Private Limited were prior to A3 and A4 becoming the additional directors of the company and therefore the finding to the contrary as recorded by the Trial Court was apparently erroneous.

486. With regard to Ram Raj Agro Products Limited, it has been argued that the balance sheet of the company for the year 1994-95 disclosed that it had made investment of Rs.14,39,446/- in the purchase of land. Referring to the balance-sheet of this company for the assessment year 1995-96, it has been maintained that it had secured loans from banks to the tune of Rs.1,43,87,336 and unsecured loans of Rs.75,30,561. It has been urged as well that during the said period, this company had received a sum of Rs.1 crore also from Mangutta Investment Pvt. Limited. That the company had received back from the government a refund of Rs.40,00,000 has also been urged to contend that it thus had

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funds to the tune of Rs.2,59,17,897 wherefrom it spent Rs.62,57,000 towards constructions at Thanjavour during 1994-95 and 1995-96.

487. Vis-a-vis, Indo Doha Chemicals and Pharmaceutical Pvt. Limited, it has been asserted that on 31.3.1995, it had paid up share capital of Rs.97,00,000/- as disclosed by its balance-sheet. Referring to the order passed by the Commissioner of Income Tax (Appeals) in ITA No. 144/1999-2000, it is submitted that 9,69,400 shares of face value of Rs.10 each had been purchased by A2 at Rs.6 per share and the remaining 600 shares had been purchased by six other persons. That the price of the 9,69,400 shares @ Rs.6 per share amounting to Rs.58,16,400/- and registered in the name of A2 had been paid by A3 is however admitted. Contending thus that the prosecution version that Indo Doha Chemicals and Pharmaceutical Pvt. Limited during the check period had a total income of Rs.30,40,000 to be wrong, it has been urged that after the purchase of the shares, the whole factory was leased out to Southern Petrochemical Company Limited (SPIC), in return whereof the company received an

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amount of Rs.1,39,08,584/-. It has however been admitted that out of such receipt, Rs.25,00,000/- had been lent to Meadow Agro Farm (Private) Limited. Further, an amount of Rs.20,00,000/- had been paid to James Frederic and Rs.72,00,000/- to SIPCOT by way of repayment of loan availed earlier leaving a balance of Rs.57,08,584/- in deposit. This is to contradict the prosecution's claim that the income of Indo Doha Chemicals and Pharmaceutical Private Limited during the check period was Rs.30,40,000/-. It has thus been urged that all the properties acquired and constructions raised by the six companies have been from their own funds and therefore, the amount of Rs.4,70,24,439/- towards the same is not liable to be integrated while adjudging the assets of A1 to A4.

488. In consolidation of the above, it has been urged on behalf of A2 to A4 that they along with the six companies whose assets, income and expenditure have been combined by the prosecution to lay the charge, being not public servants, cannot, in law, be called upon to explain their source of income or the manner of acquisition of their assets or the

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mode and extent of their expenditures.

489. Referring to Section 13(1)(e) of the 1988 Act, it has been asserted that the same does not cast any obligation on a non-public servant even if arraigned as a co-accused with the public servant, to furnish explanation as otherwise contemplated therein. It has been maintained that though the clear mandate of this legal provision is that for the charge to succeed, the prosecution must establish that the public servant, had been during the term of his/her office holding his/her assets through some other person or to put it differently, some other person had been holding the assets on behalf of the public servant, the Trial Court had grossly erred in absence of any evidence to that effect, to proceed on the basis of surmises and conjectures to return a finding against A2 to A4 and the above referred six companies. The prosecution having utterly failed to adduce any evidence to demonstrate that A2 to A4 or these companies had received any money from A1, her financial involvement in their affairs remained unproved, more particularly as she was neither a director nor a shareholder of these companies. Underlining

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the fact that no charge of benami transaction had been framed against the respondents, it has been insisted that even otherwise the prosecution has failed to discharge its burden to prove this fact. It has been argued that it having been established that A2 to A4 and the six companies at all relevant times, had their independent sources of income and individual business, the 1988 Act did not cast any burden on them to prove that they did not hold any assets on behalf of A1. Elaborating on this aspect, it has been contended that from much before the commencement of the check period, A2 had been carrying on business in her own right as the proprietor of Vinod Vision and she had been filing her income tax returns in connection therewith. Reference of the income tax returns and wealth tax returns of A2 for the assessment years 1985-86 to 1992-93 have been referred to. All these returns as the dates thereof would indicate had been submitted much belatedly and noticeably on same dates i.e. 23.2.1993 and 25.2.1993 for income tax and wealth tax returns respectively. No explanation for such delayed submission of returns had been furnished.

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490. Though A2 had been a partner in Jaya Publications and Sasi Enterprises which did exist as well from before the check period, it has been pleaded that the Trial Court completely disregarded the evidence with regard to her income and assets of these firms as disclosed more particularly in the income tax returns and accepted by the income tax authorities, in holding that the transactions involved were really of A1 catalysed by her finances. Similarly the income tax returns of A3, A4 and the six companies had also been left out of consideration by the Trial Court.

491. Reiterating that there is no evidence on record even to indicate that A1 had been the director or a shareholder of any of the six companies, it has been emphasized that these companies had been floated prior to the check period. Apart form contending that there is no evidence to suggest that A1 had either given loan to the six companies or had made any investment therein, it has been urged as well that these companies not having been arraigned as accused, their income and assets could not have been attributed to any of the respondents, being impermissible in law. In a way, thus it has

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been argued that the assimilation of the assets of these companies with those of the respondents and the eventual confiscation thereof amounts to condemning these entities unheard. The prosecution as well has been severely criticized to be unfair in withholding the audit report prepared by Mr. Chokkalingam in respect of Jaya Publications and Namadhu MGR. That several other documents seized in course of the investigation were also endeavoured to be withheld and that it was on the intervention of this Court that the respondents could secure an opportunity to traverse the same, has also been mentioned. In reiteration of their plea made with regard to the deficiencies in the assessment of the valuation of the construction made by the engineers deputed by the prosecution, it has been insisted that they could by no means be accepted as experts, the appraisals and the reports based thereon being wholly incomplete, faulty and conjectural in absence of any contemporaneous document in support thereof. The approach of the Trial Court in accepting the valuation furnished by the prosecution through such witnesses by allowing a discount of 20% has also been castigated as absurd and perverse. According to the

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respondents, the Trial Court readily accepted the evidence of the prosecution on many issues without analysing the same in the correct perspective which patently exhibits its non application of mind.

492. Aside impeaching the failure of the Trial Court in omitting to lay before the A2, all the incriminating circumstances under Section 313 Cr.P.C., its acceptance of the charge of conspiracy and abetment on the consideration of the joint residence of A1 to A4, execution of general power of attorney by A1 in favour of A2, constitution of various firms and companies during the check period and inference of cash flow from one account to another has been branded as visibly flawed. It has been argued on behalf of the respondents that the deed of power of attorney was executed by A 1 in favour of A2 only for the purpose of bank transactions of Indian Bank and not for all purposes as assumed by the Trial Court. Further, as A1 was neither a partner in any of the firms/companies constituted during the check period and as the six companies, the properties whereof had been confiscated, had been incorporated prior to the check period

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with third party promoters/directors, this factor also did not merit acceptance to reinforce the charge of conspiracy.

493. It has been assiduously pleaded that having regard to the fact that A1 is a spinster and that she and A2 were partners in M/s Jaya Publications and M/s Sasi Enterprises from before the check period and thus did share a close relationship, A2's accommodation with A1 per se cannot suggest conspiracy as alleged. Similarly, A3 being the nephew of A2 and A4, the widowed sister-in-law of A2, their residence with A1 also ipso facto was not an unmistakable circumstance to deduce conspiracy, in absence of any evidence direct or indirect or a single instance evidencing flow of cash or finance either from any source of A1 or her account to that of the other accused persons or the six companies. Such a factor was really non est but presumed and acted upon by the Trial Court to infer conspiracy and abetment. It has been emphatically contended that the Trial Court ignored as well the fact that M/s Jaya Publications and M/s Sasi Enterprises along with A2 to A4 and six companies had secured substantial amounts of loan from banks and other private sources which they rolled

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in their respective business to assume their inter dependence and sustenance through circulation of unaccounted reserves of A1 in their accounts.

494. On the aspects of abetment and conspiracy, the High Court dwelt upon the evidence in general without undertaking any minute analysis of the testimony of the individual witnesses or the documents/ transactions related thereto. It in particular, while dealing with the charge of accumulation of unaccounted wealth by A1 and diversion thereof to A2 to A4 to acquire immovable properties and administer the firms/companies involved, noted that the respondents along with the firms and companies had borrowed loans of Rs.24,17,31,274/- from banks. The High Court therefore concluded that this amount having been utilised for the purchase of immovable properties and administration of the firms and companies involved, there was no foundation for the charge of abetment. Qua the imputation of conspiracy, the High Court ruled that the joint residence of A2 to A4 did not warrant an inference thereof and though as this offence contemplates an agreement between two or more persons to

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commit an unlawful act, a court to be satisfied with regard thereto ought to have at its disposal prima facie evidence. It observed that where evidence is only circumstantial, it must be complete, continuous and unimpeachable to be consistent with the guilt of the accused so much so to exclude any possible hypothesis of his innocence. The High Court concluded that the evidence disclosed that A2 to A4 had borrowed huge amounts from the banks and other sources and had therefrom acquired the immovable properties and the six companies. It thus ruled, that not only the source of income was lawful, the object was also legal. The charges of abetment and conspiracy against the respondents have thus been dismissed by the High Court on these considerations.

495. The Trial Court, while examining these charges, did address at the outset the imputation of the prosecution that the pecuniary resources and the properties of A2 to A4 as well as the six afore-named companies were really held for and on behalf of A1, thus attracting the offence under Section 13(1)(e) of the Act. The Trial Court recounted in this context, the plea of A2 to A4 that the cash deposits in their accounts and their

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assets had been acquired out of their own funds and that A1 had no association therewith or contribution therefor in any manner whatsoever. This, is in the face of the accusation of the prosecution that the financial resources as well as the assets of A2 to A4 and the six companies were in fact those of A1, as A2 to A4 and the said companies did not have, at all relevant times, any income, or wherewithal to acquire the same. The Trial Court was thus alive to the assertion of the prosecution that the pecuniary resources and the properties of A2 to A4 and of the six companies as endeavoured to have been acquired from their funds were held in benami for and on behalf of A1. It proceeded to analyse the evidence adduced by the prosecution on the touchstone of the accepted legal formulation that benami transactions admitted of direct or circumstantial evidence leading to such inference and embarked on the process of scrutinizing the facts and circumstances attendant on the various transactions pertaining to acquisition of properties of the six companies of which A2 to A4, in different combinations, were the directors, as well as the cash flow inter se in their bank accounts.

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496. As the narration outlined by the Trial Court would reveal, it dealt with in minutest details the oral and documentary evidence available on record. Without resorting to a dialectical appraisal of the evidence of the individual witnesses and the documents brought on record, it would be suffice in our comprehension to notice the salient features discernible therefrom and strikingly common to the transactions.

497. The evidence on record demonstrates that these companies though were in existence from before the commencement of the check period and of which A3 and A4 were not the directors then, did neither have any significant business activity nor transaction nor any profit earning pursuit to their credit. This the Trial Court rightly noticed was apparent from the relevant returns and balance sheets. The contemporaneous evidence also evinced that these companies were not possessed of sufficient resources to acquire properties to the extent amassed during the check period. Neither did these companies have fixed assets nor did they avail or give loans to evince financial soundness or stability

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permitting acquisition of the assets and properties as made during the check period. In all, in these six companies, A3 and A4 were nominated as additional directors/directors in the year 1994 and soon thereafter their registered office stood shifted to Shop No. 21, First Floor, Wellington Plaza No. 19, Annasalai, Madras. The original directors resigned leaving the reins of the companies wholly with A3 and A4 in particular. Noticeably, soon after A3 and A4 were inducted as additional directors/directors, bank accounts were opened. Simultaneously A2 to A4 formed several partnership firms with the principal place of business thereof also at the above address. Co-incidentally the dates of registration of most of these firms were common in batches and the duration of their existence were mentioned to be at will. Significantly, A3 and A4 resigned from the above six companies markedly on the eve of the expiry of the check period.

498. The Trial Court, in details, took notice of the testimony of the witnesses examined as well as the documents on the aspect of acquisition of properties by these six companies. The witnesses included erstwhile directors of these companies,

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bank officials who stated about the opening of their accounts as well as advancement of loans, the concerned sub-registrars, who registered the sale deeds of lands purchased by these companies, officials from the office of the Company Registrar and Mr. Shiva, Real Estate Agent, who acted as the agent/attorney of the vendors, whose lands were purchased by these companies. The materials examined by the Trial Court evidenced heavy deposits/withdrawals of cash and transfers thereof hitherto absent before A3, A4 had taken over the companies. The amounts varied very often in the range of Rs.10 lakhs and above. The pay-in-slips for the deposits amongst others showed address of 36 Poes Garden, Chennai. Transfers of heavy amounts to and from other accounts of A2 to A4 and their firms also surfaced. The income-tax returns/balance sheets belatedly filed also demonstrated exchanges of deposits inter se the accounts of A2 to A4 and their firms as well as these companies.

499. In respect of the acquisition of the immovable properties, the evidence attested that soon after A3 and A4 had become directors of these companies, they got involved in the negotiations and survey of lands intended to be purchased.

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The sales were got executed through the attorneys of the owners of the lands for which deeds of power of attorney were obtained from such owners. Not only uneven bargains but also inadequate consideration/price by undervaluing the properties was noticeable in the transactions. Evidence on record disclosed that instructions were issued from the higher authorities to the Registrars/Sub-Registrars to respond to the directions issued from the office of A1 for documentation and registration of the deeds involving such purchases and as a matter of fact, on various occasions, such precepts did come and were readily complied with. Several registrations were executed in the house of the vendors and at times, also in the concerned office of the Registrar/Sub-Registrar. The sale deeds executed, which are not disputed so far as those relate to these companies, did not indicate that the purchases had been made from their assets existing prior thereto. The evidence of the witnesses did suggest as well that the registration norms were flexed and that resultant irregularities in the process were ignored and cast aside to oblige the respondents. Evidence of direct involvement of A3 and A4 in the purchase of shares and properties on behalf of Ramraj

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Agro Mills (Private) Limited and that of A3 in the purchase of property for Meadow Agro Farms (Private) Limited is discernible from the evidence adduced. In some cases, A2 was also present at the time of negotiations for such purchases. The active role of Mr. Shiva, the attorney of the owners, is apparent on the face of the records.

500. The Trial Court also noticed the evidence that the companies had been transferred to A3 and A4 at paltry sums. On a totality of the scrutiny of the evidence on record which significantly is adequately exhaustive, the Trial Court held that at the relevant time of acquisition of the properties, as above, all the six companies were exclusively in the control and management of A2 to A4. The statement of the erstwhile directors/promoters of the companies that they did not purchase any property in their names either before or after the formation of such companies was also taken note of. The Trial Court noted as well that A2 to A4 had taken over the management of the companies even without buying the requisite shares and concluded that these entities in fact did not have the trappings of a company. It was determined as

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well that none of these companies had any account in their names before A3 and A4 had taken over the charge thereof and that there was no evidence to demonstrate that the funds of these companies had been utilised to purchase properties in their names. It recorded as well, that the funds were transferred to the accounts of these companies either from the accounts held in the names of Namadhu MGR, M/s Jaya Publications or other firms of the respondents which unassailably proved that the resources for the acquisition of the properties of these companies had in fact been availed from A1 or the accounts maintained in the joint accounts of A1 and A2. That admittedly none of the companies had filed returns either before the Registrar of the Companies or before the income tax authorities declaring the funds for the purchase of properties or acquisitions made in the names of the companies was noted. The Trial Court also recorded the non-compliance of the various provisions namely, i.e. Sections 209, 210, 211, 215 and 220 of the Companies Act in particular to conclude that as required by these provisions, no proper books of accounts had been maintained, no returns had been filed by these companies from the date of

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incorporation till the date of attachment of their properties pursuant to the notifications issued by the Government of Tamil Nadu under the provisions of Section 3 of the Criminal Law Amendment Ordinance 1944 as per GOMS No. 120 dated 29.1.1997 and GOMS No. 1183 dated 25.9.1997. That the balance sheet and profit and loss account of the companies were not maintained and processed as mandated by Sections 213 and 220 of the Companies Act was also underlined. It was of the view as well that there was nothing on record to show that A2 to A4 had convened any general meeting of the companies during the relevant time or that regular returns were filed before the Registrar as required under the law. It also noted that the companies did not have their own auditors appointed under Section 234 of the Companies Act and that the auditors of A1 to A4 themselves submitted the returns after the properties of the companies were attached. The Trial Court thus deduced that all the circumstances conjointly substantiated that the acquisition of these companies were never intended to be the assets thereof and were also not treated to be their properties at any point of time. According to the Trial Court, it was only after the attachment of the

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properties that the respondents raised the contention that the ownership thereof did vest in the companies and thus could not be said to have been held benami for A1. The Trial Court also, with reference to the certified copies of the orders in Misc. Petition No. 768/2014 dated 18.6.2014 and Misc. Petition 289/2014 dated 26.6.2004 passed under Section 5(3) of the Criminal Law Amendment Ordinance recorded that after the resignation of A3 and A4, there was no appointment of directors and that seemingly for that reason, the order of attachment passed in 1997 was not assailed for nearly two years. It thus rejected on a comprehensive analysis of the evidence on record, the contention of the respondents that the properties acquired in the name of the companies did belong to these entities and could not have been assimilated in the assets of A1.

501. Qua 'the respondents' plea that the companies incorporated under the Companies Act cannot hold property benami for another person, it entered a finding that none of the documents of title registered in the names of the companies did bear the seal thereof. That in 90% of the

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registered deeds, the companies were not represented by their secretary or director and that the address of the companies were not recorded in such deeds, was noted. The Trial Court concluded that the registrar who registered these properties and PW 181 who negotiated with the purchasers, distorted the rules to help A1 and they went out of his way to oblige her. That in some of the deeds, the names of the purchasers were not included and that the properties were undervalued was reiterated. The admission of the District Registrar that he proceeded with the registration solely because the properties were purchased by A1 was taken cognizance of. It was thus of the view that the intention of the respondents in taking over the companies was for acquiring large number of properties in their names for diverting the funds unlawfully amassed by A1 during her tenure as Chief Minister of the State. It thus concluded that the properties registered in the names of these companies and which formed the subject matter of GOMs No. 1183 dated 25.9.1997 and GOMs No. 120 dated 12.1.1997 issued by the State of Tamil Nadu were really the properties acquired and held by A2 to A4 for and on behalf of A1.

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502. The evidence on record thus propel several conspicuous and singular features as noted comprehensively by the Trial Court. Apart from the fact that the properties aforementioned had been acquired during the check period, the general phenomenon decipherable is that the acquisitions had been made in the names of the newly formed or acquired firms/companies with their directorial composition, as noticed hereinabove and the two existing firms i.e. M.s. Jaya Publications and Sasi Enterprises of which A1 and A2 were partners.

503. Evidently about 50 banks accounts were opened with the Indian Bank, Abhaypuram and Carana Bank, Mylapore in the names of accused persons and the firms/companies as has been stated by PW182 and PW201, details of which are as under:

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Sl.No.	A/C No.	Name of the Bank	Account Holder	Date of Opening of A/c
1	C.A.No.792	Indian Bank	Jaya Publications	18.09.1991
2	C.A.No.1152	Indian Bank	Super Duper T.V. Pvt. Ltd.	21.01.1995
3	C.A.No.1104	Indian Bank	Super Duper T.V. Pvt. Ltd.	27.08.1994
4	C.A.No.1179	Indian Bank	Jaya Finance Pvt.Ltd.	05.05.1995
5	C.A.No.1171	Indian Bank	Accused No.4	28.03.1995
6	C.A.No.1068	Indian Bank	Accused No.3	30.03.1994
7	C.A.No.1071	Indian Bank	Fresh Mushrooms	11.03.1994
8	C.A.No.1059	Indian Bank	J.J. Leasing and Maintenance	27.01.1994
9	C.A.No.4110	Indian Bank	Minor Vivek through guardian mother A.4	12.09.1994
10	C.A.No.1050	Indian Bank	J. Real Estate	27.01.1994
11	C.A.No.1062	Indian Bank	J.S. Housing Development	27.01.1994
12	C.A.No.1058	Indian Bank	Green Farm House	27.01.1994
13	C.A.No.1054	Indian Bank	J. Farm House	27.01.1994
14	C.A.No.1053	Indian Bank	Anjaneya Printers	23.01.1994
15	C.A.No.1049	Indian Bank	Jaya Contractors and Builders	27.01.1994
16	C.A.No.1044	Indian Bank	Sasi Enterprises	14.12.1993
17	C.A.No.1113	Indian Bank	Meadow Agro Farms Pvt. Ltd.	13.03.1994
18	C.A.No.1095	Indian Bank	River Way Agro Products Pvt. Ltd.	06.08.1994
19	C.A.No.1134	Indian Bank	Signora Business Enterprises Pvt. Ltd.	23.11.1994

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20	C.A.No.1107	Indian Bank	Lex Property Developments Pvt. Ltd.	31.08.1994
21	C.A.No.1143	Indian Bank	Ramraj Agro Mills	23.12.1994
22	S.B.No.3832	Canara Bank Mylapore Branch	Ms. Jayalalitha Accused No.1	16.04.1991
23	C.A.No.2018	Canara Bank Mylapore Branch	Ms. Jayalalitha Accused No.1	12.10.1990
24	S.B.No.23218	Canara Bank Mylapore Branch	Accused No.2	23.09.1990
25	S.B.No.5158	Bank of Madhura, Anna Nagar Branch, Chennai	Accused No.1 (Ms. Jayalalitha)	28.02.1990
26	C.A.A/c 1689	Canara Bank, Annanagar Branch	Mahasubbu Lakshmi Kalyan Mantap (Accused No.3, A4 and Shrilatha Devi)	27.08.1993
27	C.A.No.1173	Indian Bank, Abhirampuram Branch, Chennai	Smt. V. Gunabooshani	05.05.1995
28	C.A.No.1179	-do-	Jaya Finance Pvt. Ltd.	
29	C.A.No.1171	-do-	Accused No.4 (Elavarasi)	28.03.1995
30	C.A.No.1068	-do-	Accused No.3	30.03.1994
31	C.A.No.1071	-do-	Fresh Mushrooms	11.03.1994

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			(A.2)	
32	C.A.No.1059	-do-	J.J. Leasing and Maintenance	27.01.1994
33	S.B.No.4110	-do-	J. Vivek	12.09.1994
34	C.A.No.1050	-do-	J. Real Estate	27.01.1994
35	C.A.No.1062	-do-	J.S. Housing Developments	27.01.1994
36	C.A.No.1058	-do-	Green Farm House	
37	C.A.No.1054	-do-	J. Farm House	
38	C.A.No.1053	-do-	Anjaneya Printers Pvt. Ltd.	23.01.1994
39	C.A.No.1049	-do-	Jaya Contractors and Builders	27.01.1994
40	C.A.No.1044	-do-	Sasi Enterprises	15.12.1993
41	O.C.C. No.1143	-do-	Ramraj Agro Mills Ltd.	23.12.1994
42	C.A.No.1146	-do-	Gopla Promoters (A.2,3 and 4)	23.03.1995
43	C.A.No.1140	-do-	Lakshmi Construc-tions (A.2,3 and 4)	23.03.1995
44	C.A.No.1137	-do-	Vigneswara Printers (A.2,3 and 4)	23.03.1995
45	C.A.No.1164	-do-	Navshakti Contractors and Builders	23.03.1995
46	C.A.No.1161	-do-	M/s. Sea Enclave Enterprises (A.2,3 and 4)	23.03.1995
47	C.A.No.1158	-do-	Ayyappa Property Development (A.2,3 and 4)	02.03.1995
48	C.A.No.1155	-do-	Namo Sivaya Housing Development	23.03.1995

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			(A.2,3 and 4)	
49	C.A.No.1149	-do-	Sakthi Constructions (A.2,3 and 4)	23.03.1995
50	C.A.No.1167	-do-	Oceanic Constructions (A.2,3 and 4)	23.03.1995
51	CA No. 1170	-do-	Golden Green Apartments (A2,3 and 4)	23.3.1995
52	C.A.No.9006	-do-	Bharani Beach Resorts	06.02.1995

The accused persons also availed the services of common auditors/accountants.

504. As conspiracy cannot be proved by direct evidence and has to be essentially inferred from proven circumstances, the ultimate conclusion with regard thereto has to be deduced from the attendant state of affairs cumulatively taken. It is a trite proposition that in the case of conspiracy, each member thereof becomes the agent of the other and in law is bound by their actions inter se. So far as A1 and A2 are concerned, one is the agent for other as partners of the two firms and additionally A2 is the attorney of A1 and is a co-conspirator, as imputed. As testified by PW198, a blanket instruction had been issued by A1 that the directions as made by A2 from time

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to time ought to be followed and consequently the latter was to decide in which account the huge cash deposits were to be made. The numerous inter accounts transfers would only corroborate massive unaccounted cash deposits being made, the origin whereof had been number 36, Poes Garden, Chennai. For all intents and purposes, these accounts were construed to be one.

505. The evidence of PW47, PW 71 and PW 159 taken together attest that officials were used to locate and purchase lands at various places. In terms of the testimony of PW159 , in most of the sales, it was A2 who had directed as to the names of the firms/individuals to be mentioned in the sale deeds and in whose names the sales were to be registered. The amounts had been paid from amongst various accounts of the accused/firms/companies. In many cases, the sale transactions had taken place below the guideline value as has been deposed by PW159 and PW 221.

506. The testimony of PW 15, PW 40, PW43, PW 56, PW 76, PW 89, PW 160, PW 77 and PW237 is amongst others to the

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effect that the vendors were kept unaware of the purchasers' identity and in some cases were also put under duress to agree to the transactions. Their statements also divulge that not only was A1 aware of these transactions but on several occasions, the registrations thereof were performed at her residence.

507. Dealing with the plea that the companies incorporated under the Companies Act cannot hold properties in benami for another, the Trial Court recorded that a company is a legal entity with perpetual succession and a common seal and has to essentially act through its agents and all contracts entered into by them must be under the seal thereof. It observed that in the case in hand there was hardly any document of title registered in the name of above companies bearing their seal. It concluded on this premise that the properties purchased in the names of the companies thus never acquired the status of the assets thereof. It noticed, as well, to reiterate, that in 90% of the registered deeds, the companies were not represented either by the Secretary or the Director and the documents also did not contain the address of the companies which was a

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clear indication of the shady and murky deals undertaken in their names with a view to screen the properties acquired through illegal means. The fact that evidence had disclosed that on many occasions, the concerned Registrar/District Registrar had compromised the rules only to accommodate A1 was adverted to in this context. Referring to the decision of ***Aron Salomon (Pauper) Vs. A. Salomon and Company Limited*** (supra), in which a company, as a legal entity, is held to be distinct from its members, the court propounded that though as a corollary, its corporate veil normally is impervious, but when its corporate identity is applied to circumvent law, to defeat public policy, perpetuate fraud or illegality or is sought to be used as a cover or a facade to justify a wrong, defend crime, to lend a name to private dealing, law would cease to acknowledge it to be a corporate entity and afford such protection otherwise entitled to under the Companies Law. It concluded that when camouflaged transactions are carried on behind the legal front, the court may lift the veil and look behind the artificial personality of the company and identify the real personalities or natural persons operating behind the screen. According to the Trial Court, the

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proved facts and circumstance of the case, did establish that respondents had adopted an ingenious ploy or device in furtherance of their criminal conspiracy to shield the properties acquired through perpetration of a series of offences and had illegally amassed wealth totaling 300 acres of land, in the name of the above shell companies which they had strategically taken over to present as a smoke screen to mask such large scale transactions. The Trial Court thus concluded that the acquisition of properties in such a colossal measure along with the attendant manoeuvres, did manifest the criminal motive and intention of the accused persons attracting the ingredients of the offence under Section 13(1)(e) of the Act read with Section 120B IPC. It thus held that the properties registered in the names of these six companies and which were the subject matter of GOMS No. 1183 dated 25.9.1997 and GOMS No. 120 dated 12.1.1997 were in reality acquired and held by A2 to A4 for and on behalf of A1. In reaching this conclusion, the Trial Court also did allude to the above-referred decision of this Court that property held in the name of an income tax assessee per se did not signify that it actually belonged to the assessee and that there was no

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embargo in getting the same registered in the name of one person though the real beneficiary was another.

508. In re the charge of abetment and conspiracy in general, the Trial Court, while dealing with the defence plea that a non public servant could not be prosecuted for the offence under Section 109 IPC in a trial constituted under the Act, relied on the decision of this Court in ***P. Nallammal*** (supra) to the effect that the acquisition and possession of any property by a public servant is capable of being abetted and that there is neither an express nor implied exclusion of the 1988 Act to deal with such a situation. The Trial Court noted that under Section 3 of the 1988 Act, the Special Judge had the power to try not only an offence punishable under the said statute but also one for conspiracy to commit or attempt to commit or abetment of any offence thereunder. The Trial Court thus held that private individuals could be prosecuted by the Special Court under the Act on the ground that they had conspired with and abetted the act of criminal misconduct committed by a public servant within the meaning of Section 13(1)(e) of the 1988 Act.

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509. Turning to the charge of criminal conspiracy, the Trial Court, noticing the ingredients of the offence as enumerated in Section 120A IPC, recorded that agreement is the gist of the offence and that mere passive cognizance of a conspiracy is not sufficient. While acknowledging that to constitute an offence of criminal conspiracy, there ought to be active cooperation in furtherance of a joint evil intent, it underlined the rule of evidence relating to such offence that anything said or done by anyone of the conspirators, with regard thereto, is under certain circumstances evidence against the other, the logic being that within the realm of conspiracy, the position of the conspirators is analogous to that of partners, one being considered as the agent of the other. Negating the assertion made on behalf of the respondents that the prosecution had failed to produce any material to demonstrate that A2, A3 and A4 had engaged in any criminal conspiracy with A1 in order to acquire properties on her behalf by utilising her un-accounted finances, as they had business activities and income independent therefrom totally unconnected with her, the Trial Court recounted the entire

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gamut of the prosecution evidence to the effect that at the relevant time, A2, A3 and A4 did not possess any source of income proportionate to the value of the assets purchased and held in their names and in the name of the six companies in particular. It traced the testimony, amongst others of PW128 Balakrishnan, PW169 R. Krishnamoorthy, PW170 R. Jayaraman and the corresponding documentary evidence to hold that A2, A3 and A4 indeed had neither the source of income, means or the wherewithal to be capable of making the huge acquisitions in their names or for their firms/companies during the check period. Referring, in particular, to the properties acquired by A3 either in his name or in the name of firms/companies involved, compared to his income and the expenditure made, the Trial Court reverted to the evidence of PW 201, the officer of the Canara Bank, Mylapore who, inter alia, had disclosed that in the application filed by this respondent for opening of his saving bank account No. 24621, he had given his address as No. 36, Poes Garden, Chennai-86. This witness testified by adverting to the ledger for this account which on 30.4.1996, showed a balance of Rs.61,430/-. Prior thereto, on 17.7.1992, A3 had remitted cash through

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signed pay-in-slip for an amount of Rs.5 lakh to this account. He clarified further that in this saving bank account, many receipts were made through clearance. He referred to a withdrawal of Rs.5 lakh by this respondent on 7.12.1992 from this account, who deposited the sum in a fixed deposit account No. 1401/1992 which on maturity was credited to his current account No. 2220. This witness disclosed further that the application submitted by A3 to open this current account carried an introduction by A2 and the address here as well was mentioned as 36, Poes Garden, Chennai. Though this account was opened on 7.4.1993 by remitting an amount of Rs.501 by A3, on 24.9.1994, a sum of Rs.4,10,000 was received in deposit in the account by way of cash. The Trial Court made an itemised reference to various deposits made in this account of heavy sums varying from Rs.26000 to Rs.11 lakhs from other accounts standing inter alia in the name of A2 and several other firms of which A1, A2 and A3 in particular were partners. That huge amounts were credited through clearance and were similarly withdrawn were referred to by this witness.

510. The Trial Court, thus deduced that the acquisitions of

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the properties made by A3 were out of the funds diverted from the accounts either of A1 or A2 and A3 and A4 did not invest any fund with regard thereto.

511. While dwelling on the charge of conspiracy and abetment, the Trial Court took cognizance of the formation of large number of firms in the names of A2 to A4 during the relevant period to be a circumstance establishing the said imputation. That A1 and A2 had commenced partnership business by constituting two partnership firms by the name Jaya Publications and Sasi Enterprises and though Jaya Publications was registered under the Sales Tax Act, 1988 on 29.9.1988, it did not file returns up to 1998 as per the Sales Tax Act, was noted. The disclosure of PW3 Thangavelu, District Registrar, who at the relevant time was serving as Assistant Chief in the Registration Department, South District, Chennai and that he had registered eight firms out of which six namely; J.J. Leasing and Maintenance, J.S. Housing Development, Green Farm House, Jaya Farm Houses, J. Real Estate and Jay Contractors and Builders were registered on the same date i.e. 25.1.1994, taken note of. The Trial Court

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also took cognizance of the testimony of PW132, Prakashoon Epen Leelavati, District Registrar, Central Chennai District Registration Office, who claimed to have proved the certified copies of Form No. 1 relating to the registration of ten firms with A2, A3, A4 and Lex Property Development Private Limited as partners, all registered incidentally on the same date i.e. 15.2.1995. Reference to the statement of PW 230 Balaji on oath that he had been appointed as the Auditor by A2 to A4 and that the firms referred to by him did not buy any property or invest in any other business but received money as loans and further that ten of such firms had closed their bank accounts in 1995 was taken note of. According to the Trial Court, the overall evidence as considered by it disclosed that the business activities in the names of A2, A3 and A4 started only during the check period and that they did not invest any funds on their own for that purpose and in fact utilised these as a front to enable A1 and A2 to transfer huge unaccounted money through the bank accounts thereof.

512. The Trial Court noted that at the commencement of the check period, there were hardly 10 to 12 bank accounts

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standing in the names of A1 and A2 but thereafter 50 accounts mushroomed during the check period as deposed by PWs 182, 201, 207,209 and 239. The particulars of the bank accounts, the names of the banks, the dates of opening thereof, and the corresponding exhibits along with the names of the account holders were marked in details.

513. Referring to the evidence of PW-201 in particular, the remittances inter se the accounts of A1 to A4 and their firms also were set out which would demonstrate that the exchanges during the check period were not only noticeably frequent and numerous but also did sum up to figures fluctuating from Rs.12000/- to Rs.25,00,000/- as would be evident from the particulars of such transfers involving the accounts of A1, A2, A3, A4, Namadhu MGR, Fax Universal, Anjaneya Printers, Green Farm House and Meadow Agro Farm.

514. Oral evidence in the form of testimony of M. Jayaraman (PW-198), Mani, Ram Vijayan & Balakrishnan and the documents adduced by the prosecution through the witnesses prove that an amount of Rs.13,55,28,685.50 in all, had been

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deposited by cash through pay-in-slips in the current accounts of A2 to A4 and the firms by these witnesses and others. These deposits significantly had been made during the check period and apart from heavy amounts on every occasion, varying from above Rs.50,000/- to Rs.33,70,000/-, there is a noticeable frequency thereof in close proximity with each other. The pay-in-slips proved in support of such cash deposits and exhibited by the witnesses concerned even disclose deposits of various amounts in different accounts on the very same date. As many as 184 deposits between 17.9.1992 and 8.3.1996 have been made in current account No. 1952 of Namadhu MGR. As many as 267 deposits have been made by Ram Vijayan himself only, totalling Rs.8,96,52,623.30 out of the total amount of Rs.13,55,28,685/- indicated hereinabove, apart from M. Jayaraman (PW-198), Mani, Ram Vijayan & Balakrishnan through whom deposits had been made. A2 and A3 as well have through pay-in-slips made such deposits of a sum of Rs.28,74,000/-. The noteworthy feature of these deposits is that the same had not been in the account of A1. Not only the cash deposits of such a huge amount is out of the ordinary,

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the mode thereof i.e. by pay-in-slips through a selected few and the frequency thereof render an overwhelming phenomenon, highly redolent and admitting of a logical and persuasive inference of laundering of gigantic unaccounted cash. The absence of deposits in the account of A1 in the multitude of such operations admits of reasonable and unimpeachable conclusion that the wealth in circulation had its origin in her coffers. On a rational analysis of such mammoth inflow of cash in the accounts of A2 to A4 and the firms/companies involved during the check period, the conclusion of the Trial Court that these resources were at all relevant times held by A2 to A4 and their firms/companies on behalf of A1 in order to veil her otherwise unexplained disproportionate assets is unassailable.

515. The Trial Court next probed into the credit entries of the relevant bank accounts of the respondents to seek the trail of the fund flow and thus examined the deposits of cash into their bank accounts and also in those of the firms/companies floated by them spanning from Rs.10,000/- to Rs.33,70,000/. On an audit of the current and saving bank accounts of the

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respondents and the firms involved, the Trial Court identified unexplained cash credits of huge sums therein varying from Rs.2684.90 to Rs.1,26,00,000/- involving the respondents, Namadhu MGR, Sasi Enterprises, Vinod Video Vision, Jaya Publications, J. Farm House, Maha Subalaxmi Kalayana Mandapam, Anjaneya Printers Private Limited, Fresh Mushroom, Metal King, Super Duper T.V. Private Limited, Lex Property Development Pvt.Ltd., Riverway Agro Production Private Limited, Fax Universal, Meadow Agro Farm Pvt. Limited, Namay Shivaya Housing Development, Vigneshwara Builders, Laxmi Constructions, Sea Enclave, Ayyappa Property Development Private Limited, Ocean Construction, Gopal Promoters, Green Garden Apartments, Shakti Constructions, J. S. Housing Development, Ramraj Agro Mills Private Limited. Noticeably except Jaya Publications and Sasi Enterprises, A2 to A4 and Lex Property Development Private Limited were the partners of the other firms named above.

516. In this context, the Trial Court inter alia referred to the decision of this Court in ***Kale Khan Mohammad Hanif Vs. C.I.T.***, (1963) 50 ITR 1 (SC), wherein it was expounded that

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the onus was on the assessee to explain the nature and source of cash credits as to whether those stood in the assessee's account or in the account of a third party and that the assessee had a legal obligation to explain the nature and source of such credit by proving prima facie the transaction(s) that had yielded such accruals in his books of account.

517. The Trial Court held the view that the respondents in the case in hand had failed to offer any satisfactory explanation with regard to the enormous unexplained credit/accumulations in their bank accounts. It rejected the confirmatory letter offered by the respondents as false and bogus and further held that the identity of the person who disclosed the source, had also not been proved. Further the transactions which generated such cash credits were also not established. It rejected as well the balance sheet and the profit and loss statement claimed to have been filed before the income tax authorities and on which the respondents primarily relied as their defence, as not proved in accordance with law besides being not in conformity with the statutory prescriptions. It discarded as well the evidence of the auditors

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examined by the respondents who, as the evidence on record testified, were not conversant with the true facts and had not handled their accounts during the check period. The Trial Court returned the finding that the evidence on record cumulatively substantiated that the returns, the balance sheet and the profit and loss accounts were framed and fashioned to offer an explanation to the otherwise titanic unexplained credits in their respective bank accounts. The Trial Court thus held that the respondents had failed to prove their defence, when tested on the evidence adduced even by the standard of preponderance of probability.

518. While observing that mere declaration of property in the income tax returns does not ipso facto connote that the same had been acquired from the known lawful sources of income, the Trial Court held the view that the prosecution could successfully establish that the respondents and their firms/companies, who posed to be income tax assessees, had no independent or real source of income and that it was the finance of A1 that was really in circulation and thus it could prove beyond reasonable doubt that the only source of money

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the acquisition of large assets was that of hers.

519. The evidence of PW198 M. Jayaraman, a member of staff with A1 in her house at Poes Garden, at the relevant point of time, admitting remittances into various bank accounts through Mr. Vijayan on the instructions of A2 was referred to in particular. That this witness had stated that A2 used to instruct him about the details of the bank to which the deposit ought to be credited and that the amounts used to be dispatched in suit cases and bags through domestic servants was taken note of. The Trial Court took into consideration his testimony that he used to fill the challans as directed by A2 which he identified in the course of his examination. He identified too, the signatures of Mr. Vijayan on the challans. The Trial Court also took note of the evidence of PW 182 and PW 201, the bank officers who identified/proved large numbers of pay-in-slips and also affirmed that those bore the name of Mr. Vijayan as the person remitting the amounts mentioned. These witnesses had stated further, as noted by the Trial Court, that the pay orders and the demand drafts issued by them for the purpose of acquisition of the assets as

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involved were at the instance of the respondents. That these demand drafts or the pay orders could be directly related to the cheques or pay orders mentioned in the various sales deeds was recorded as well. This too, as held by the Trial Court, did establish the nexus of the funds of A1 with the investments made for the acquisition of such assets. The Trial Court thus sustained the charge levelled by the prosecution that all the assets and pecuniary resources found to be possessed by A2 to A4 and in the names of various firms/companies actually belonged to A1 and thus she in fact possessed the assets and pecuniary resources of the total value of Rs.55,02,48,215 in her name and in the names of A2 to A4 and of the firms/companies, thus establishing the ingredients of the offence under Section 13(1)(e) of the P. C. Act. It held the view that A2 to A4 as the evidence substantiated had conspired with A1 and had actively abetted in collaboration with each other with the sole object of acquiring and holding properties and assets disproportionate to the known sources of income of A1.

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520. This according to the Trial Court stood corroborated by the large number of accounts opened in the names of the respondents or of firms/companies and the disbursements to these accounts only by the staff of A1 on the instructions of A2 who was in-charge of her financial affairs. The Trial Court also took cognizance of the fact that the evidence on record established that except Super Duper T.V. Private Limited, neither the respondents nor their firms did credit any amount to the various accounts standing in their names. Rather, all these firms had gained deposits transferred to their accounts either from that of Namadhu MGR or Jaya Publications. Reiterating the rejection of the plea of the respondents, that large deposits collected from various subscribers of Namadhu MGR totalling Rs.15 crores had been credited in the accounts of Namadhu MGR and Jaya Publications, the Trial Court reaffirmed that these deposits in fact represented the un-explained wealth accumulated by A1.

521. The Trial Court in the ultimate analysis summed up the circumstances gleaned from the evidence on record to conclusively hold that the prosecution could prove beyond

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reasonable doubt, the charges levelled against the respondents as framed. While enumerating finally the facets substantiating this determination, the Trial Court took note of the fact that A1 had executed a general power of attorney (Ex. P-995) in favour of A2 in respect of Jaya Publications as A1, at all relevant time, was the partner of the said firm. That such a power of attorney was otherwise not necessary and that this authority was thus endowed on A2 so as to lend her a free hand in the management of Jaya Publications so as to facilitate the defence of A1 that she used to be a dormant partner and was unaware of the transactions carried on by A2 was recorded. The Trial Court however held the view that by the execution of such power of attorney, in law, A1 rendered herself liable for all acts and deeds of A2 pursuant to the powers so conferred. It correlated the flow of funds accumulated by A1 to the account of Jaya Publications and thereafter to branch out the same to other accounts to be eventually appropriated for the acquisition of huge assets. The Trial Court thus rejected the stand of A1 that she was unaware of the activities of A2, her agent with regard to the transfer of the funds and the mode of utilization thereof.

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522. The constitution of various firms during the check period was cited as well to be another circumstance to prove the conspiracy amongst the respondents. The Trial Court re-counted that at the commencement of the check period, A1 and A2 were involved in the two concerns namely M/s Jaya Publication and M/s Sasi Enterprises but during the check period as many as 18/21 firms did come into existence. The Trial Court reiterated that the evidence on record however proved that none of these firms either carried on business during the check period or contributed any share capital to or receive any profit from these firms. The fact that in a single day, ten of such firms have been constituted with identical features was reiterated. The Trial Court did recall as well that not only A2 and A3 did start independent concerns in their names, even defunct companies were purchased/taken over by the respondents. However, none of these firms or companies did actually carry on any business except acquiring huge properties. Referring to the fact that at the time of opening of the bank accounts of these firms/companies, none of these entities had any independent resources, the Trial Court deduced that these firms/companies were nothing but

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extensions of Namadhu MGR and Jaya Publications and owed their existence to the benevolence of A1 and A2 for continued sustenance. It reiterated that the proved fact that large amount of funds were diverted to these accounts was a clear attestation of the fact that these firms were constituted to only siphon off the unlawful resources amassed by A1. The fact that these firms/companies did operate from the residence of A1 belied the feigned ignorance of A1 about their activities, was noted. The joint residence of all the accused persons also could not be ignored as a factor contributing to the charge of conspiracy and abetment when assessed together with the attendant facts and circumstances reinforcing the said imputations. This also belied, according to the Trial Court, the specious plea of A2 to A4 that each one of them had independent business and own source of income. The fact that A2 to A4 did combine to constitute the firms to acquire huge tracts of land out of the funds provided by A1 also was a clear index that their assemblage in the house of A1 was not engendered by any philanthropic urge for friends and their relations in need, rather to frame and further the criminal conspiracy to hold the assets of A1. The fact that the

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materials on record did evince that A1 had not only advanced Rs.1 crore to Shasi Enterprises as a contribution to its share capital for which she availed loan, but also that she did issue several cheques in favour of other accused persons and filed application for availing loan for the benefit of the firms involved, did buttress the charge that she was wholly aware of the dealings of the co-accused and the firms in their minutest details. The free flow of money from one account to the other of the respondents, the firms/companies also proved beyond reasonable doubt that all the accused persons had actively participated in the conspiracy to launder the ill-gotten wealth of A1 for purchasing properties in their names. The fact that the assets and properties of the six companies were attached pursuant to the provisions of the Criminal Law Amendment Ordinance and that the applications for vacating the attachments were not filed for more than two years therefrom did make it apparent that no other person except the accused were interested therein. The Trial Court rightly did mark as well, referring in particular to the evidence of PW159 Sub-Registrar, North Beach, Sub Registrar's Office and PW71 Radha Krishnan, Horticulture Officer that they were called to

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Poes Garden and on the instructions of higher officers, they did oblige A1 even by relaxing the rules in the registration of large number of documents by taking personal interest and even overlooking that the properties were undervalued to hold a deep seated involvement of A1 in these transactions. That the registering authorities had gone to the extent of permitting registration of six documents even without incorporating the names of the purchasers, was referred to. The Trial Court in its conclusion, on an exhaustive analysis of the evidence as a whole, held the following facts to have been proved by the prosecution beyond all reasonable doubt.

I)	Total assets found in possession of A-1 as on 30.4.1996	Rs.55,02,48,215
II)	Total expenditure incurred by the accused during the check period	Rs. 8,49,06,833/-
III)	Total of (I) and (II)	Rs. 63,51,55,048/-
IV)	Total income of accused from all sources as determined above	Rs. 9,91,05,094/-
V)	Value of disproportionate assets and pecuniary resources found in possession of accused as on 30.04.1996 which has not been satisfactorily accounted.	Rs. 53,60,49,55,954/-

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523. In view of this, the Trial Court convicted A1 for the offences under Section 13(1)(e) r/w Section 13(2) of the PC Act. Further A1 to A4 were convicted under Section 120-B IPC r/w Section 13(1)(e) r/w Section 13(2) of the PC Act as well. A2 to A4 were additionally convicted under Sections 109 IPC r/w 13(1)(e) r/w 13(2) of the PC Act and sentenced them accordingly as heretobefore mentioned.

524. The Trial Court further ordered that necessary directions be issued to the concerned banks to remit the proceeds of the fixed deposits and the cash balance standing to the credit of the respective accused persons in their bank accounts to be appropriated and adjusted towards the fine amounts. It was directed as well that if even after such adjustment, the amount fell short of the quantum of fine, the gold and diamond ornaments, seized and produced before the court (after setting apart 7040 gms. of gold with proportionate diamond jewellery) be sold to RBI or SBI or by public auction so as to meet the deficit. The rest of the gold and diamond jewellery was directed to be confiscated to the Government.

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525. It further ordered that all immovable properties registered in the names of Lex Property Developments Pvt. Ltd., Meadow Agro Firms Pvt. Ltd., Rama Raj Agro Mills (P) Ltd., Signora Business Enterprises Pvt. Ltd., Riverway Agro Production (P) Ltd. and Indo Doha Chemicals and Pharmaceutical Ltd. which were under attachment pursuant to GO Nos. MS 120 and 1183, above referred to be confiscated to the State Government. It ordered as well that out of the fine amount recovered, a sum of Rs.5 crores be made over to the State of Karnataka towards reimbursement of expenses for the trial conducted thereat.

526. As many as 34 companies/firms fell for scrutiny in the course of adjudication. Out of these Jaya Publications, Sasi Enterprises, Signora Business Enterprises Private Limited, Lex Property Development Pvt. Limited, Riverway Agro Production Private Limited, Meadow Agro Firm Pvt. Limited, Indo Doha Chemical and Pharmaceutical Limited, Ram Raj Agro Mills Limited did exist from before the check period. The others were registered during the check period and notably, the date of registration of six of these had been 25.1.1994 and three

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bank accounts of five of them had been opened on the same date i.e. 27.1.1994. Further ten of such firms had been registered on 15.2.1995 and their bank accounts had been opened on 23.3.1995. To say the least, in the context of the charge levelled, this co-incidence also is conspicuously abnormal and irreconcilable. Another note worthy feature is that in most of these firms, A2, A3 and A4 are the partners with Lex Property Development Pvt. Limited, joining them in some. There are firms as well where either A2 or A3 is the proprietor and others are with the combination of A2, A3 and A4. As the evidence with regard to the affairs of the six firms in whose names large tracts of properties had been purchased and deposits made, has been dilated upon hereto before, the same does not warrant further elaboration.

527. The unimpeded, frequent and spontaneous inflow of funds from the account of A1 to those of the other co-accused and the firms/companies involved, overwhelmingly demonstrate the collective culpable involvement of the respondents in the transactions in the face of their overall orientations so as to render the same to be masked banking

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exchanges though involving several accounts but mostly of the same bank. No other view is possible.

528. Apart from the above, the demurral of unfairness in investigation and trial also cannot be sustained in the overall factual conspectus. True that in course of the investigation, some documents had been seized which were not adduced in evidence being construed to be irrelevant for substantiating the charge, but it did not certainly tantamount to suppression thereof so as to afflict the trial with the vice of unfairness and non-transparency as alleged. Additionally, the courts did intervene as permissible in law wherever merited to ensure against any prejudice qua the parties. The fact that the documents seized but not brought on evidence by the prosecution had not been destroyed and were available to the respondents for their inspection, at all relevant times, is, per se, an index of fair and impartial trial. The defence as a matter of record did at some point of time close its side of evidence by examining only two witnesses, whereafter following the inspection of the documents, as desired by the respondents, after A1 had returned to power, examined as

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many as 99 witnesses. Prior thereto, 76 prosecution witnesses were permitted to be recalled for further cross-examination. The remonstrance that the Trial Court did not take into consideration the defence evidence is also not borne out by the records. As would be evident from its judgment, the testimony of several witnesses examined by the respondents received in-depth appreciation by the Trial Court wherever relevant. The contention that the Trial Court had conducted the trial in a manner prejudicial to the respondents in the overall context, both factual and legal, thus cannot be sustained.

529. That the Trial Court was meticulous, sensitive, vigilant and judicious in appraisal, stands authenticated by the fact that in valuing the assets, as warranted, it excluded a sum of Rs.32 lakhs towards the price of sarees and further reduced the value of gold and diamond to the extent of Rs.2 crores. It also allowed reduction in the marriage expenses by more than 50% and further discounted the value of constructions by permitting a depreciation of 20%.

530. Apropos the off repeated grievance, of the defence that the Trial Court had left out of consideration material pieces of

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evidence adduced by it, suffice it to state that the decision rendered by it proclaim to the contrary. In all the aspects amongst others income, expenditure and assets, the judgment of the Trial Court reveals on a plain reading that the evidence adduced by the defence as construed to be relevant had not only been taken note of but also analysed and applied for arriving at the conclusions on the issues pertaining to the adjudication. Whereas qua income, reference of the testimony of the defence witnesses is decipherable amongst others pertaining to the scrutiny involving Namadhu MGR, Super Duper T.V., gifts offered to A1, rental income and income tax returns, the Trial Court did also assess the defence evidence while judging the case on the issues of marriage of A3, expenditure and as well as valuation of buildings. The cavil to the contrary thus cannot be entertained. Further this plea though elaborated in details in course of the arguments in the present proceedings was not taken very specifically before the High Court by the respondents while challenging their conviction. Significantly, such a grievance has also not been made by them by laying a formal challenge to such purported omissions on the part of

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the Trial Court, before this Court, as contemplated in law. In this persuasive backdrop, we are thus disinclined to sustain this contention. This is more so as in view of the appraisal of the relevant evidence as a whole, we are of the unhesitant opinion that the impugned judgment and order of the High Court suffers from manifest errors on the face of the record, both on facts and in law and is liable to be set-aside.

531. The Criminal Law Amendment Ordinance, 1944 (referred to as the "Ordinance" as well), which was enforced w.e.f. 23.8.1944 is an yield of the exercise of powers under Section 72 of the Government of India Act, 1935 and is directed to prevent the disposal or concealment of property procured by means of the offences enlisted in the Schedule thereto. To iterate, for the instant adjudication, paragraphs 4A and 5 of the Schedule are extracted hereinbelow for immediate reference:

> 4-A: an offence punishable under the Prevention of Corruption Act, 1988;

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5 : Any conspiracy to commit or any attempt to commit or any abetment of any of the offences specified in item 2,3 and 4 and 4-A.

As the present appraisal does not involve the other offences enumerated in the Schedule, those are not being dwelt upon.

532. Clause 3 of the Ordinance provides that where the State Government or as the case may be, the Central Government has reason to believe that any person has committed, whether after the commencement of the Ordinance or not, any scheduled offence and whether or not any court has taken cognizance thereof, it may authorise the making of an application to the District Judge within the local limits of whose jurisdiction, the said person ordinarily resides or carries on business, for attachment of any money or other property, believed to have been procured by means of such offence. It also permits that if such money or property cannot for any reason be attached, the prayer in the application may be extended to other property of the said person of the value as nearly as may be equivalent thereto. The provisions did make applicable Order XXVII of the First Schedule to the Code of Civil Procedure, 1908 to the proceedings for an order of attachment under the Ordinance as they did apply to the

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suits by the Government.

533. Section 4 contemplates ad interim attachment by the jurisdictional District Judge, in the eventualities as mentioned therein and while doing so, he is required to issue to the person whose money or other property was being attached, a notice accompanied by copies of the order, the application and affidavits and of the evidence, if recorded, asking him to show cause on a date to be specified in the notice as to why the order of attachment should not be made absolute. Clause 5 empowers the District Judge to make the ad interim order of attachment absolute, if either no objection is filed by the person affected or not varied after necessary enquiry on a consideration of the objection if filed, and the evidence is adduced. In terms of clause 10 of the Ordinance, an order of attachment of property made shall unless it is withdrawn, continue to be in force, in a contingency where a court has taken cognizance of the alleged schedule offence whether, before or after the time when the order was applied for, until orders are passed by the District Judge in accordance with the provisions of the Ordinance after the termination of the criminal proceedings. Clause 11 provides for appeals against

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the order(s) of the District Judge, in the matter of attachment before the jurisdictional High Court. Whereas clause 12 makes it incumbent on the court trying a scheduled offence, when apprised of an order of attachment of the property involved under the Ordinance, to record a finding, in case of conviction, as to the amount of money or value of other property procured by the accused by means of the offence, Clause 13 mandates the manner of disposal of such attached property upon termination of the criminal proceedings. Thereunder, when the final judgment or order of the criminal court is one of conviction, the District Judge shall order that from the property of the convicted person attached under the Ordinance or out of the security given in lieu of such attachment, there shall be forfeited to Government such amount or value as is found in the final judgment or order of the criminal court, to have been procured by the convicted person, by means of the offence together with the costs of attachment as determined by the District Judge. Sub-clause 4 deals with a situation where the amounts ordered to be forfeited or recovered exceed the value of the property of the convicted person attached, thus permitting in that eventuality,

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the steps to follow. Sub-clause (6) ordains that every sum ordered to be forfeited in connection with any scheduled offence other than one specified in item 1 of the schedule, would after deduction of the cost of attachment as determined by the District Judge, be credited to the Government or the local authority to which the offence has caused loss or where there is more than one such government or local authority, to be distributed amongst them in the proportion to the loss sustained by each.

534. Noticeably "termination of criminal proceedings", as per clause 2(2), as relevant for our present purpose, would be where this Court would pass its final order in the present appeals.

535. In the appeals, filed by the State of Karnataka pertaining to the release of the properties recorded in the name of the six companies involved, consequent upon the acquittal of the respondents, the parties are essentially at issue on the applicability or otherwise of Section 452 of the Code of Criminal Procedure, 1973 invoked by the Trial Court to order confiscation/forfeiture of the properties otherwise attached

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under the Ordinance. The other facets of the competing assertions being largely common and already addressed, are inessential for a fresh scrutiny.

Whereas it is urged on behalf of the State that having regard to the scheme of the Act and the mode of attachment of the property involved in a scheduled offence, the operation of Section 452 of the Code is not excluded, the plea on behalf of the respondents is that the Ordinance being a complete code by itself, the Trial Court was patently wrong in assuming to itself the power of disposal of the property under attachment by invoking the said provision of the Code. It has been urged in essence on behalf of the respondents that at the most, the Trial Court could have valued the property under attachment following its conclusion of guilt against them, leaving it thereafter to the forum under the Ordinance to comply with the procedure prescribed therein and further the process to its logical end. This is more so, as has been urged for the respondents, that the appeals against the orders making the ad interim attachment absolute are pending before the High Court as permissible under the Ordinance. Principally, reliance, amongst others has been placed by the

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respondents on the decision of a Constitution Bench of this Court in ***State of West Bengal Vs. S.K. Ghosh***, AIR 1963 SC 255.

536. In our comprehension, the course adopted by the Trial Court cannot be faulted with. To reiterate, in terms of Section 5(6) of the Act, it was authorised to exercise all powers and functions exercisable by a District Judge under the Ordinance. The offences at the trial were under Sections 13(1)(e), 13(2) of the Act, Sections 109 and 120B of the Indian Penal Code encompassed within paragraphs 4A and 5 of the Schedule to the Ordinance. These offences were unimpeachably within the contours of the Act and triable by a special Judge thereunder. Having regard to the frame and content of the Act and the limited modifications to the provisions of the Code of Criminal Procedure, in their applicability as occasioned thereby and the authorisation of the special Judge trying the offences thereunder to exercise all the powers and functions invocable by a District Judge under the Ordinance, we are of the opinion that the order of confiscation/forfeiture of the properties standing in the name of six companies, as involved,

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made by the Trial Court is unexceptionable. In any view of the matter, with the peremptory termination of the criminal proceedings resultant on this pronouncement, the direction of the Trial Court towards confiscation/forfeiture of the attached property, as mentioned therein, is hereby restored and would be construed to be an order by this court as well. The decisions cited on behalf of the respondents on this issue, are distinguishable on facts and are of no avail to them.

537. In ***Mirza Iqbal Hussain through Askari Begum Vs. State of Uttar Pradesh***, (1982) 3 SCC 516, two fixed deposit receipts and the cash amount of Rs.5200/- seized from the house of the appellant and proved to be the subject-matter of charge under Section 5(1)(e) of the 1947 ACt, were ordered to be confiscated to the State. Responding to the plea of want of jurisdiction of the Special Court to order confiscation, this Court referring to Section 4(2) of Cr.P.C., held that in terms thereof, all offences under any law other than the Indian Penal Code have to be investigated, inquired into, tried and otherwise dealt with according to the provisions contained in the Code but subject to any enactment for the time being in

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force regulating the manner or place of investigation, enquiry, trial or otherwise dealing with such offences. It was observed that none of the provisions of the Prevention of Corruption Act provided for confiscation or prescribed the mode by which an order of confiscation could be passed and thus, it was ruled that the order of confiscation in the facts of the case could not be held to be *de hors* jurisdiction. The invocation of Section 452 of the Code, in absence of any provision in the Prevention of Corruption Act, excluding its operations to effect confiscation of the property involved in any offence thereunder, was thus affirmed.

538. After analyzing the facts and circumstances of this case and after taking into consideration all the evidence placed before us and the arguments put forward by all the parties, we are of the unhesitant opinion that the impugned judgment and order rendered by the High Court is untenable and is thus set aside. We have considered the facts of this case and in our opinion, the percentage of disproportionate assets as 8.12% as computed by the High Court is based on completely wrong reading of the evidence on record compounded by incorrect

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arithmetical calculations, as referred to herinabove. In view of the regnant evidence on record, unassailably proving the disproportionateness of the assets, as contemplated in Section 13(1)(e) of 1988 Act, it is inessential as well to resort to any arithmetic to compute the percentage thereof. In any view of this matter, the decision of this Court in ***Krishnanand Agnihotri*** (supra) has no application in the facts of this case and therefore, the respondents cannot avail any benefit therefrom.

539. Both the Courts have construed all the assets, income and expenditure of all the accused collectively. We see no convincing reason to adopt a different course which even otherwise, having regard to the charge, is not warranted.

540. Noticeably, the respondents accused accepted all the findings of the High Court. We have analyzed the evidence adduced by the parties and we come to the conclusion that A1 to A4 have entered into a conspiracy and in furtherance of the same, A1 who was a public servant at the relevant time had come into possession of assets disproportionate to the known sources of her income during the check period and had got the

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same dispersed in the names of A2 to A4 and the firms & companies involved to hold these on her behalf with a masked front. Furthermore, the the charge of abetment laid against A2 to A4 in the commission of the offence by A1 also stands proved.

541. We have noticed that:

In ***State Through Central Bureau of Investigation, New Delhi Vs. Jitender Kumar Singh***, reported in (2014) 11 SCC 724, this Court held that once the power has been exercised by the Special Judge under sub-section (3) of Section 4 of the P.C. Act to proceed against non-PC offences alongwith PC offences, the mere fact that the sole public servant dies after the exercise of powers under sub-section (3) of Section 4, will not divest the jurisdiction of the Special Judge or vitiate the proceedings pending before him. Therefore, we hold that as the sole public servant has died being A1 in this matter, in our opinion, though the appeals against her have abated, even then A2 to A4 are liable to be convicted and sentenced in the manner as has been held by the Trial Judge.

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The Trial Court held that even private individuals could be prosecuted for the offence under Section 109 of I.P.C. and we find that the Trial Court was right in coming to the conclusion relying on the decision of ***Nallammal*** (supra), wherein it was observed that acquisition and possession by a public servant was capable of being abetted, and observed that Under Section 3 of the 1988 Act, the Special Judge had the power to try offences punishing even abetment or conspiracy of the offences mentioned in the PC Act and in our opinion, the Trial Court correctly held in this matter that private individuals can be prosecuted by the Court on the ground that they have abetted the act of criminal misconduct falling under Section 13(1)(e) of the 1988 Act committed by the public servant.

Furthermore, the reasoning given by the Trial Court in respect of criminal conspiracy and abetment, after scrutinizing the evidence of this case, is correct in the face of the overwhelming evidence indicating the circumstances of active abetment and conspiracy by A2 to A4 in the commission of the above offences under Section 13(1)(e) of the 1988 Act. This would be evident from the following circumstances:-

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(i) A1 had executed a General Power of Attorney in favour of A2 in respect of Jaya Publications marked as Ex.P-995. The circumstance of executing the power of attorney in favour of A2 indicates that with a view to keep herself secured from legal complications, A1 executed the said power of attorney knowing fully well that under the said powers, A2 would be dealing with her funds credited to her account in Jaya Publications.

(ii) Constitution of various firms during the check period is another circumstance establishing the conspiracy between the parties. It has come in evidence that 10 firms were constituted on a single day. In addition, A2 and A3 started independent concerns and apart from buying properties, no other business activity was undertaken by them. The circumstances proved in evidence undoubtedly establish that these firms are nothing but extentions of Namadhu MGR and Jaya Publications and they owed their existence to the benevolence of A1 and A2

(iii) The aforesaid firms and companies were operating from the residence of A1 and it cannot be accepted that she

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was unaware of the same even though she feigned ignorance about the activities carried on by A2 to A4. They were residing with A1 without any blood relation between them.

(iv) Although A2 to A4 claims to have independent sources of income but the fact of constitution of firms and acquisition of large tracts of land out of the funds provided by A1 indicate that, all the accused congregated in the house of A1 neither for social living nor A1 allowed them free accommodation out of humanitarian concern, rather the facts and circumstances proved in evidence undoubtedly point out that A2 to A4 were accommodated in the house of A1 pursuant to the criminal conspiracy hatched by them to hold the assets of A1.

(v) Ex.D.61 reveals that before the Income Tax Authorities, the representative of A1 himself had put forth an argument that Rs.1 crore was advanced by A1 to Sasi Enterprises towards share capital and further it was submitted that on the security of the said amount, loan was borrowed by A1, and thus she cannot claim non-involvement with the firms.

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(vi) The flow of money from one account to the other proves that there existed active conspiracy to launder the ill-gotten wealth of A1 for purchasing properties in the names of the firms.

(vii) The conspiracy among the accused persons is also proved by the evidence of Sub-Registrar, North Beach, Sub-Registrar office-PW.159 and the evidence of PW.71 Radha Krishnan, Horticultural officer.

In our opinion, the Trial Court correctly came to the conclusion on such reasoning and we hereby uphold the same.

542. Accordingly, in view of the reasoning recorded hereinabove in the preceding paragraphs, we set aside the judgment and order of the High Court and affirm and restore the judgment of the Trial Court in toto against A2 to A4. However, though in the process of scrutiny of the facts and the law involved and the inextricable nexus of A1 with A2 to A4, reference to her role as well as the evidence pertaining to her had been made, she having expired meanwhile, the appeals, so far as those relate to her stand abated. Nevertheless, to

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reiterate, having regard to the fact that the charge framed against A2 to A4 is proved, the conviction and sentence recorded against them by the Trial Court is restored in full including the consequential directions.

543. Respondents A2 to A4, in view of this determination and the restoration of their conviction and sentence, would surrender before the Trial Court forthwith. The Trial Court is hereby also ordered to take immediate steps to ensure that the respondents A2 to A4 serve out the remainder of sentence awarded them and take further steps in compliance of this judgment, in accordance with law.

544. The appeals are allowed in the above terms.

.....J
(Pinaki Chandra Ghose)

.....J
(Amitava Roy)

New Delhi;
February 14, 2017.

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REPORTABLE

IN THE SUPREME COURT OF INDIA

CRIMINAL APPEALATE JURISDICTION

CRIMINAL APPEAL NOS. 300-303 OF 2017
(Arising out of SLP (Crl.) Nos. 6117-6120 of 2015)

STATE OF KARNATAKA ... ... APPELLANT(S)

:Versus:

SELVI J. JAYALALITHA & ORS. ... RESPONDENT(S)

WITH

CRIMINAL APPEAL NOS.304-307 OF 2017
(Arising out of SLP (Crl.) Nos. 6294-6297 of 2015)

K. ANBAZHAGAN ... ... APPELLANT(S)

:Versus:

SELVI J. JAYALALITHA & ORS. ETC. ... RESPONDENT(S)

AND

CRIMINAL APPEAL NOS. 308-313 OF 2017
(Arising out of SLP (Crl.) Nos. 6121-6126 of 2015)

K. ANBAZHAGAN ... ... APPELLANT(S)

:Versus:

INDO DOHA CHEMICALS & PHARMACEUTICALS
AND ORS. ETC. ... ... RESPONDENT(S)

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AND

CRIMINAL APPEAL NOS.314-319 OF 2017
(Arising out of SLP (Crl.) Nos. 7107-7112 of 2015)

STATE OF KARNATAKA ... ... APPELLANT(S)

:Versus:

INDO DOHA CHEMICALS & PHARMACEUTICALS AND ORS. ETC. ... ... RESPONDENT(S)

J U D G M E N T

Amitava Roy, J.

A few disquieting thoughts that have lingered and languished in distressed silence in mentation demand expression at the parting with a pulpit touch. Hence, this supplement.

2. The attendant facts and circumstances encountered as above, demonstrate a deep rooted conspiratorial design to amass vast assets without any compunction and hold the same through shell entities to cover up the sinister trail of such illicit acquisitions and deceive and delude the process of law. Novelty

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in the outrages and the magnitude of the nefarious gains as demonstrated by the revelations in the case are, to say the least, startling.

3. A growing impression in contemporary existence seems to acknowledge, the all pervading pestilent presence of corruption almost in every walk of life, as if to rest reconciled to the octopoid stranglehold of this malaise with helpless awe. The common day experiences indeed do introduce one with unfailing regularity, the variegated cancerous concoctions of corruption with fearless impunity gnawing into the frame and fabric of the nation's essentia. Emboldened by the lucrative yields of such malignant materialism, the perpetrators of this malady have tightened their noose on the societal psyche. Individual and collective pursuits with curative interventions at all levels are thus indispensable to deliver the civil order from the asphyxiating snare of this escalating venality.

4. In the above alarming backdrop of coeval actuality, judicial adjudication of a charge based on an anti-corruption law motivated by the impelling necessities of time, has to be

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informed with the desired responsibility and the legislative vision therefor. Any interpretation of the provisions of such law has to be essentially purposive, in furtherance of its mission and not in retrogression thereof. Innovative nuances of evidential inadequacies, processual infirmities and interpretational subtleties, artfully advanced in defence, otherwise intangible and inconsequential, ought to be conscientiously cast aside with moral maturity and singular sensitivity to uphold the statutory sanctity, lest the coveted cause of justice is a causality.

5. Corruption is a vice of insatiable avarice for self-aggrandizement by the unscrupulous, taking unfair advantage of their power and authority and those in public office also, in breach of the institutional norms, mostly backed by minatory loyalists. Both the corrupt and the corrupter are indictable and answerable to the society and the country as a whole. This is more particularly *in re* the peoples' representatives in public life committed by the oath of the office to dedicate oneself to the unqualified welfare of the laity, by faithfully and conscientiously discharging their duties attached thereto in accordance with the

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Constitution, free from fear or favour or affection or ill-will. A self-serving conduct in defiance of such solemn undertaking in infringement of the community's confidence reposed in them is therefore a betrayal of the promise of allegiance to the Constitution and a condemnable sacrilege. Not only such a character is an anathema to the preambulor promise of justice, liberty, equality, fraternal dignity, unity and integrity of the country, which expectantly ought to animate the life and spirit of every citizen of this country, but also is an unpardonable onslaught on the constitutional religion that forms the bedrock of our democratic polity.

6. This pernicious menace stemming from moral debasement of the culpables, apart from destroying the sinews of the nation's structural and moral set-up, forges an unfair advantage of the dishonest over the principled, widening as well the divide between the haves and have nots. Not only this has a demoralising bearing on those who are ethical, honest, upright and enterprising, it is visibly antithetical to the quintessential spirit of the fundamental duty of every citizen to strive towards

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excellence in all spheres of individual and collective activity to raise the nation to higher levels of endeavour and achievement. This virulent affliction triggers an imbalance in the society's existential stratas and stalls constructive progress in the overall well-being of the nation, besides disrupting its dynamics of fiscal governance. It encourages defiance of the rule of law and the propensities for easy materialistic harvests, whereby the society's soul stands defiled, devalued and denigrated.

7. Such is the militant dominance of this sprawling evil, that majority of the sensible, rational and discreet constituents of the society imbued with moral values and groomed with disciplinal ethos find themselves in minority, besides estranged and resigned by practical compulsions and are left dejected and disillusioned. A collective, committed and courageous turnaround is thus the present day imperative to free the civil order from the suffocative throttle of this deadly affliction.

8. Every citizen has to be a partner in this sacrosanct mission, if we aspire for a stable, just and ideal social order as envisioned by our forefathers and fondly cherished by the

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numerous self-effacing crusaders of a free and independent Bharat, pledging their countless sacrifices and selfless commitments for such cause.

.....J.
(**AMITAVA ROY**)

NEW DELHI;
FEBRUARY 14, 2017

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