



2026:KER:1008

IN THE HIGH COURT OF KERALA AT ERNAKULAM

PRESENT

THE HONOURABLE MR. JUSTICE A. BADHARUDEEN

THURSDAY, THE 8TH DAY OF JANUARY 2026 / 18TH POUSHA, 1947

CRL.A NO. 178 OF 2010

AGAINST THE JUDGMENT DATED 24.12.2009 IN C.C. NO.11 OF 2003 OF

SPECIAL COURT (SPE/CBI)-I, ERNAKULAM

APPELLANT/2ND ACCUSED:

**P.V.RAVI
AGED 55 YEARS
PROPRETOR, SREE VISHNU CONSTRUCTIONS, SULTHAN BATHERI,
WAYANADU DISTRICT KERALA AND R/O.PERUMANKUDI, MOOLANKAVU,
THIRUNELLI P.O., SULTHAN BATHERI, WAYANANDU DISTRICT,
KERALA.**

RESPONDENT/COMPLAINANT:

**SPE/CBI KOCHI
REP.BY THE STANDING COUNSEL FOR CBI/PUBLIC, PROSECUTOR,
HIGH COURT OF KERALA, ERNAKULAM.**

**BY ADVS.
SHRI.SASTHAMANGALAM S. AJITHKUMAR, SC, CENTRAL BUREAU OF
INVESTIGATION
SHRI.SREELAL N.WARRIER - SPL.PUBLIC PROSECUTOR, CENTRAL
BUREAU OF INVESTIGATION (CBI)**

**THIS CRIMINAL APPEAL HAVING BEEN FINALLY HEARD ON 11.12.2025,
THE COURT ON 08.01.2026 DELIVERED THE FOLLOWING:**

**“C.R”****JUDGMENT****Dated this the 8th day of January, 2026**

The 2nd accused in C.C. No.11/2003 on the files of the Court of the Special Judge (SPE/CBI), Ernakulam, has filed this appeal, under Section 374 of the Code of Criminal Procedure, 1973, challenging the conviction and sentence imposed by the Special Judge, against him as per the judgment dated 24.12.2009. The Central Bureau of Investigation (CBI), represented by the Special Public Prosecutor is arrayed as the sole respondent herein.

2. Heard the learned counsel for the appellant and the learned Special Public Prosecutor, in detail. Perused the verdict under challenge and the records of the Special Court.

3. Parties in this appeal shall be referred as ‘accused’ and ‘prosecution’, hereafter.

4. The prosecution case in a nutshell is that, the 1st accused, a public servant employed as Branch Manager at Canara Bank, Sultan Battery, Wayanad, Kerala hatched criminal conspiracy during August – September, 1998 at Sultan Battery and other places, with the 2nd accused and one



A.D.Prasad (the 3rd accused) to misappropriate the funds of the bank which was entrusted with him and controlled by him to obtain undue pecuniary advantage by corrupt or illegal means for himself and the 2nd accused, by abusing the official position of the 1st accused as Branch Manger. In pursuance of the said conspiracy, accused Nos.1 and 2 obtained the signatures of Miss.Sini A.T., a college student, on a blank Housing Loan Application, dishonestly representing to her and her mother that the Housing loan would be given to her, for the construction of her house and also falsely representing that the home would be constructed by the 2nd accused for her. The 1st accused in pursuance of the conspiracy dishonestly filled up the already signed loan application and dishonestly sanctioned Housing Loan No.4/99, in the name of Miss Sini A.T. for Rs.3,00,000/- and obtained six cheque leaves signed in blank from Miss.Sini A.T. after issuing a cheque book in her name. Further, accused Nos.1 and 2 got the signatures of Miss.Sini A.T. on all the loan papers on 1.9.1998, itself, for sanctioning of the said loan. The 3rd accused in pursuance of the conspiracy had prepared a false income certificate in the name of Sini A.T., showing an Annual Income of Rs.84,000/-, though in fact, she had no income and she was a College student at the Sulthan



Battery Taluk Co-operative Arts College, Sultan Battery doing B.Com., and Rs.50,000/- as Annual Income of her father Shri. Thankappan in order to facilitate the 1st accused to sanction the said loan and handed over the said Income Certificate to accused Nos.1 and 2, to place it in the Loan file, with dishonest intention to facilitate the 1st accused to disburse the loan and the 2nd accused, in pursuance of the conspiracy gave the same to the 1st accused, who kept the same in the loan file. The entire loan amount was withdrawn by the accused persons by utilising the six blank signed cheque leaves fraudulently obtained from Miss.Sini A.T, without her knowledge and presented through the employees of the 2nd accused on 2.9.1988 for Rs. 1,25,000/-, on 19.9.1998 for Rs.5,000/-, on 6.10.1998 for Rs.58,000/-, on 17.9.1998 for Rs.34,000/-, on 23.9.1998 for Rs.50,000/- and on 10.10.1998 for Rs.25,000/- respectively. All the cheques were passed for payment by the 1st accused and the proceeds were enjoyed by accused Nos.1 to 3. On this premise, the prosecution alleges commission of offences punishable under Section 120B read with 409 of the Indian Penal Code [hereinafter referred as 'IPC' for short] as well as under Sections 13(2) read with 13(1)(c) and 13(1)(d) of the Prevention of Corruption Act, 1988 [hereinafter



referred as 'P.C. Act, 1988' for short], by the accused.

5. After framing charge, the Special Court recorded evidence and completed trial. During trial, PWs 1 to 21 were examined, Exts.P1 to 78 were marked on the side of the prosecution. Exts.D1 to D4 and D7 to D8 were marked on the side of the defence and during cross-examination of PWs 9, 10, 16 and 21, Exts.D5, D6, D10 and D11 contradictions were also marked.

6. On appreciation of evidence, the Special Court found that accused Nos.1 and 2 were guilty for the offences punishable under Section 120B of IPC read with Section 13(2) read with 13(1)(d) of the P.C. Act, 1988. Accordingly, accused Nos.1 and 2 were convicted for the said offences and sentenced as under:

"Thus considering all aspects including the grounds submitted by the learned Prosecutor as well as the counsel for the accused A1 and A2 are sentenced to undergo Rigorous Imprisonment for three years each under Section 120 B of the Indian Penal Code r/w Section 13(2) r/w Section 13(1)(d) of the Prevention of Corruption Act, 1988 and also sentenced to pay a fine of Rs.50,000/- each with default Simple



Imprisonment for six months each. A1 is further sentenced to undergo Rigorous Imprisonment for three years under Section 13(2) r/w Section 13(1)(d) of the Prevention of Corruption Act, 1988 and further A1 shall pay a fine of Rs.50,000/- with default Simple Imprisonment for six months. The sentence will run concurrently."

7. While assailing the verdict impugned, it is argued by the learned counsel for the 2nd accused that, the 3rd accused died before trial and the 1st accused died after rendering the judgment by the Special Court. Now, the 2nd accused alone is alive. According to the learned counsel for the 2nd accused, in this matter, as evident from Ext.P33 agreement dated 27.01.1998 proved through PW9, an agreement was executed between the 2nd accused and PW9 to construct a house in the property in the name of PW10, Miss.Sini A.T. Accordingly, it was decided to construct a building after availing loan from Canara Bank, Sultan Bathery, Wayanad Branch. According to the learned counsel for the 2nd accused, acting on the documents produced by PW10, a loan of Rs.3,00,000/- was granted and thereafter, according to the prosecution the amount was encashed by



PW18, who was the staff of the 2nd accused as per Ext.P48, P49, P50, 51 and 52 cheques and Rs.1,25,000/- was encashed and the same was transferred in the name of the 1st accused. Since, the entire loan amount was credited in the account of PW10, the allegation of misappropriation of the loan amount by the 1st and 2nd accused would not lie. According to the learned counsel for the 2nd accused, the Special Court was not inclined to believe the evidence of PW10 and she was declared as an accomplice witness. Therefore, her evidence was not acted upon. That apart, the debt due to the bank was the subject matter in Ext.D8 decree, which was passed against Miss. Sini A.T. and the bank would be able to realize the loan amount by executing the decree. He also submitted that, going by the evidence of PW9 and PW17, there was partial construction of the house, though the same was not fully completed. Therefore, the allegations of the prosecution that the loan amount was misappropriated by accused Nos.1 to 3, after hatching conspiracy in between them, are not proved beyond reasonable doubt. Thus, the verdict of the Special Court requires interference.

8. Whereas, it is submitted by the learned Special



Public Prosecutor that, in this case, conspiracy as well as the misappropriation of the amount by accused Nos.1 to 3 have been proved substantially as it is admitted by PW18 that, Ext.P48 to 52 blank cheques were obtained from PW10, Miss. Sini A.T. and the same were encashed by PW18, who was the staff of the 2nd accused. PW17 deposed that, Ext.P47 cheque for Rs.1,25,000/- was encashed and deposited in the account of the 1st accused. Therefore, the prosecution case is proved beyond reasonable doubt and thus, the impugned judgment does not require any interference.

9. In view of the rival submissions, the points arise for consideration are:

1. Whether the Special Court is justified in finding that the 2nd accused committed the offences punishable under Section 120B of the IPC read with Section 13(2) read with 13(1)(d) of the P.C. Act, 1988?

2. Whether the verdict of the Special Court would require interference?

3. Order to be passed?

10. On tracing the prosecution case, the prosecution case is that, by producing false documents and by



manipulating an application for housing loan put up by Miss. Sini A.T. to avail loan of Rs.1 Lakh, Ext.P4 false salary certificate was produced to show that PW10, Miss. Sini A.T. has an annual income of Rs.84,000/-, though she was a student at the relevant time and the loan amount was enhanced to Rs.3 Lakh, without the knowledge and consent of PW10. Apart from that, Ext.P2, the ration card would show that the family income of Miss. Sini A.T. was Rs.300/- per month. It is relevant to note that, apart from Ext.P4 salary certificate, Ext.P6 register of income certificate issued by the Village Officer, Kuppadi Village and Ext.P54 application for admission of Miss. Sini A.T. to the Sulthan Batheri Taluk Co-operative Arts Collage were tendered in evidence to show that Miss. Sini A.T. was jobless student at the relevant time and Ext.P56 attendance register of Vishnu Constructions, wherefrom the salary certificate was issued in the name of Miss. Sini A.T, would show that Miss. Sini A.T never worked in the said concern. This would show that, the loan application was put up by Miss. Sini A.T. along with forged documents and the same was the outcome of conspiracy hatched between accused Nos.1 to 3. To be more explicit,



the 2nd accused approached Miss. Sini A.T. (PW10) and her mother PW9 for getting the loan.

11. PW18 examined in this case was the staff of the 2nd accused and it was deposed by PW18 that, Ext.P48 cheque for Rs.5,000/- dated 19.09.1998, Ext.P49 cheque for Rs.58,000/- dated 06.10.1998, Ext.P50 cheque for Rs.34,000/- dated 17.09.1998, Ext.P51 cheque for Rs.50,000/- dated 23.09.1998 and Ext.P52 cheque for Rs.25,000/- dated 10.10.1998 were encashed by PW18 and handed over to the 2nd accused. As per Ext.P47 cheque, as argued by the learned Special Public Prosecutor, out of the total amount of Rs.2,97,000/-, Rs.1,25,000/- was credited in the account of the 1st accused, the Branch Manager. Remaining amount as a whole was encashed by the 2nd accused by using a blank cheque obtained from Miss. Sini A.T. on the premise of getting the loan. PW15, Sri.C.V. Thomas, the clerk of the bank during 1995-2005, identified the handwriting and signatures of the 1st accused and stated that amounts via Exts.P47, P49, P50, P51, P52 were disbursed by Cashier, Sri.Narayanan and Ext.P48 amount was given by himself to the 1st accused. It is relevant to note



that, since the Special Court categorized PW10 as an accomplice witness in this case, the Court was not inclined to accept her evidence. However, the crucial evidence as regards to availing of loan and non construction of the building as agreed could be gathered from the evidence of PW9, who is the mother of PW10. That apart, PW5, Sri.Thankappan, the father of PW10 also deposed in support of the prosecution case.

12. PW2 examined in this case was the clerk in the Canara Bank, Sultan Bathery Branch and his evidence would show that the housing loan of Miss. Sini A.T. in no way connected with the loan section of the Branch and PW3, the officer dealing with loan section, who accompanied PW1 and was participating in preparation of Ext.P1 and a signatory to it. PW4, Sri.Balan, who gave evidence regarding issuance of ration card and marked the same as Ext.P2 in the name of Lalithabhai and his evidence would show that the monthly income of the family was Rs.300/-. PW5, Sri.Thankappan, the father of Sini and his evidence would show that during 1998 -1999 period Sini was not having any income or job but she was studying. His evidence is that, all the things necessary for availing loan



was done by Ravi (A2) and they only intended to take a loan for Rs.1 lakh and 10 cents of land was transferred in the name of his daughter Sini by his wife.

13. PW7 was the Manager who succeeded A1 in the Canara Bank branch at Sultan Battery. He deposed that Ramakrishnan was the person, who sanctioned the loan to Sini and he also deposed that he had sent a notice as no amount was repaid. Then she made a complaint to the effect that no application for loan for Rs.3 lakh was made by her and the loan amount was only for Rs.1 lakh and she was not aware that there was disbursement of Rs.3 lakh. Then, PW6 forwarded the complaint to the higher ups and there was an enquiry. PW6 examined was the Village officer. He deposed that he know A.D.Prasad who was the Village officer in Kuppady Village Office and marked Ext.P4 by identifying the signature of A.D.Prasad and the income shown therein was Rs.1,34,000/-. It was through PW6, Ext.P3 the application for income certificate got marked and Ext.P4(a) is the office copy of Ext.P3.

14. PW8, Sri.Syamala, who was a clerk in the branch during 1997-1999 period and according to her, she worked along with Ramakrishnan for three years and she



identified the handwriting and signature of him in the documents. PW9, Sri. Lalithabhai, who is the mother of Sini and wife of PW5, Thankappan. Her evidence is that she at first tried to take a loan to construct a house but on the advice of Ramakrishnan, she transferred 10 cents of land to Sini, her daughter, and application for loan moved.

15. PW10 examined in this case was A.T.Sini. Her evidence is that she was now married and her husband is a lorry driver and in 1998-1999 period, she was a student of B.Com and she has been studying in the Co-operative College. Her father had no income or job and they intended to construct a 600 sq. ft. house and Ravi offered help to avail loan and said that he is a friend of Ramakrishnan and her further evidence is that Ravi, who is the husband of her mother's younger sister and as per the request of the 1st accused, 10 cents of land transferred to her by the mother of her and her further evidence is that Ravi and Indira took her from college to Vishnu Construction's office. There was one Valsa and along with Valsa she had gone to the bank and two photographs of her and a photocopy of the ration card and Rs.1,000/- was given to the Manager and she gave the



signature after filing the application forms as directed by the 1st accused and she identified the signatures and marked documents and he also got signatures in unfilled papers and got her signatures in five or six blank cheque leaves and it was given to the Manager. No amount received. Her further evidence is that she also went to the house of Ramakrishnan at about 7 p.m. and gave signatures in unfilled papers.

16. PW11 examined was one Suresh and his evidence is that, he is the brother of Pushpalatha and she was offered a job at Vishnu Constructions and a loan was availed by him as well as by her sister. His evidence is that no amount received. PW12 is the said Pushpalatha, who deposed that she worked as a typist in the Vishnu Constructions. PW13 is Shijeesh Kumar. He was an attesor to the search and the certified copy of the search list is marked as Ext.P57. The attendance register got marked as Ext.P56, which is the attendance register seized as per the said list.

17. PW14 examined was one Vishwanathan. He was also an attesor to the search conducted at the house of Ramakrishnan. PW15 examined was one C.V.Thomas, who was a clerk in the Canara Bank, Sultan Battery branch from



July, 1995 to April, 2005. His evidence is that during that period there was one Cashier namely Narayanan and he is no more. During 1997-1998 period the 1st accused was the Manager and he identified the signature and handwriting of Ramakrishnan and he worked with him for three years and he identified the signature and handwriting of Ramakrishnan in the documents. He further deposed that, the amounts as per Exts.P47, P49, P50, P51 and P52 were paid by Narayanan. His statement before the departmental enquiry officer is marked as Ext.P59. He also deposed that as per Ext.P48, the amount was given by him and it was given to Ramakrishnan.

18. PW16 deposed that, she was the person who introduced Sini to start SB account. She marked Ext.P45. PW17 is Kunjappan, who conducted the enquiry and marked Ext.P60. His evidence is that he had gone to the house plot of Sini and also taken the statement of concerned persons. He also deposed regarding the procedure to be adopted for sanctioning of loan and disbursing of amount. He further deposed that there was no application to release of loan amount in this case.



19. PW18 examined was Sri.Boby, whose evidence is that she is a Diploma holder in Civil Engineering and worked in the firm of Ravi. She was declared as hostile. She admitted that she encashed a cheque on behalf of Ravi. PW19 was the retired General Manager, who granted sanction to prosecute the 1st accused. PW20 conducted a search in the house of Ravi, the 2nd accused. PW21 is the investigating officer, who seized documents and conducted search and investigation in this case.

20. On re-appreciation of evidence, it could be seen that, a housing loan was sanctioned in the name of Miss.Sini A.T (PW10) on the strength of Ext.P33 agreement executed between PW9 and the 2nd accused to construct a house in the property in the name of PW10, the daughter of PW9. At the same time, an account was opened in the name of PW10 and cheque book also was issued. Thereafter, the loan was sanctioned and credited to the account of PW10. Thereafter, as deposed by PW18, Ext.P48 cheque for Rs.5,000/- dated 19.09.1998, Ext.P49 cheque for Rs.58,000/- dated 06.10.1998, Ext.P50 cheque for Rs.34,000/- dated 17.09.1998, Ext.P51 cheque for Rs.50,000/- dated



23.09.1998 and Ext.P52 cheque for Rs.25,000/- dated 10.10.1998 were encashed by PW18 and handed over to the 2nd accused. That apart, Rs.1,25,000/- in the name of the 1st accused as per the cheque dated 02.09.1998 marked as Ext.P47 was directly credited in the account of the 1st accused. Thereafter, no house construction was effected, though accused Nos.1 and 2 misappropriated the said sum.

21. Now, in view of Civil Court decree, the liability is upon PW10 and on her property. Thus, the contention raised by the learned counsel for the appellant/2nd accused that, no misappropriation in this case, in view of Civil Court decree also would not yield, since PW10 is ultimately the loser in this misappropriation and the accused persons are the persons gained out of the same. Thus, on re-appreciation of the entire evidence, I am of the considered view that the Special Court is right in holding that the accused committed offence punishable under Section 120B of IPC read with Section 13(2) read with 13(1)(d) of the P.C. Act, 1988. Therefore, the conviction entered into by the learned Special Judge is only to be confirmed. Considering the request sought for by the learned counsel for the 2nd



accused, I am of the view that some leniency in the matter of sentence can be considered.

22. In the result, this appeal stands allowed in part. The conviction imposed by the learned Special Judge stands confirmed. Coming to the sentence imposed against the 2nd accused/appellant is concerned, I am inclined to modify the same. Accordingly, the 2nd accused/appellant is sentenced to undergo rigorous imprisonment for a period of one year and to pay a fine of Rs.50,000/- and in default to undergo rigorous imprisonment for two months, for the offence under Section 120B of the IPC read with Section 13(2) read with 13(1)(d) of the P.C. Act, 1988.

23. The order suspending sentence and granting bail to the 2nd accused stands vacated, with direction to the 2nd accused to appear before the Special Court, forthwith, to undergo the modified sentence, failing which, the Special Court is directed to execute the modified sentence, without fail.

Registry is directed to forward a copy of this judgment to the Special Court, forthwith, for information and



2026:KER:1008

CrL.A. No. 178 of 2010

19

compliance.

SK

**Sd/-
A. BADHARUDEEN
JUDGE**