

Assistant Director vs No.1 & 2 : 1. J.V.Ramaiah on 29 July, 2022

IN THE COURT OF THE XXXII ADDL. CITY CIVIL &
SESSIONS JUDGE AND SPL. JUDGE FOR CBI CASES
AT BENGALURU (CCH-34)

Dated 29th July, 2022

—: PRESENT :—

Sri.H.A.Mohan, B.A.L., LL.B.
XXXII Addl. City Civil & Sessions Judge
and Spl. Judge for CBI Cases, Bengaluru

Spl.C.C.No.69/2018

COMPLAINANT : Assistant Director
Directorate of Enforcement
Government of India
Ministry of Finance
Department of Revenue
3rd Floor, 'B' Block, BMTC,
Shanthinagar, K.H.Road,
Bengaluru-560 027.

(By Spl. Public Prosecutor)

—vs—

ACCUSED NO.1 & 2 : 1. J.V.Ramaiah
Aged about 64 years
S/o Sri.Venkatarayappa
No.11, 'Manasa', 17th Cross
13th Main, 5th Phase,
J.P.Nagar,
Bengaluru-560 078.
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2. Smt.M.Lalitha @ Lalithamma
Aged about 59 years
W/o Sri.J.V.Ramaiah
No.11, 'Manasa', 17th Cross
13th Main, 5th Phase,
J.P.Nagar,
Bengaluru-560 078.

(A1 & A2 By Sri.M.Ganghadra
Shetty, Advocate)

Date of commission of the : 29.09.2009 (As per FIR
offence/s : registered by Lokayukta

Police)

Offences charged : Section 3 and 4 of the
Prevention of Money
Laundering Act, 2002.

Name of the Complainant : Enforcement Directorate,
Bengaluru

Date of commencement of
the evidence : 14.03.2019

Evidence of prosecution
closed on : 22.01.2021

Statement of accused u/S
313 of Cr.P.C. : 01.03.2021

Evidence of accused closed
on : 25.01.2022

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Final Verdict : Accused No.1 & 2 convicted

(H.A.Mohan)
XXXII Addl.C.C. & S.J. and
Special Judge for CBI Cases, Bengaluru.

JUDGMENT

This case emanates from the written complaint filed by Directorate of Enforcement, Bengaluru, represented by its Assistant Director, Government of India, under Section 45(1), 3, 4 and 8(5) of the Prevention of Money Laundering Act, 2002.

2. The case of the prosecution in brief is that, the complainant is the Assistant Director, Directorate of Enforcement, Government of India, Ministry of Finance, Department of Revenue, working in the office of the Joint Director, Directorate of Enforcement having its office at 3 rd 4 Spl.C.C.69/2018 Floor, 'B' Block, BMTC, Shanthinagar, K.H.Road, Bengaluru. It is contended that the complainant is a public servant and this complaint is being filed by virtue of powers conferred vide Notification No.GSR 441(E) dated 01.07.2005, as amended by GSR 579(E) dated 29.08.2013 read with Govt. of India, Ministry of Finance, Dept. of Revenue letter in F.No.6/14/2008□ES dated 11.11.2014.

3. It is further contended that this Hon'ble Court is empowered to try the offence under Section 4 of PMLA read with Notification No.S.O.372(E) dated 05.02.2016. This Hon'ble Court is constituted under Section 43(1) of the Act for the purpose of Section 44(1)(d), 46(1) of the Act read with Chapter XVIII of the Cr.P.C., 1973.

4. It is further contended that PMLA is an Act passed by the Indian Parliament to prevent Money 5 Spl.C.C.69/2018 Laundering and to provide for confiscation of property derived from, or involved

in, money laundering and for matters connected therewith or incidental thereto. PMLA came into force vide Notification No.GSR No.436 (E) dated 01.07.2005 issued by Govt. of India. Directorate of Enforcement, Department of Revenue, Ministry of Finance, is an investigating agency of the Government of India and is entrusted with the powers and authority to investigate and enforce the provisions of PMLA in terms of Notification No.GSR/441(E) dated 01.07.2005, as amended by GSR 579(E) dated 29.08.2013 issued by the Government of India.

5. It is further contended that the genesis for this complaint is that the Karnataka Lokayukta, Kolar registered FIR No.07/2009 dated 29.09.2009 filed under Section 13(1)(e) read with 13(2) of the Prevention of Corruption 6 Spl.C.C.69/2018 Act, 1988 against Sri.J.V.Ramaiah, Accused. Subsequently, Charge Sheet No.08/2012 dated 28.06.2012 against the accused Sri.J.V.Ramaiah was filed by the Dy. Superintendent of Police, Karnataka Lokayukta, Kolar in the Hon'ble District Sessions Court, Kolar. The contravention of Section 13(1)(e) read with 13(2) of P.C.Act, 1988 is a Scheduled Offence, within the meaning of Sections 2(1)(x) and 2(1)(y) of the PMLA and hence, the office of the complainant registered the case against the Accused vide case No.ECIR/06/BZ/2009 dated 29.09.2009 to investigate under the provisions of PMLA.

6. It is further contended that as per charge sheet No.08/2012 dated 28.06.2012 filed by the Karnataka Lokayukta, Kolar, the role played by the accused in the commission of scheduled offence within the meaning of Sections 2(1)(x) and 2(1)(y) of the PMLA has been 7 Spl.C.C.69/2018 explained. On 30.09.2009, the officials of Karnataka Lokayukta conducted searches at the residence and office of the Accused and his native place and also his sister's house and recovered and seized certain documents, cash, gold and silver pertaining to the accused and his family members. As per the said charge sheet, the Accused No.1 was working as ARTO, RTO Office, Nagamangala, Mandya and the income earned by him from all the sources during the check period from 20.11.1978 to 29.09.2009 was Rs.73,42,143/□ During this period, the Accused acquired assets worth Rs.1,00,75,844/□and incurred an expenditure of Rs.96,90,228/□during the relevant period, which indicates that acquisition of assets was from income which is disproportionate to his known sources to an extent of Rs.1,24,23,929/□

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7. It is further contended that in the process of investigation under PMLA, Sri.J.V.Ramaiah □ Accused No.1, his wife Smt.M.Lalitha @ Lalithamma □Accused No.2, his daughter Miss.Manasa Rani and his brother□In□law □Sri.M.Varadaraju were examined under Section 50(2) & (3) of PMLA and also relevant documents were collected.

8. It is further contended that during the course of investigation under PMLA, it was revealed that the following immovable properties in the Table 'A' below are held by Sri.J.V.Ramaiah (Accused No.1), either in his name or in the name of his wife Smt.M.Lalitha @ Lalithamma (Accused No.2) and daughter Miss.Manasa Rani.

Sl. No.	Particulars of Properties	Value which the	at	In name	whose the	Date of acquisition	Total Value of Site and
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	property acquired as per the registered sale deed (Rs.)	property stands	of property	the	of constructed building (Basis Valuation Report) (Rs.)
		9		Spl.C.C.69/2018	
1	No.11, 'Manasa', 10,000 17th Cross, 13th (purchased Main, 5th Phase, JP old house) Nagar, Bengaluru- 560078 measuring 30 ft. X 45 ft. registered vide sale deed No.193/1983- 84 dated 07.04.1983 with Sub-Registrar, Bangalore South Taluk and building constructed thereon with 3 floors	Shri.J.V. Ramaiah (Subsequentl y gifted to his daughter Miss.Manasa Rani on 25.11.2010)	07.04.1983	5,10,000	(Rs.5,00,000 valuation of building + Rs.10,000) cost of ready built old house)
2	No.217, 9th Main 42,990/- Road, 1st Block, HRBR Layout, Kalyan Nagar, Bangalore measuring 40 ft. X 60 ft. registered vide Sale Deed No.3088/2009-10 dated 17.02.2010 with Additional District Registrar, Bangalore Development Authority and building constructed thereon with 3 floors	Shri.J.V.Ram aiah	02.03.1985	8,25,217/- (Allotted (Rs.7,82,227 by BDA /- valuation and of building + registered Rs.42,990/- vide lease cost of site) cum sale agreement No.2518/ 86-87)	
3	Agriculture land of 82,000/- 2 acre, 34 guntas at Sy.No.245/6, Koorigepalli Village, Srinivasapura Taluk, Kolar Dist. registered vide Sale	Smt.Lalitha	10.11.1999	52,22,000/- (Rs. 51,40,000/- valuation of building + Rs.82,000/- cost of land)	
		10		Spl.C.C.69/2018	

	Deed No.2094/1999 -2000 dated 10.11.1999 with SR0, Srinivasapura and 3 floor building constructed with farm house cum residential house			
4	Agriculture land of 40,000 10 guntas at Sy.No.245/2, Koorigepalli Village, Srinivasapura Taluk, Kolar Dist. registered vide sale deed No.334/2002- 03 dated 15.04.2002 with SR0, Srinivasapura	Smt.Lalitha	15.04.2022	40,000
5	Khatha 65,000 No.1009/963 (Old Khata No.963/638) K.R.Extension, Chintamani, Karnataka, ready built property (10 $\frac{3}{4}$ X 8 $\frac{1}{2}$ sq.ft.) of 2 floors, registered vide Sale Deed No.3152/1995-96 dated 29.01.1996 with SR0, Chintamani	Smt.Lalitha	29.01.1996	65,000/-
6	Municipal Khata 6,000 No.1848/1499, Rajabowi Colony, Chintamani, Karnataka, registered vide Sale	Smt.Lalitha	07.01.1987	,65,640 (6,000 cost of the site + 3,59,640/- cost of construction)
		11	Spl.C.C.69/2018	

Deed
No.1927/1986-87
dated 07.01.1987
with SR0,
Chintamani and
building constructed
thereon

9. It is further contended that during the course of investigation under PMLA, Accused No.1 was examined on 07.03.2017, under Section 50(2) & (3) of PMLA, wherein he inter alia, stated that on 30.09.2009, officials of Lokayukta, Government of Karnataka conducted search on his residential premises at Bengaluru, his office premises, at his native place (Koorigepalli) and at his sister's house in Chintamani and they recovered and seized certain documents, Rs.10,000/- in cash, some grams of gold and silver pertaining to him and his family members and after the search, he was suspended by the department for 20 months and reinstated later and that he retired from service on 30.06.2012.

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10. It is further contended that in respect of property in Table 'A' above, "Manasa", 17th Cross, 13th Main, 5th Phase, J.P.Nagar, Bengaluru-560 078 measuring 30 ft. X 45 ft. , Accused No.1 in his statement dated 07.03.2017 stated that he bought the house consisting of ground floor for Rs.10,000/- that the source for the said amount is salary savings and subsequently, he constructed 1st floor and 2nd floor during the year 1985 and that the amount spent on construction was Rs.2,00,000/- that the source for the said amount was Rs.50,000/- from his salary savings and the remaining Rs.1,50,000/- was arranged from hand loans from his friends, that the ground floor consists of 2 portions and both have been rented out; that the first floor consists of 2 portions and both have been rented out; that the first floor of 2 portions, in one portion he is staying with his family and the other portion has been rented out, the 2nd floor consists of one single room, which is used by them and that he has declared the rental income in income tax returns. Subsequently, he had gifted the said property to his daughter Miss.Manasa Rani on 25.11.2010 vide gift deed No.6356/2010-1 dated 25.11.2010 registered with SRO, Bommanahalli, Bangalore. In due course of investigation, Miss.Manasa Rani D/o Accused No.1 was examined on 21.03.2017, under Section 50(2) and (3) of PMLA, wherein she stated that the said property was gifted to her by her father (Accused No.1) and that she had not paid any amount to her father as the same was gift.

11. It is further contended that when Accused No.1 was questioned regarding the difference in amount of expenditure for construction as stated by him and as arrived by Lokayukta (i.e. Rs.5 lakhs), Accused No.1 stated that the Lokayukta had valued the property more than the actual 14 Spl.C.C.69/2018 expenditure and except this he had nothing more to state.

12. It is further contended that in his further statement dated 29.05.2017, accused No.1 stated that the purchase consideration of Rs.10,000/- towards the purchase of this immovable property was paid in cash. Further, Accused No.1 failed to submit any documentary evidence for amount of Rs.1,50,000/- taken as hand loans from his friends for the sake of construction.

13. It is further contended that in respect of property mentioned at Sl.No.2 above, as per the documents, Accused No.1 has acquired said property for a consideration of Rs.42,990/- Accused No.1 in his statement dated 07.03.2017 stated that he had been allotted BDA site for which he had paid Rs.40,000/- in 1986 and the said amount was paid out of his salary savings. Further, he constructed 15 Spl.C.C.69/2018 building with 3 floors (portions) and the same completed in 1992

for which the total construction expenditure was Rs.4,25,000/- he availed House Building loan of Rs.1,36,000/- from HDFC Bank in 1991 through his department, Rs.1,50,000/- as hand loans from his friends and the balance Rs.1,39,000/- from his salary savings. Further, he stated that he repaid the house building loan taken from HDFC bank in 2006 and the ground floor consists of 1 portion, 1 floor consists of 2 portions and the 2nd floor (terrace) consists of one single room. He had rented out all these 4 portions; the rental income was sometimes received by cash and sometimes received by cheque and credited to his account No.045920143219 with Syndicate Bank, Banaswadi Branch, Bengaluru and that he had declared the rental income in his income tax returns.

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14. It is further contended that when Accused No.1 was questioned regarding the difference in amount of expenditure for construction as stated by him and as arrived by Lokayukta (i.e. Rs.7,82,227/-), Accused No.1 stated that the Lokayukta had valued the property more than the actual expenditure and except this he had nothing more to state.

15. It is further contended that in his further statement dated 29.05.2017, Accused No.1 stated that the sale consideration of Rs.40,000/- for purchase of this property was paid in cash to the BDA, later, in between the years 1989 to 1992, he started to construct a house on this site out of the loan of Rs.1,36,000/- approx. sanctioned from the department and the remaining amount of Rs.1,50,000/- approx. was taken from his friends as hand loan, for which he does not have any documentary evidence and that he had not repaid the above said hand loans yet.

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16. It is further contended that in respect of property of agriculture land of 2 acres, 34 guntas at Sy.No.245/6, Koorigepalli Village, Srinivasapura Taluk, Kolar Dist., Accused No.1 in his statement dated 07.03.2017 stated that his wife Smt.Lalithamma (Accused No.2) purchased the said land for Rs.82,000/- from her savings out of her earnings of about Rs.4,000-5,000/- per month from preparation of house made condiments at home. He further stated that she constructed a 3 floor farm house cum residential house measuring 45 ft. X 80 ft. in the said land for Rs.30,00,000/- that his father-in-law G.Muniswamy, who was a building contractor was having ancestral land in Chintamani and he gave the said ancestral land as stridhan to his wife Smt.Lalitha and due to communal clash in Kambalapalli of Chintamani Taluk, the Government of Karnataka through Social Welfare Department took over the land and paid 18 Spl.C.C.69/2018 compensation of about Rs.14,40,000/- (same has been received by 4 cheques and credited into his wife Smt.Lalithamma's account No.21596, new No.15012200034012 with Syndicate Bank, Kolar), which she utilised for construction along with housing loan of Rs.15,30,000/- sanctioned from State Bank of Mysore, Koorigepally Branch and the remaining amount of Rs.30,000/- was from her agriculture income. The construction commenced during 2004-05 and completed in the year 2008, the ground floor consists of 2 portions, one is farm house and the other portion has been rented out to State Bank of Mysore, Koorigepalli, Branch. His wife gets agriculture income of Rs.4-5 lacs per annum and she has declared the agricultural income in her income tax returns.

17. It is further contended that when Accused No.1 was questioned regarding the difference in amount of 19 Spl.C.C.69/2018 expenditure for construction as stated by him and as arrived by Lokayukta (i.e. Rs.51.40 lakhs), Accused No.1 stated that the Lokayukta had valued the property more than the actual expenditure and except this he had nothing more to state.

18. It is further contended that during the course of investigation under PMLA, Smt.M.Lalitha (Accused No.2) was examined on 21.03.2017 under Section 50(2) and (3) of PMLA, wherein she stated that whatever stated by her husband regarding the source of income for purchase and construction for the said property is true and correct and reiterated that the construction cost for the building is Rs.30,00,000/-. Further, Accused No.2 stated that she used to prepare home made foods in her home and the same was stopped in the year 2015 as she was not keeping good health. Further stated that she did not have any license for home made food business nor she has any receipts for sale 20 Spl.C.C.69/2018 of items and also for agricultural income, she submitted a copy of valuation certificate issued by Assistant Director (Silk), Srinivasapura Division for the period 1999-2000 to 2009-10 showing amount of Rs.7,28,711/- for rearing of silk. Regarding the difference in amount of expenditure for construction as stated by her and as arrived by Lokayukta (i.e. Rs.51.40 lakhs), Accused No.2 stated that the Lokayukta had valued the property more than the actual expenditure and except this she had nothing more to state.

19. It is further contended that in respect of property of agriculture land of 10 guntas at Sy.No.245/2, Koorigepalli Village purchased for a consideration of Rs.40,000/- in the name of Lalithamma, Accused No.1 in his statement dated 07.03.2017 stated that his wife (Accused No.2) purchased the said land for an amount of Rs.40,000/ out of her agriculture income.

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20. It is further contended that Smt.M.Lalitha @ Lalithamma (Accused No.2) vide her statement dated 21.03.2017 stated that whatever stated by her husband regarding the source of income for purchase and construction of the said property are true and correct and she does not have any proof for her agricultural income.

21. It is further contended that in respect of property at Khatha No.1009/963, K.R.Extension, Chintamani measuring 10 $\frac{3}{4}$ X 8 $\frac{1}{2}$ sq.ft. with building thereon registered in the name of Smt.Lalithamma, Accused No.1 in his statement dated 07.03.2017 stated that the purchase consideration of Rs.65,000/- for the said property was paid by his brother-in-law Sri.Varadaraju and the said property, which is of 2 floors has one shop in each floor and both have been given on rent and that Sri.Varadaraj is taking the rental income out of the said property. Accused No.2 vide 22 Spl.C.C.69/2018 her statement dated 21.03.2017 stated that whatever stated by her husband regarding the source of income for purchase of the said property are true and correct.

22. It is further contended that Sri.M.Varadaraju, brother-in-law of Accused No.1 was examined on 29.05.2017 under Section 50(2) and (3) of PMLA and in his statement, he stated that out of the sale consideration of Rs.65,000/- paid in cash, he paid Rs.45,000/- and the remaining Rs.20,000/- was paid by his sister Smt.Lalitha (Accused No.2) and the source of funds for Rs.45,000/- was his

savings. He bought this property in the name of his sister because of trust that he does not have any documentary evidence to explain his earnings for such a purchase.

23. It is further contended that, from the above it is seen that there are contradictions in the statements of 23 Spl.C.C.69/2018 Accused No.1 and Sri.M.Varadaraju regarding the source of funds for the purchase of the immovable property at Sl.No.5. However, neither Accused No.1 nor his wife Accused No.2 could submit any documentary proof for the amount of Rs.65,000/□paid by Sri.Varadaraju nor Sri.Varadaraju could submit any evidence for payment of Rs.45,000/□paid towards the purchase of property.

24. It is further contended that in respect of property at Municipal Khatha No.1848/1499, Rajabowi Colony, Chintamani in the name of Smt.Lalithamma, Accused No.1 in his statement dated 08.03.2017 stated that the purchase consideration of Rs.6,000/□for the said property was from his salary savings. Subsequently constructed building with 2 portions for Rs.1,50,000/□and the said amount of Rs.1,50,000/□was given by his wife's brother Sri.Varadaraju and the said 2 portions have been leased out to different 24 Spl.C.C.69/2018 persons for shops.

25. It is further contended that Accused No.2 in her statement dated 21.03.2017 differed with her husband's (A1) statement dated 07.03.2017 and stated that the said property was purchased from her savings by selling of homemade foods and one building in the said land with 2 portions was constructed with the building cost of Rs.1,00,000/□and not Rs.1,50,000/□as stated by her husband in his statement dated 07.03.2017 and her contribution is Rs.50,000/□given out of her agriculture income, and her younger brother Sri.Varadaraju has contributed remaining Rs.50,000/□and the said 2 portions have been leased out to different persons for shops.

26. It is further contended that in his further statement dated 29.05.2017, Accused No.1 stated that the 25 Spl.C.C.69/2018 sale consideration of Rs.6,000/□for purchase of this property was paid in cash. Sri.M.Varadaraju in his statement dated 29.05.2017 stated that for the construction of the said building, he gave Rs.1,50,000/ by cash for the construction work. He does not have any documentary evidence for payment of the said amount of to his sister. Accused No.1 and his wife/Accused No.2 also failed to submit any documentary proof in support of the said amount and also not able to submit any proof for sale of home made food items, which were stated to be the source of income for purchase of this immovable property.

27. It is further contended that as Accused No.1 failed to adduce documentary evidence for the source of income with regard to purchase of above immovable properties and construction thereon, the immovable properties were acquired by Accused No.1 out of the income 26 Spl.C.C.69/2018 disproportionate to his known sources, which forms proceeds of crime in view of the above narrated and has utilized the same for his personal expenses by projecting the same as untainted properties. Moreover, it is seen from the charge sheet filed by the Lokayukta in the scheduled offence that income of Accused No.1 from all known sources of income during the check period i.e. 20.11.1978 to 29.09.2009 was Rs.73,42,143/□ During the relevant period, Accused No.1 acquired assets worth Rs.1,00,75,844/□and incurred an expenditure of Rs.96,90,228/□which indicates that acquisition of assets was from income which is disproportionate to his known sources to an extent of

Rs.1,24,23,929/□

28. It is further contended that Sri.J.V.Ramaiah(Accused No.1) has been charged by the Lokayukta, Kolar for amassing wealth by illicit means by 27 Spl.C.C.69/2018 committing offences under Section 13(1)(e) read with 13(2) of Prevention of Corruption Act, 1988, which are scheduled offences under the PMLA. The Accused No.1 by committing the said offences received amounts totaling to Rs.1,24,23,929/□disproportionate to his known sources of income, misappropriated and utilized by projecting the same as untainted for acquiring the immovable properties as shown in Table at Sl.No.(1) to (6) in his name and in the name of his wife Smt.Lalitha (Accused No.2).

29. It is further contended that in view of the investigation conducted by the complainant and also from charge sheet filed by the Lokayukta, Kolar, it can be seen that during the period 1978 to 2009, Accused No.1 amassed wealth by illicit means by committing the offences under Section 13(1)(e) r/w 13(2) of Prevention of Corruption Act, 1988 and misappropriated the same for acquiring 28 Spl.C.C.69/2018 immovable properties in his name and in the name of his wife by projecting and laundering such proceeds of crime as untainted money.

30. It is further contended that the immovable properties acquired by the Accused No.1 in his name and in the name of his wife (A2) comes within the definition of Section 2(1)(u) of the PMLA and the same were provisionally attached by the complainant under Section 5(1) of PMLA vide Provisional Attachment Order (PAO) No.07/2017 dated 19.06.2017 and immediately forwarded the copy under Section 5(2) of the Act to the Hon'ble Adjudicating Authority(PMLA). Subsequently, complaint was filed under Section 5(5) before the Adjudicating Authority under PMLA, Ministry of Finance, New Delhi vide O.C.No.791/2017 with the prayer to confirm the said PAO and the Hon'ble Adjudicating Authority has given an 29 Spl.C.C.69/2018 opportunity to the Accused No.1 and 2 under Section 8(1) of the Act and thereafter, was pleased to confirm the same under Section 8(3) of PMLA vide order dated 17.11.2017, stating that the properties attached were involved in money laundering.

31. It is further contended that as provided under Section 8(4) of the Act r/w Rule 5(2) of the Prevention of Money Laundering (Taking possession of attached of frozen properties confirmed by the Adjudicating Authority) Rules, 2013 possession of the said attached properties is being taken.

32. It is further contended that it is evident that during 1978□2009, the Accused No.1 had directly indulged in a process connected with the proceeds of crime, as stated in the said charge sheet, immovable properties totally 30 Spl.C.C.69/2018 valued at Rs.70,27,857/□could be identified, by projecting the same as untainted property, thereby has committed the offence of money laundering as defined under Section 3 of PMLA and rendered himself liable for punishment under Section 4 of PMLA.

33. It is further contended that the Accused No.2(wife of Accused No.1) has knowingly assisted Accused No.1 in the process connected with the proceeds of crime to be projected as untainted property and thereby committed the offence of money laundering as defined under Section 3 of PMLA and rendered herself liable for punishment under Section 4 of PMLA.

34. It is further contended that an application is being filed before the Hon'ble District Sessions Court, Kolar under Section 44(1)(c) of PMLA praying to commit/transfer 31 Spl.C.C.69/2018 to this court the entire case records relating to the trial relating to Charge Sheet No.08/2012 dated 28.06.2012 filed by Dy. Superintendent of Police, Karnataka, Lokayukta, Kolar and then this court to proceed with the matter in accordance with law.

35. On presentation of this complaint, my learned predecessor has taken cognizance of the offence punishable under Section 3 r/w Section 4 of PML Act. Thereafter, ordered to issue summons to Accused No.1 and 2. In response to the summons issued, Accused No.1 and 2 appeared along with their Advocate and they were enlarged on bail. Thereafter, my learned predecessor has framed the charges for the offences within the meaning of Section 3 and punishable under Section 4 of PML Act. Since the accused have pleaded not guilty, trial for recording the evidence was fixed.

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36. In order to establish the case of the complainant/prosecution, Sri.Johnson K.George, Retired Assistant Director of Enforcement, has been examined as PW1 and got marked Ex.P.1. Sri.J.Subramanian, Deputy Director of Enforcement has been examined as PW2 and got marked Ex.P.2 and P.3. Sri.Ganghadaran, Retired Assistant Director has been examined as PW3 and got marked Ex.P.4. Sri.V.G.Thomas, Assistant Director has been examined as PW4 and got marked Ex.P.5 to P.31.

37. Thereafter, statement under Section 313 Cr.P.C. has been recorded by putting the incriminating evidence available against Accused No.1 and 2. The accused have denied the incriminating questions put to them.

38. Thereafter, Accused No.1 himself has been examined as DW1 and got marked Ex.D.1 to D.86. During 33 Spl.C.C.69/2018 the course of cross examination of DW1, the prosecution got marked Ex.P.32 to P.36 and closed his side evidence.

39. Heard the arguments of learned previous Spl.Public Prosecutor Sri.Ashok Naik in part and later Sri.Mahesh Kaje in full. Heard the arguments of learned counsel Sri.M.G.S. for the Accused No.1 and 2.

40. The points that would arise for my consideration are:

1. Whether the prosecution/ complainant proves beyond all reasonable doubt that the accused No.1 and 2 have committed the offence of Money Laundering within the meaning of Section 3 and punishable under Section 4 of PML Act, 2002?
2. What order?

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41. My findings on the above points are as under:

Point No.1 : In the affirmative Point No.2 : 'As per final order' for the following:

REASONS

42. POINT NO.1: This is a Special Enactment passed by the Parliament in order to prevent the illegal money transactions, which is called as Money Laundering. The economy and development of the country is depending upon the honest money transactions. If the public servant or anybody are allowed to make illegal transactions by suppressing the rule of law, then the economy of the country will be weakened and there will be disharmony in the Society and some people will enrich by themselves by adopting illegal methods and majority of people will have to suffer without having sufficient monetary help. With this background, the Act has been enacted.

43. Section 3 of the Money Laundering (Amended) Act reads as under:

3. Offence of money laundering.--

Whosoever directly or indirectly attempts to indulge or knowingly assists or knowingly is a party or is actually involved in any process or activity connected with the proceeds of crime and projecting it as untainted property shall be guilty of offence of money laundering.

44. The said provision specifically explains as to why all the criteria to be considered as to whether a person is guilty of offence of money laundering. In this background, this case is required to be dealt with.

45. The learned Spl. Public Prosecutor Sri.Ashok Naik in the beginning has argued that admittedly the item 36 Spl.C.C.69/2018 Nos.1 and 2 properties are standing in the name of Accused No.1. Items No.4 to 6 are standing in the name of Accused No.2, who is the wife of Accused No.1. The Accused No.1 was a public servant and he is duty bound to explain as to how he acquired the item Nos.1 and 2. Section 24 of the PMLA deals with reverse burden. Since the prosecution has able to discharge initial burden with regard to the fact that the properties item No.1 and 2 are standing in the name of Accused No.1, it is for him to give proper evidence as to how he acquired the said properties and what is his source of income. But, as per the charge sheet filed by Lokayukta and also material collected by Enforcement Directorate during the course of investigation and also while recording the statement under Section 50(2) of PML Act, the Accused No.1 has failed to explain the source of income to acquire those properties. Therefore, he has failed to discharge his 37 Spl.C.C.69/2018 reverse burden. Therefore, the court can presume that the said properties were acquired out of illegal or tainted money. Therefore, the complainant has proved the case.

46. It is further argued that in respect of item No.3 to 6 are concerned, they are standing in the name of Accused No.2. Even though the Accused No.1 and 2 during the course of their statement recorded under Section 50(2) of PML Act, have stated that out of the separate income of the Accused No.2, those properties were acquired, but admittedly the Accused No.1 has not declared the

acquisition of the said properties in the name of his wife, before the competent authority. That apart absolutely no material has been placed to show that the Accused No.2 was preparing home made foods and out of profit received by selling the homemade foods, she had acquired some of the properties and also acquired some of the properties out of 38 Spl.C.C.69/2018 the money given by her parental house. What prevented the Accused No.1 to disclose the same in his Assets and Liabilities Statement before his competent authority has not been explained at all.

47. Further, new Spl. Public Prosecutor Sri.Mahesh Kaje continued his arguments and highlighted as to various documents produced by the prosecution and also the documents produced by the accused. It has been argued that no proper explanation has been given by the accused to substantiate the contention that the properties were acquired out of legal source of income. Only after conducting raid by the Lokayukta police, the Accused No.2 started declaring her assets before the Income Tax Authority, that shows that in order to suppress the material fact with regard to acquisition of item Nos.3 to 6 in an illegal manner and out of the tainted money, it appears she 39 Spl.C.C.69/2018 started filing the Income Tax Returns at the instance of Accused No.1. But that is not sufficient to discharge the reverse burden. Further, since this is a special enactment and when initial burden is discharged, it is for the accused to give proper evidence to prove their contention to show that the properties were acquired in a legal manner and since they have failed to give proper explanation, their contention cannot be accepted. If the documents produced by Accused No.1 during the course of his evidence are carefully perused, coupled with his admissions elicited during the course of his cross-examination, they would clearly show that there is no basis for so called rental agreements said to have been taken place for the purpose of showing that the Accused No.1 was getting rentals and also got hand loan from his colleagues and friends for the purpose of acquiring the properties and also for 40 Spl.C.C.69/2018 construction of house buildings. The said documents themselves clearly shows that they are concocted and fabricated only for the purpose of this case and not with any good intention. Since the Accused No.1 has failed to place material to show that he had obtained prior permission from his Department to borrow the loan from his colleagues and other persons or reported the same to his department after borrowing the loan, the same cannot be believed and accepted. What prevented him to obtain prior permission from his department to borrow hand loans on many occasions from his friends, has not been explained at all. Even with regard to rentals also, he has not placed any material to show that the same was declared before his authority. Therefore, the Accused No.1 being a Government servant was duty bound either to take prior permission or to declare the same in his Assets and Liabilities statement filed 41 Spl.C.C.69/2018 every year with regard to the said aspect. Failing to comply the Rules as per Conduct Rules, amounts to misconduct.

48. It is further argued that no suggestion has been made to PW4 with regard to valuation. The Accused No.1 has failed to place material to show that estimation was prepared for a particular amount to construct the building. So, in the absence of contrary documents, estimation prepared by competent engineer is to be believed and accepted.

49. The learned counsel for the Accused Sri.M.G.S. has argued that in a criminal trial whatever may be the presumption available and reverse burden is there against the accused, it is the burden on the part of the prosecution to prove its case beyond all reasonable doubt. But, here in this case,

prosecution has failed to establish its case by 42 Spl.C.C.69/2018 placing cogent, convincing and satisfactory evidence. The evidence adduced by Accused No.1 and the admissions elicited during the course of cross-examination of PW4 would show that the Accused No.1 has assisted the prosecution during the course of investigation. The properties were acquired much prior to the Act came into force. Therefore, it cannot be assumed that the accused should retain all those documents with regard to borrowing of loan from his colleagues and friends and also with regard to other source of income.

50. It is further argued that of course the Accused No.2 has not placed any material with regard to preparing of home made foods and selling of the same and having independent source of income to acquire several properties in her name. But, it is very difficult to maintain the said documents at this point of time. However, the Accused 43 Spl.C.C.69/2018 No.1 has placed material to show that after income crossed the limits, she started filing IT returns to the Department, wherein she has declared her source of income to acquire the properties. Further, her brother has helped her financially to purchase some properties. She got compensation from the Government with regard to acquisition of her parental property. Her parental family members voluntarily gave the money in favour of Accused No.2. Therefore, out of that amount buildings were constructed. It is their will and wish to pay the money to Accused No.2 and that cannot be questioned by the complainant.

51. It is further argued that she was having agricultural income by rearing sheep and also by raising other crops. In that regard, available documents have been produced and they clearly establish that she was having 44 Spl.C.C.69/2018 source of income. Therefore, the contention taken by the complainant that the properties at item No.3 to 6 acquired by Accused No.2 is out of the ill-gotten money of the Accused No.1, which was acquired while discharging his official duty, cannot be believed and accepted. Just because there is a presumption and reverse burden, the accused cannot be compelled to adduce evidence. When the complainant has failed to place sufficient material to prove its contention, the reverse burden does not come against the accused. Accordingly, prayed to acquit the accused.

52. In order to substantiate the case, the complainant got marked Format in ECIR No.06/BZ/09 as Ex.P.1. It discloses about registration of ECIR against the Accused No.1 and 2 based upon the charge sheet filed by the Lokayukta Police in Cr.No.7/2009, which has been marked as Ex.P.29. Ex.P.29 is certified copy of official report 45 Spl.C.C.69/2018 submitted by Lokayukta police. The complainant also got marked Provisional Attachment Order dated 19.06.2017 as Ex.P.2. This document discloses about Provisional Attachment of properties mentioned in Schedule of the complainant. Ex.P.3 is copy of complaint under Section 5(5) of PML Act, 2022. Ex.P.4 is the statement of Accused No.1 recorded under Section 50(2) and (3) of PML Act. Ex.P.5 is another one statement of Accused No.1 recorded under the said provision. Ex.P.6 is the statement of Accused No.2 recorded under Section 50(2) and (3) of PML Act. Ex.P.7 is statement of one Manasa Rani D/o Accused No.1 and 2, recorded under Section 50(2) and (3) of PML Act. Ex.P.8 is another one statement of Accused No.1 recorded on 10.07.2019. Ex.P.9 is statement of one Sri.M.Varadaraju recorded under Section 50(2) and (3) of PML Act. Ex.P.10 is the order of confirmation of attachment order dated 46 Spl.C.C.69/2018 10.07.2019.

53. Ex.P.11 is the certified copy of the registered sale deed dated 07.04.1983 in respect of item No.1 of the schedule. Ex.P.12 is the Encumbrance along with certified copy of registered gift deed dated 25.11.2010 executed by Accused No.1 in favour of his daughter Smt.J.R.Manasarani. Ex.P.13 is the covering letter dated 06.11.2015 for production of documents. Ex.P.14 is the certified copy of the registered sale deed dated 17.02.2010 in respect of item No.2 of the schedule. Ex.P.15 is encumbrance in respect of said sale transaction. Ex.P.16 is certified copy of registered sale deed dated 10.11.1999 executed in favour of Accused No.2 in respect of item No.3 of the schedule property. Ex.P.17 is Encumbrance Certificate in respect of said transaction. Ex.P.18 is certified copy of registered sale deed dated 15.04.2002 executed in favour of Accused No.2 in 47 Spl.C.C.69/2018 respect of item No.4 of the schedule. Ex.P.19 is the RTC and Ex.P.20 is the mutation extract in respect of the said transaction. Ex.P.21 is the certified copy of the registered sale deed dated 29.01.1996 executed in favour of Accused No.2 in respect of item No.5 of the schedule. Ex.P.22 is the Encumbrance Certificate in respect of the transactions pertaining to Accused No.2. Ex.P.23 is the certified copy of the registered sale deed dated 07.01.1987 executed in favour of Accused No.2 in respect of item No.6. Ex.P.24 is the Encumbrance Certificate in respect of the said transaction.

54. Ex.P.25 to 28 are copies of letters dated 27.11.2017 addressed to Sub-Registrar, Bommanahalli by the Assistant Director for the purpose of getting certified copies of the documents. Ex.P.29 is the charge sheet in respect of Cr.No.7/2009. Ex.P.30 is the complaint filed by 48 Spl.C.C.69/2018 the complainant and marked through Accused No.1 in the cross-examination in this case. Ex.P.30(a) is the schedule got marked during the course of cross-examination of DW1. Ex.P.31 is the list of documents in the charge sheet. Ex.P.32 is the report submitted by Enquiry Officer dated 20.05.2003 in respect of Departmental Enquiry held against Accused No.1. Ex.P.33 is the order of cancellation of Sannad in respect of Accused No.1 in Complaint No.160/2015 passed by the Bar Council of Karnataka. Ex.P.34 is the certified copy of the FIR in Cr.No.8/2016, which was registered against Accused No.1 along with copy of the order sheet. Ex.P.35 is the plea recorded by the 11 th ACMM, Bengaluru against the Accused No.1 in respect of CC.No.24477/2006. Ex.P.36 is the certified copy of the Attendance Register in respect of Accused No.1. There is no dispute with regard to these documents.

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55. On the other hand, in order to substantiate their contention, the accused are relying upon the following documents. Ex.D.1 is official memorandum dated 30.06.1983 issued by RTO, Bengaluru granting permission to purchase item No.1. Ex.D.2 is renewal of rental agreement. Ex.D.3 is rent agreement. Ex.D.4 is affidavit sworn by one J.V.Sathish on 16.12.2010. Ex.D.5 is the affidavit sworn by one M.Srinivasamurthy on 22.12.2010. Ex.D.6 is the evidence of one Manjunath Bevinakuppe in PCR case registered against the Accused No.1. Ex.D.7 is the affidavit sworn by one Sriramu dated 01.09.2010. Ex.D.8 is the publication dated 15.09.1984 issued by the BDA. Ex.D.9 is the copy of receipt dated 02.04.1985 for having paid Rs.2,890/- Ex.D.10 is the certified copy of letter of allotment dated 02.03.1985 issued by BDA. Ex.D.11 is the endorsement dated 25.01.1990 issued by RTO permitting 50 Spl.C.C.69/2018 the Accused No.1 to purchase item No.2. Ex.D.12 is receipt for having paid Rs.20,000/- to BDA. Ex.D.13 is another receipt for having paid Rs.18,000/- to the BDA. Ex.D.14 is property tax receipt. Ex.D.15 is the Possession Certificate issued by BDA. Ex.D.16 to

D.18 are the Khatha Certificates issued by BBMP. Ex.D.19 is the property tax receipt. Ex.D.20 is the loan sanction letter issued by RTO. Ex.D.21 is the NOC issued by RTO for construction of building. Ex.D.22 is the plan sanction letter issued by BDA. Ex.D.23 is the Completion Certificate. Ex.D.24 is the estimate. Ex.D.25 is the certified copy of the registered sale deed dated 17.02.2010.

56. Ex.D.26 is the affidavit sworn by one K.S.Jaiswal dated 16.12.2010. Ex.D.27 is the affidavit sworn by one Balakrishna Nair dated 16.12.2010. Ex.D.28 is the copy of the evidence given by one Balakrishna Nair in PC Act case.

51 Spl.C.C.69/2018 Ex.D.29 is the evidence of Murali Mohan in PCR Case. Ex.D.30 is the affidavit sworn by one Nagaraju dated 16.12.2010. Ex.D.31 is the letter dated 31.07.1999 written by one K.Nagaraj with regard to payment of rentals. Ex.D.32 is the affidavit sworn by one Pradyuth Kumardas dated 16.12.2010.

57. Ex.D.33 is the confirmation letter dated 02.11.2010 issued by Chartered Accountant for having submitted the Returns. Ex.D.34 to D.38 are the Income Tax Returns. Ex.D.39 is the Confirmation Letter dated 14.08.1991 issued by one Sri.B.V.Venkataramanappa with regard to lending of Rs.1,25,000/ in favour of Accused No.1. Ex.D.40 is the another one confirmation letter issued by some person for having lend Rs.38,500/□in favour of Accused No.1. Ex.D.41 is the Confirmation Letter issued by one K.P.Narasimha Raju dated 15.10.1991 for having lent 52 Spl.C.C.69/2018 sum of Rs.1,25,000/□in favour of Accused No.1. Ex.D.42 is same letter to that of Ex.D.40. Ex.D.43 is the affidavit sworn by one S.N.Narayanamurthy dated 16.10.1991. Ex.D.44 is the letter dated 29.02.2005 written by one S.N.Narayanamurthy with regard to payment of some amount. Ex.D.45 is the Rental Agreement dated 12.12.2007. Ex.D.46 is the computer generated receipt for having paid Rs.44,270/□towards tax. Ex.D.47 and D.48 are the duplicate of other documents. Ex.D.49 is the Salary Particulars issued by RTO, Bengaluru South. Ex.D.50 is another one salary particulars issued by ARTO, Mulabagilu. Ex.D.51 to D.54 are Service Certificates issued by AEE, BESCOM pertaining to item No.1. Ex.D.55 is the SB account statement. Ex.D.56 is the account extract. Ex.D.57 is the RD Account extract. Ex.D.58 to 64 are the passbook. Ex.D.65 is the Receipt Patta.

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58. Ex.D.66 is the certified copy of the income particulars in respect of Sericulture. Ex.D.67 is the letter dated 14.02.2011 issued by Horticulture Officer in respect of agricultural income. Ex.D.68 is another one Certificate with regard to agricultural income. Ex.D.69 is the copy of the pass book. Ex.D.70 is the agreement to gift dated 16.09.1999. Ex.D.71 is the another one agreement to gift dated 07.01.1992. Ex.D.72 is an affidavit sworn by one M.Varadaraju. Ex.D.73 is the affidavit sworn by one M.Srinivas. Ex.D.74 is another one affidavit sworn by one Sri.Shivakumar. Ex.D.75 to D.81 are the Mortgage Deeds taken place on various dates. Ex.D.82 is the Confirmation Letter dated 12.10.2010 issued by Chartered Accountant with regard to payment of Income Tax by Accused No.2. Ex.D.83 is the Confirmation Letter dated 14.09.2010 with regard to payment of income tax by Smt.J.R.Manasarani.

54 Spl.C.C.69/2018 Ex.D.84 is the Certificate issued by Veterinary Doctor Addagal. Ex.D.85 is the Certificate issued by one N.R.Raghavendra. Ex.D.86 is the order of Deputy Commissioner, Kolar District with regard to payment of compensation for having acquired land.

59. In the light of the arguments canvassed by the learned Spl.Public Prosecutor and the learned counsel for the accused and keeping in mind, the oral and documentary evidence let in by the parties, let me examine the evidence on record. Admittedly, the Accused No.1 was working in the RTO Department. In the year 1978, he joined the service as Inspector of Motor Vehicles. According to him, his total salary for the period from 1978 to 1984 was Rs.60,600/-. He has purchased item No.1 of the complaint schedule as per Ex.P.11 on 07.04.1983 for a consideration of Rs.10,000/-. Accused No.1 got marked Ex.D.1 to show 55 Spl.C.C.69/2018 that he had obtained permission from his department to purchase the said property. Ex.D.1 is the endorsement dated 30.06.1983 issued by RTO, Bengaluru. But, this endorsement was obtained subsequent to purchasing of the said property as per Ex.P.11. That shows that there was no proper procedure adopted by the Accused No.1 to purchase the immovable property as per Conduct Rules. Government Servant, who wish to purchase any immovable property should obtain prior permission from his department by proving the source of income to invest on the said property. But, that procedure has not been properly followed by Accused No.1. No proper explanation has been offered by the Accused No.1 in his cross-examination with regard to the said procedure adopted by him. However, since the department has given him permission as per Ex.D.1 and since he was Government Servant and receiving salaries and 56 Spl.C.C.69/2018 the investment made to purchase site was only Rs.10,000/-, that may be believed and accepted. But thereafter, he started putting up construction by investing money.

60. The complainant is relying upon the valuation report submitted by PWD Engineer pertaining to Lokayukta case along with Ex.P.10 attachment order. The said valuation report has been produced. The report dated 11.06.2010 discloses that the building was reconstructed in the year 1984 and the Engineer has taken note of the constructed floors and materials used for construction of the building and assessed the value of the building at Rs.5,00,000/-.

61. The Accused No.1 is disputing the said valuation. Even while recording the statement under Section 50(2) and (3) of PML Act, the Accused No.1 has disputed the said 57 Spl.C.C.69/2018 valuation. But, when there is a presumption available in favour of the complainant as per Section 24 of the PML Act and some material placed by the complainant to substantiate his contention, it is for the accused to prove the correct value of the said building. The said provision reads as under:

"Section 24. Burden of proof: In any proceeding relating to proceeds of crime under this Act :

a) In the case of a person charged with the offence Money Laundering under Section 3, the authority or court shall, unless the contrary is proved, presume that such proceeds of crime are involved in money laundering; and

b) in the case of any other person, the authority or Court, may presume that such proceeds of crime are involved in money laundering."

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62. So in view of the said specific provision and since it overrides the provisions of any other law as per Section 71 of the said Act, it is for the accused to prove the contrary.

63. In para 21 of the cross-examination, he stated that he had invested only Rs.30,000/- for construction of additional building. For a suggestion that Engineers have valued the said property for a sum of Rs.5,00,000/- he stated that stage by stage, he got constructed the additional portion by investing around Rs.2.5 lakhs and same was got from rentals. Even though he has stated that the same was declared in his Assets and Liabilities Statement every year, but no such document is produced before the court. No suggestion has also been made in the cross-examination of PW1 to PW4 to show as to the actual investment made to construct the said building. He has not at all produced any contrary document. On perusal of the report submitted by 59 Spl.C.C.69/2018 Junior Engineer, Building Division, Department of PWD, Bengaluru, it discloses that the total value of the said building was Rs.7,82,227/- The complainant admitted the mention made in the complaint, which has been marked as Ex.P.30(a). In the said complaint, the valuation pertaining to item No.1 has been shown as Rs.5,00,000/- towards the value of the building.

64. The Accused No.1 has produced Ex.D.2 to D.7 to show that he was having rentals income. But, Ex.D.2 to D.5 are the alleged rental agreements, which were taken place after the raid was conducted i.e. in the year 2010. Even though one Manjunatha Bevinakuppe has given evidence in the Prevention of Corruption Act is that he was tenant under Accused No.1 and paying rentals from the July 2003 to 2011, but no document with regard to that rent has been produced. Therefore, this evidence of that witness cannot 60 Spl.C.C.69/2018 be believed and accepted.

65. Further, the Enforcement Directorate has recorded the statement of Accused No.1 on three occasions as per Ex.P.4, 5 and P.8. They have also recorded the statement of Accused No.2 as per Ex.P.6 and the statement of their daughter Miss.Manasarani as per Ex.P.7.

66. As per the provision under Section 50(4) of the PML Act, every proceeding under Sub Section (2) and (3) shall be deemed to be judicial proceeding within the meaning of Section 193 and Section 228 of the Indian Penal Code. Therefore, statement of accused recorded under Section 50(2) and (3) of PML Act becomes admissible. Admittedly, the Accused No.1 and 2 gave their statement under the said provision before the Enforcement Directorate during the year 2010 and 2017. Specific questions were 61 Spl.C.C.69/2018 posed to the Accused No.1 with regard to acquisition of item No.1. He stated that he had purchased the old house for Rs.10,000/- and got constructed 4 portions and let out the same. But, he has not whispered anything as to borrowing of loans from his colleagues and friends as deposed before the court. He has given evasive answers with regard to his source of income to construct the building. That apart, he has not at all whispered that the permission was obtained from his competent authority to construct the building within his legal source of income. No document has been placed to substantiate the said aspect. Therefore, the contention of the accused that he has constructed the building in accordance with law by borrowing the loan from the colleagues and friends cannot be believed and accepted. As per Section 24 of the PML Act, he has failed to prove the discharge burden. When 62 Spl.C.C.69/2018 admittedly, the

property was standing in the name of Accused No.1 and buildings were constructed, he being a Government Servant was supposed to place the material to show that the building was constructed after having obtained permission from the department and then its known source of income. In the absence of placing material in that regard, as rightly pointed out by learned Spl. Public Prosecutor, the burden on the part of the accused No.1 has not been discharged.

67. With regard to item No.2, the Accused No.1 is relying upon Ex.D.8 to D.25. This property was allotted by BDA in favour of Accused No.1 through allotment letter dated 02.03.1985 as per Ex.D.10. Value of the site was Rs.40,000/□ Notification was issued as per Ex.D.8 in the year 1984 by the BDA. Some amounts were paid as per Ex.D.9, D.12 and D.13. Tax was also paid in the year 2008.

63 Spl.C.C.69/2018 He got transferred khatha in respect of the said property on 09.08.1989. But, he did not obtain prior permission to purchase the said property from the BDA. Only after having purchased the said property and after having got transferred the khatha to his name, he got obtained an endorsement on 25.01.1990 from the RTO, Bengaluru as per Ex.D.11. This endorsement only discloses that permission to purchase Site No.271 at a cost of Rs.46,200/□situated at HBR Layout was given. But, it does not discloses as to source of income. It also does not disclose that it is the ratification permission given by the authority for having already purchased the property from the BDA. So, this evidence does not prove the contention of the Accused No.1 that the property was purchased in accordance with law. He being a Government Servant is duty bound to obtain prior permission to purchase the property or to get Ratification Order. But, that 64 Spl.C.C.69/2018 procedure has not been followed at all.

68. Further, even during the course of his evidence, he has not given any explanation with regard to said lapse. He has only produced the documents without giving any proper explanation with regard to obtaining of permission subsequent to registration of the sale deed from the BDA.

69. Further, with regard to construction of building in item No.2, he is relying upon Ex.D.20 to D.24. He got prepared the estimation to construct the ground floor building at a cost of Rs.2,25,000/□as per Ex.D.24. But, he got constructed 3 floored building. He has borrowed loan of Rs.1,34,000/□as per Ex.D.20 and 21 from HDFC Bank. Ex.D.22 is the plan for construction of the building. This document does not disclose that the same was obtained for construction of 3 floored building. On the other hand, it was 65 Spl.C.C.69/2018 for construction of ground floor. The construction of the building was completed by the end of December 1991 as per Ex.D.23.

70. During the course of statement under Section 50(2) and (3) of PML Act, he stated that he got constructed building after having borrowed loan of Rs.1,36,000/□from HDFC Bank, but he has not disclosed as to borrowing of loan from his friends, as contended in his evidence.

71. Further, the Accused No.1 has produced number of affidavits and Rent Agreements to show that he was receiving lakhs of rupees of rent by letting out his house properties. Therefore, he had sufficient money with him to construct the building over the item No.2. On perusal of the several affidavits marked in the case as 'D' series, they disclose that all the documents were came into place from 66 Spl.C.C.69/2018 2010 onwards or during 2010. The raid was conducted by the Lokayukta

police on Accused No.1 during 2009. That shows that after conducting raid, the Accused No.1 got executed all these documents to show that he had legal source of income. It is to be noted that as per Section 8 of Indian Evidence Act, the conduct of the party also becomes relevant. The said provision reads as under:

Section 8 in The Indian Evidence Act, 1872: Motive, preparation and previous or subsequent conduct.-- Any fact is relevant which shows or constitutes a motive or preparation for any fact in issue or relevant fact. The conduct of any party, or of any agent to any party, to any suit or proceeding, in reference to such suit or proceeding, or in reference to any fact in issue therein or relevant thereto, and the conduct of any person an offence against whom is the subject of any proceeding, is relevant, if such conduct influences or is influenced by any fact in issue or relevant fact, and whether it was previous

67 Spl.C.C.69/2018 or subsequent thereto. Explanation 1.--The word "conduct" in this section does not include statements, unless those statements accompany and explain acts other than statements; but this explanation is not to affect the relevancy of statements under any other section of this Act. Explanation 2.--When the conduct of any person is relevant, any statement made to him or in his presence and hearing, which affects such conduct, is relevant. Illustrations.

72. Why this provision to be applied to this case is because several suggestions were made in the cross-examination of DW1 with regard to his conduct. Even though at the initial stage, he denied certain facts, but when the documents were confronted to him, he was forced to admit the same. In para No.30 of his cross-examination, he has admitted that a departmental enquiry was conducted against him and the Enquiry Officer submitted the Report as 68 Spl.C.C.69/2018 per Ex.P.32. He also admitted that as per the said report, Charges No.2 and 4 framed against him were proved. Charge No.2 was with regard to issuance of driving license in favour of ineligible person. Charge No.4 was with regard to renewal of license without following the due procedure. He admitted that he has not challenged the said Enquiry Report. That shows that his conduct with regard to devotion to his duty was not fair. He also admitted Ex.P.33. Ex.P.33 is the order copy dated 22.02.2020 passed by the Karnataka State Bar Council. He admitted that he got enrolled as an Advocate in the Register of Karnataka State Bar Council. But, on enquiry it was found that he was not a Bachelor in Law. Therefore, his Sannad was ordered to be canceled. Further, he also admitted about registration of criminal case against him for the offence punishable under Section 177, 181, 409, 465, 468, 420 r/w Section 34 69 Spl.C.C.69/2018 of IPC as per Ex.P.34. He also admitted Ex.P.35, which is certified copy of plea recorded by 11th ACMM, Bengaluru dated 22.08.2008 and also the Attendance Register obtained from the Office of ARTO, Nangali as per Ex.P.36. When a suggestion was made, he stated that on 22.08.2008, he did not appear before the Court. But, when the document was confronted, he was forced to admit since he has signed the plea recorded by the Court on that day. As per Ex.P.36, he has also put his signature in the attendance register on 22.08.2008 to show that he was on duty. So, these documents clearly demonstrates that the conduct of the accused was not fair and it becomes relevant to decide the case with regard to whether the documents got executed after the raid was conducted, are genuine or not. Just to suit his convenience and to prove his alleged legal source of income, he must have got created the said documents.

70 Spl.C.C.69/2018

73. Further, it is important to note that he also relied upon Ex.D.72 and D.73 the affidavits. These documents if, carefully perused, they would show that the stamp papers were generated only on 22.05.2012. But, the documents were got executed for the date 11.05.2012 i.e. much prior to the date of generation of stamp paper. So, these two documents are sufficient to come to conclusion that just over come from the case registered by the Lokayukta police, he must have thought fit to create these documents. None of the witnesses, who are the parties to the said documents have been examined. Therefore, all the affidavits/rent agreements, which are taken place subsequent to raid conducted in the year 2009, cannot be believed and accepted for the purpose of establishing the defense set up by the accused.

71 Spl.C.C.69/2018

74. From the material placed by the complainant, since it has been established that the property in item No.2 was acquired in the name of Accused No.1 at a cost of Rs.42,600/□ that too without obtaining prior permission and without disclosing his source of income and since it has been established that the legal source of income to construct the building was only Rs.1,36,000/□ which was borrowed from HDFC Bank, the burden as per Section 24 of PML Act, which was on the Accused No.1 has not been discharged. As stated above, except the proceedings with regard to borrowing of loan of Rs.1,36,000/□ nothing legally acceptable evidence has been placed to show that building has been constructed by using the legal source of income.

75. The complainant is relying upon the valuation report submitted by PWD Engineer in Lokayukta raid case. The report discloses that the competent Engineer visited the 72 Spl.C.C.69/2018 house and examined all the material and after following the guidelines, assessed the value of that building at Rs.7,82,227/□ Even though the accused disputed the valuation made by the Lokayukta police, but he has failed to furnish the relevant documents to show that the building was constructed only in a sum of Rs.2,25,000/□ As stated above, as per his estimation marked as Ex.D.24, the estimation of Rs.2,25,000/□ was prepared only in respect of ground floor and not in respect of 1 st and 2nd floor. Therefore, in the absence of contrary documents, the material placed by complainant, which is a public document and prepared by competent Engineer, is to be believed and accepted. Therefore, as rightly pointed out by the learned SPP for the complainant, in view of the presumptions available in favour of the complainant, the case of the complainant to the effect that the Accused No.1 has used 73 Spl.C.C.69/2018 the tainted money by claiming it as untainted money for the purpose of constructing the building in item No.2. In view of the same, arguments of Sri.M.G.S. the learned counsel for the accused that the entire burden is on the complainant to establish the case cannot be accepted, in view of Section 24 of the PML Act. Moreover, when the complainant has placed public documents and since the very documents placed by the Accused No.1 to contradict the case of the complainant in that regard are doubtful documents, in the absence of legally acceptable material placed by Accused No.1, his case cannot be believed and accepted. Therefore, the Court has to believe and accept that the money that was used for the construction of the building in item No.1 and 2 was out of illegal gratification and it was tainted and it was claimed as untainted. Therefore, it comes within the purview of Section 3 of PML Act. Hence, as rightly pointed 74 Spl.C.C.69/2018 out

by SPP in the written arguments, the version of the complainant is to be accepted in that regard.

76. Admittedly, item Nos.3 to 6 are standing in the name of Accused No.2, who is wife of Accused No.1. According to the Accused No.1, the said items were purchased by Accused No.2 out of her own source of income. But, admittedly no document has been placed to show that Accused No.2 was preparing home made foods and selling the same and out of the same, she had independent source of income. Even during the course of statement under Section 50(2) and (3) recorded by the complainant, no proper explanation was offered as to from which year to which year home made foods were prepared and what was the income generated from that business. Admittedly, no license or any document in that regard is produced. Further, the Accused No.1 also failed to explain 75 Spl.C.C.69/2018 as to why he did not declare the said income of the Accused No.2 from the said business, in his assets and liabilities statement. Admittedly, the Accused No.2 started declaring the income before the Income Tax Department only after the raid was conducted. There are contradictory statements with regard to agricultural income in respect of Accused No.2.

77. Ex.P.16 is the certified copy of the registered sale deed in respect of item No.3. The property was purchased for a consideration of Rs.82,000/- in the year 1999. The Accused No.1 in his cross examination admitted that he has not given any explanation in his examination in chief as to how his wife acquired her self acquired properties. Even though he stated that he wish to examine his wife, but he did not choose to examine her. Even though he stated that all accounts are maintained by his wife and produced the 76 Spl.C.C.69/2018 said documents to Lokayukta Police, but he has not produced copies of the same in this proceedings. He stated that he do not remember the cooks and salesmen, but he has disclosed the same before the Lokayukta police. He admitted that for the first time only during 2004-05, she had filed her Income Tax Returns. He stated that from the beginning, he used to maintain books of accounts with regard to his income and submitted the same to Lokayukta police, but he has not produced the same in his proceedings. He has admitted that as per the mention made in the charge sheet submitted by Lokayukta police, several items including FD of Rs.17,00,000/- as per Sl.No.12 was standing in the name of Accused No.2. He admitted that there is 3 flooried house in item No.3 and Engineer have valued the same at Rs.51,40,000/- According to him, the valuation was around Rs.30,00,000/- But, he has not 77 Spl.C.C.69/2018 produced his valuation report and stated that he has lost the same. He admitted that he has not disclosed the same in his assets and liabilities statement. In the said house, his younger brother J.V.Krishna was residing from the year 2001. Even though he stated that there are documents to show that his wife got Rs.17,00,000/- by selling one site, but he has not produced said documents. He admitted that during the year 2003-04 nil income return was filed.

78. Accused No.1 further admitted that they themselves prepared the Income Tax Returns and submitted the same to the Department. He does not know as to how much was spent by his wife towards house hold expenses. He stated that everything was being looked after by his wife. He further stated that his wife and daughter were earning more income than him. When suggestion was made to the effect that when his wife and daughter were having 78 Spl.C.C.69/2018 so much of income, what was the necessity for him to take loan from his colleagues and friends, he stated that since his conscious did not permit him to ask his wife and daughter, he took loan from others. He admitted that they were all enjoying the profits and they used to get equal share in the profit. The

said answers given by Accused No.1 would show that just to suit his convenience, he has given answers and hence no credence could be given to his evidence.

79. With regard to acquisition of properties by Accused No.2, the Enforcement Directorate recorded the statement of Accused No.2 as per Ex.P.6. Admittedly, before acquiring item No.3 in the name of Accused No.2, she did not own agricultural properties. Therefore, her contention that she had agricultural income to purchase the property cannot be believed and accepted. Actually, she did not give proper answers with regard to acquisition of item 79 Spl.C.C.69/2018 No.3 in her statement. She has only stated about the cost of the construction of the building and preparing home made foods to acquire the income. But, admittedly she did not have any license or receipt.

80. The Accused No.1 stated that his father-in-law was a contractor and earning more money and out of love and affection he gave money to Accused No.2 and helped her to purchase the property. But, absolutely there no material has been placed to show as to how the Accused No.2 got the money of Rs.82,000/- towards sale consideration and the registration expenses to purchase the said property. Further, admittedly the Accused No.1 did not take permission from the department to purchase the property in the name of his wife and also did not declare the same in his assets and liabilities statement. So, in the absence of any document with regard to independent source 80 Spl.C.C.69/2018 of income in respect of Accused No.2, the contention of Accused No.1 and 2 that property was acquired out of the self earned money of Accused No.2, cannot be believed and accepted. The entire burden is on the accused to establish that the said property was purchased out of legal source of income and in accordance with law. So, in the absence of any material in that regard, the contention of the accused cannot be believed and accepted in view of Section 24 of the PML Act. As stated above, since the complainant has discharged the initial burden by placing the material in a case of this nature, it was for the accused to place contradictory material to show their legal source of income to acquire the property. But, they have failed to do so.

81. Item No.4 is also standing in the name of Accused No.2. The same was purchased for Rs.40,000/- in the year 2002. In respect of this loan also, same type of 81 Spl.C.C.69/2018 explanation was offered by the accused. But, in view of my above discussion and since no proper documents are produced to show the independent income of the Accused No.2, the contention of the accused in that regard cannot be believed and accepted.

82. Item No.5 i.e. the house property is also standing in the name of Accused No.2. It was purchased for a consideration of Rs.65,000/- in the year 1996. According to the Accused No.2, the same was purchased out of the money paid by her brother M.Varadaraju. In that regard, the complainant has also recorded the statement of M.Varadaraju as per Ex.P.9. In that statement, even though M.Varadaraju has stated that he has paid a sum of Rs.45,000/- in cash for purchasing the said item and the remaining amount of Rs.20,000/- was invested by his sister Smt.Lalitha (Accused No.2), but he admitted that no 82 Spl.C.C.69/2018 documents are there to prove the said contention. Therefore, in the absence of any document in that regard, the contention of the accused that Sri.M.Varadaraju paid Rs.45,000/- cannot be believed and accepted. It appears just to over come from the legal consequences, he must have thought fit to disclose that M.Varadaraju has paid cash amount of Rs.45,000/- Even to show that Rs.20,000/- was invested by Accused No.2 out of her

own income, no material has been placed.

83. Item No.6 is also house property purchased for a consideration of Rs.6,000/□ in the year 1987. In respect of the said property also, the Accused No.2 in her statement as per Ex.P.6 stated that the amount of Rs.6,000/□ was paid out her savings from selling of home made foods. She has disputed the statement given by her husband dated 07.03.2017 in that regard. Because, in the statement, the 83 Spl.C.C.69/2018 Accused No.1 has stated that he has paid an amount of Rs.6,000/□ for purchasing the said property. Since there are contradictory statements in between Accused No.1 and 2 with regard to acquisition of the said property, the contention of the accused cannot be believed and accepted.

84. The Accused No.1 is relying upon Ex.D.36 to contend that a sum of Rs.14,40,000/□ was received by Accused No.2 from the Government towards compensation for having acquired the land measuring 4 acres situated at Kopasandra Village. The said proceedings were taken place in the year 2000. But, these properties were acquired much earlier to the date of acquiring the said land and payment of compensation.

85. In respect of house constructed in item No.3, the complainant is relying upon the report submitted by the 84 Spl.C.C.69/2018 PWD department. The report discloses that after having examined the floor area of the building and materials used, it has been assessed at Rs.51,40,000/□ But, the accused contended that only sum of Rs.30,00,000/□ was used for construction of the house. It is contended that father of the Accused No.2, who was a Contractor has paid the amount and also she had borrowed loan of Rs.15,30,000/□ from State Bank of Mysore, Koorigepalli Branch and Rs.30,000/□ was spent out of agricultural income. It is also contended that she got compensation of Rs.14,40,000/□ from the Government.

86. But, to substantiate the contention of the Accused No.2, no material has been placed. Estimation has not been filed. Even bank documents with regard to borrowing of loans have also not been produced. As stated above, the compensation amount was ordered only on 85 Spl.C.C.69/2018 12.05.2000 in favour of the brothers of Accused No.2 and not in favour of the Accused No.2. In order to show that her brothers have transferred the said amount to her account, the accused have not placed any material. They are relying upon Ex.D.70 to D.74. Ex.D.70 and D.71 are the agreements to gifts executed by one Srinivas and Siddamma and others. These two documents cannot be relied upon, because they are only agreements and not the registered Gift Deeds. As per Transfer of Property Act and Registration Act, any gift to be made is required to be done through a registered Gift Deed and therefore the agreements to Gift are not valid in the eye of law. Therefore, these documents cannot be relied upon.

87. Ex.D.72 and D.73 also very doubtful documents. Because even though stamp papers were generated on 22.05.2012, the documents were came to be executed much 86 Spl.C.C.69/2018 prior to the date of 22.05.2012 i.e. on 11.05.2012. It appears that these three documents must have been created by the accused after conducting the raid on the Accused No.1 and to show that Accused No.2 got the compensation money from the Government. Therefore, if these documents are kept aside, there is nothing on record to show that the said compensation amount was legally transferred to the

account of Accused No.2 for the purpose of construction of the building.

88. Further, it is important to note that PWD Engineer followed the guidelines with regard to fixation of rate per sq.ft. in terms of guidelines. Since the accused have not produced relevant documents to show as to when the construction of building in item No.3 was started and what was the estimation and how much was actually spent, the document relied upon by the complainant is to be believed 87 Spl.C.C.69/2018 and accepted. Further, the accused have failed to establish as to what prevented them to place relevant material to substantiate that contention. Atleast they could have examine the relevant witnesses to show that such rentals were received and such amount was received from their relatives and so much of income was being generated from agricultural lands. In the absence of production of legally acceptable evidence with regard to the agricultural income, the alleged income from selling of home made foods and receipt of compensation, the contention taken by the accused in that regard cannot be believed and accepted. Since the accused have withheld the important documents, in view of Section 24 of PML Act, an adverse inference as per Section 114 of the Indian Evidence Act is to be drawn, to the effect that either there is no document to prove the legal source of income or had those documents were 88 Spl.C.C.69/2018 produced, they would go against their contention. Therefore, viewed from any angle, the contention taken by the accused with regard to discharging their burden cannot be accepted.

89. The learned counsel for the accused Sri.M.G.S. has argued that PML Act is not applicable in respect of the properties, which were acquired prior to the date of commencement of the Act itself. Since all these properties were acquired prior to date on which the Act come into force, the Act is not applicable. Therefore, the accused have not committed any offences under the said Act.

90. In support of his arguments, the learned counsel has cited the following decisions. In a case between Arun Kumar Mishra v. Directorate of Enforcement (Crl.M.C.5508/2014), the Hon'ble High Court of Delhi in 89 Spl.C.C.69/2018 para No.9 of the judgment held as follows:

"The offence punishable under Section 120B IPC and Section 13 of the PC Act, were inserted in PMLA with effect from 01.06.2009. ECIR admitted itself that the alleged offence had taken place between November 2005 and December 2006 and thereby offences cannot be retrospectively applied to the petitioner. Article 20(1) of the Constitution prohibits the conviction of a person or his being subjected to a penalty under ex post facto laws."

91. Further, in para No.20 and 21 of the judgment held as follows:

"In 'Tech Mahindra's case' (supra) it was observed as under: □"70. It is settled principle of law that no person can be prosecuted on the allegation which occurred earlier by applying the provision of law which has come into force after the alleged incident. In other 90 Spl.C.C.69/2018 words, there can be no retrospective application of criminal liability for the incident occurred prior to introduction of such liability in the statute book.

71. Admittedly, prior to Amendment Act, 2009, none of the provisions which are now invoked by the Enforcement Directorate were on the statute book except Section 467 IPC. Thus, the petitioner cannot be prosecuted by invoking those provisions."

21. It is settled principle of law that the provisions of law cannot be retrospectively applied, as Article 20(1) of the Constitution bars the ex post facto penal laws and no person can be prosecuted for an alleged offence which occurred earlier, by applying the provisions of law which have come into force after the alleged offence."

92. In another judgment reported in 2013 CrL.L.J. 2230 (Binod Kumar Sinha v. State of Jharkhand), Hon'ble High Court of Jharkhand held as follows:

91 Spl.C.C.69/2018 "Furthermore when the offence under the Prevention of Corruption Act has been incorporated in the Act as Scheduled offence, there does not appear to be any hindrance on the part of the Special Court to try the offence of the Prevention of Corruption Act as the provision of the Prevention of Money Laundering Act in terms of the provision as contained in Section 71 will have overriding effect.....Of course, the Special court trying the offence under the PML Act will have to wait for the result of the trial relating to scheduled offence. This recourse not only seems to be the practical solution of the matter but it will also expedite the trial."

93. In another judgment reported in ILR 2017 KAR 1846 (M/s Obulapuram Mining Company Pvt. Ltd. vs. Joint Director, Directorate of Enforcement, Government of India and others), Division Bench of the Hon'ble High Court of Karnataka has also taken the similar view.

92 Spl.C.C.69/2018

94. In another decision reported in 2017 O Supreme (Gujarat) 219 (Jafar Mohammed Hasanfatta and others v. Deputy Director and others), Hon'ble High Court of Gujarat held as follows:

B. RE: Knowingly Assists or knowingly is a party In Joti Parshad v. State of Haryana, 1993 Supp (2) SCC 497 the Hon'ble Supreme Court has held as follows "5. Under the Indian penal law, guilt in respect of almost all the offences is fastened either on the ground of "intention" or "knowledge" or "reason to believe". We are now concerned with the expressions "knowledge" and "reason to believe". "Knowledge" is an awareness on the part of the person concerned indicating his state of mind. "Reason to believe" is another facet of the state of mind. "Reason to believe" is not the same thing as "suspicion" or "doubt" and mere seeing also cannot be equated to believing. "Reason to believe" is a higher level of 93 Spl.C.C.69/2018 state of mind. Likewise "knowledge" will be slightly on a higher plane than "reason to believe". A person can be supposed to know where there is a direct appeal to his senses and a person is presumed to have a reason to believe if he has sufficient cause to believe the same."

The same test therefore applies in the instant case where there is absolutely no material or circumstantial evidence whatsoever, oral or documentary, to show that any of the petitioners, 'Knowingly', assisted or was a party to, any offence.

C. Actually involved :

Actually involved would mean actually involved into any process or activity connected with the proceeds of crime and thus scheduled offence, including its concealment, possession, acquisition or use. There is absolutely no material or circumstantial evidence whatsoever, oral or documentary, to substantiate any such allegation qua the petitioners.

94 Spl.C.C.69/2018 D. Neither any of the petitioners is arraigned as accused in the 'Scheduled Offences' punishable under Indian Penal Code for direct or indirect involvement, abetment, conspiracy or common intention, nor is any such case made out even on prima facie basis against any of them.

95. In another judgment passed by the Hon'ble High Court of Karnataka in Crl.R.P. 814/2015 dated 24.02.2016 (Smt.Kanchana L.Rao v. The State of Karnataka by Lokayuktha Police), held as follows:

"29. The respondent police have already registered the case as against husband of the petitioner alleging offence of disproportionate assets to his known sources of income. The prosecution is at liberty to establish the said offences as alleged against him that he has acquired the properties in the name of the petitioner also. For the alleged acts of husband of the petitioner, petitioner cannot be 95 Spl.C.C.69/2018 held responsible just by alleging some or the other offences against her. If at all the properties in the name of the petitioner could be included in the properties of husband of the petitioner or not would be decided in the said case as against the husband of the petitioner itself. In the absence of prima facie materials as against the petitioner for the offences as alleged against her, the case as against the petitioner is an abuse of process of the court."

96. To answer the said legal points, the learned SPP has cited the judgment dated 14.12.2020 in Crl.P. No.5698/2019 (Katta Subramanian Naidu v. Deputy Director) passed by the Hon'ble High Court of Karnataka, has discussed about the said issue in detail and in para No.55 it is observed as follows:

"The very same principle is enshrined in Section 3 and Sections 5, 8 of the PML Act. As a result, it goes without saying that the properties acquired by 96 Spl.C.C.69/2018 commission of any of the offences listed in the schedule at any point of time as long as they continue to be in the possession and enjoyment of the offenders and that the offenders are found to have been involved in any of the process or activity connected with the proceeds derived by the scheduled offence, render themselves liable not only for prosecution but also for adjudication and consequent confiscation unless they establish that they have legitimate source to enjoy the assets held by them.

Apparently for this reason, offence of 'money laundering' is made a continuing offence. That being the purport of Section 3, 5 and 8 of the Act, neither these provisions nor the offences included in the schedule could be construed as post facto legislation as contended by the petitioners. As a result, the contention urged by the petitioners that their prosecution is based on ex post facto law and is liable to be rejected and is accordingly rejected."

97 Spl.C.C.69/2018

97. The learned SPP has also highlighted that money laundering is a continuing offence and if the proceeds of crime are in possession of the accused, then Section 3 of PML Act is applicable. In that regard, the learned SPP has cited several judgments.

98. Apart from that on 27.07.2022 the Hon'ble Supreme Court in a case between Vijay Madanlal Choudary and others v. Union of India (Spl.Leave Petition (Crl.) No.4634/2014), has passed a judgment with regard to validity of several Sections in PML Act. The Hon'ble Supreme Court in the conclusion portion has answered several questions posed by the petitioners in that case. The said conclusion reads as under:

"CONCLUSION

187. In light of the above analysis, we now proceed 98 Spl.C.C.69/2018 to summarise our conclusion on seminal points in issue in the following terms: □

(i) The question as to whether some of the amendments to the Prevention of Money□ laundering Act, 2002 could not have been enacted by the Parliament by way of a Finance Act has not been examined in this judgment. The same is left open for being examined along with or after the decision of the Larger Bench (seven Judges) of this Court in the case of Rojer Mathew705.

(ii) The expression "proceedings" occurring in Clause (na) of Section 2(1) of the 2002 Act is contextual and is required to be given expansive meaning to include inquiry procedure followed by the Authorities of ED, the Adjudicating Authority, and the Special Court.

(iii) The expression "investigation" in Clause (na) of Section 2(1) of the 2002 Act does not limit itself to the matter of investigation concerning the offence under the Act and is interchangeable with the function of "inquiry" to be undertaken by the 99 Spl.C.C.69/2018 Authorities under the Act.

(iv) The Explanation inserted to Clause (u) of Section 2(1) of the 2002 Act does not travel beyond the main provision predicated tracking and reaching upto the property derived or obtained directly or indirectly as a result of criminal activity relating to a scheduled offence.

(v) (a) Section 3 of the 2002 Act has a wider reach and captures every process and activity, direct or indirect, in dealing with the proceeds of crime and is not limited to the happening of the final act of integration of tainted property in the formal economy. The Explanation inserted to Section 3 by way of amendment of 2019 does not expand the purport of Section 3 but is only clarificatory in nature. It clarifies the word "and" preceding the expression projecting or claiming as "or"; and being a clarificatory amendment, it would make no difference even if it is introduced by way of Finance Act or otherwise.

(b) Independent of the above, we are clearly of the 100 Spl.C.C.69/2018 view that the expression "and" occurring in Section 3 has to be construed as "or", to give full play to the said provision so as to include "every"

process or activity indulged into by anyone. Projecting or claiming the property as untainted property would constitute an offence of money□laundering on its own, being an independent process or activity.

(c) The interpretation suggested by the petitioners, that only upon projecting or claiming the property in question as untainted property that the offence of Section 3 would be complete, stands rejected.

(d) The offence under Section 3 of the 2002 Act is dependent on illegal gain of property as a result of criminal activity relating to a scheduled offence. It is concerning the process or activity connected with such property, which constitutes the offence of money laundering. The Authorities under the 2002 Act cannot prosecute any person on notional basis or on the assumption that a scheduled offence has been committed, unless it is so 101 Spl.C.C.69/2018 registered with the jurisdictional police and/or pending enquiry/trial including by way of criminal complaint before the competent forum. If the person is finally discharged/acquitted of the scheduled offence or the criminal case against him is quashed by the Court of competent jurisdiction, there can be no offence of money□laundering against him or any one claiming such property being the property linked to stated scheduled offence through him.

(vi) Section 5 of the 2002 Act is constitutionally valid. It provides for a balancing arrangement to secure the interests of the person as also ensures that the proceeds of crime remain available to be dealt with in the manner provided by the 2002 Act. The procedural safeguards as delineated by us hereinabove are effective measures to protect the interests of person concerned.

(vii) The challenge to the validity of sub□section (4) of Section 8 of the 2002 Act is also rejected subject to Section 8 being invoked and operated in 102 Spl.C.C.69/2018 accordance with the meaning assigned to it hereinabove.

(viii) The challenge to deletion of proviso to sub□section (1) of Section 17 of the 2002 Act stands rejected. There are stringent safeguards provided in Section 17 and Rules framed thereunder. Moreover, the pre□condition in the proviso to Rule 3(2) of the 2005 Rules cannot be read into

Section 17 after its amendment. The Central Government may take necessary corrective steps to obviate confusion caused in that regard.

(ix) The challenge to deletion of proviso to sub-section (1) of Section 18 of the 2002 Act also stands rejected. There are similar safeguards provided in Section 18. We hold that the amended provision does not suffer from the vice of arbitrariness.

(x) The challenge to the constitutional validity of Section 19 of the 2002 Act is also rejected. There are stringent safeguards provided in Section 19. The provision does not suffer from the vice of 103 Spl.C.C.69/2018 arbitrariness.

(xi) Section 24 of the 2002 Act has reasonable nexus with the purposes and objects sought to be achieved by the 2002 Act and cannot be regarded as manifestly arbitrary or unconstitutional.

(xii) (a) The proviso in Clause (a) of sub-section (1) of Section 44 of the 2002 Act is to be regarded as directory in nature and this provision is also read down to mean that the Special Court may exercise judicial discretion on case-to-case basis.

(b) We do not find merit in the challenge to Section 44 being arbitrary or unconstitutional. However, the eventualities referred to in this section shall be dealt with by the Court concerned and by the Authority concerned in accordance with the interpretation given in this judgment.

(xiii) (a) The reasons which weighed with this Court in Nikesh Tarachand Shah⁷⁰⁶ for declaring the twin conditions in Section 45(1) of the 2002 Act, as it stood at the relevant time, as unconstitutional in no way obliterated the 104 Spl.C.C.69/2018 provision from the statute book; and it was open to the Parliament to cure the defect noted by this Court so as to revive the same provision in the existing form.

(b) We are unable to agree with the observations in Nikesh Tarachand Shah⁷⁰⁷ distinguishing the enunciation of the Constitution Bench decision in Kartar Singh⁷⁰⁸; and other observations suggestive of doubting the perception of Parliament in regard to the seriousness of the offence of money-laundering, including about it posing serious threat to the sovereignty and integrity of the country.

(c) The provision in the form of Section 45 of the 2002 Act, as applicable post amendment of 2018, is reasonable and has direct nexus with the purposes and objects sought to be achieved by the 2002 Act and does not suffer from the vice of arbitrariness or unreasonableness.

(d) As regards the prayer for grant of bail, irrespective of the nature of proceedings, including 105 Spl.C.C.69/2018 those under Section 438 of the 1973 Code or even upon invoking the jurisdiction of Constitutional Courts, the underlying principles and rigours of Section 45 may apply.

(xiv) The beneficial provision of Section 436A of the 1973 Code could be invoked by the accused arrested for offence punishable under the 2002 Act.

(xv) (a) The process envisaged by Section 50 of the 2002 Act is in the nature of an inquiry against the proceeds of crime and is not "investigation" in strict sense of the term for initiating prosecution; and the Authorities under the 2002 Act (referred to in Section 48), are not police officers as such.

(b) The statements recorded by the Authorities under the 2002 Act are not hit by Article 20(3) or Article 21 of the Constitution of India. (xvi) Section 63 of the 2002 Act providing for punishment regarding false information or failure to give information does not suffer from any vice of arbitrariness.

106 Spl.C.C.69/2018 (xvii) The inclusion or exclusion of any particular offence in the Schedule to the 2002 Act is a matter of legislative policy; and the nature or class of any predicate offence has no bearing on the validity of the Schedule or any prescription thereunder. (xviii) (a) In view of special mechanism envisaged by the 2002 Act, ECIR cannot be equated with an FIR under the 1973 Code. ECIR is an internal document of the ED and the fact that FIR in respect of scheduled offence has not been recorded does not come in the way of the Authorities referred to in Section 48 to commence inquiry/investigation for initiating "civil action"

of "provisional attachment" of property being proceeds of crime.

(b) Supply of a copy of ECIR in every case to the person concerned is not mandatory, it is enough if ED at the time of arrest, discloses the grounds of such arrest.

(c) However, when the arrested person is produced before the Special Court, it is open to the Special

107 Spl.C.C.69/2018 Court to look into the relevant records presented by the authorised representative of ED for answering the issue of need for his/her continued detention in connection with the offence of money□laundering.

(xix) Even when ED manual is not to be published being an internal departmental document issued for the guidance of the Authorities (ED officials), the department ought to explore the desirability of placing information on its website which may broadly outline the scope of the authority of the functionaries under the Act and measures to be adopted by them as also the options/remedies available to the person concerned before the Authority and before the Special Court. (xx) The petitioners are justified in expressing serious concern bordering on causing injustice owing to the vacancies in the Appellate Tribunal. We deem it necessary to impress upon the executive to take corrective measures in this regard expeditiously.

108 Spl.C.C.69/2018 (xxi) The argument about proportionality of punishment with reference to the nature of scheduled offence is wholly unfounded and stands rejected."

99. The Hon'ble Supreme court in the said judgment has elaborately discussed about the various amended provisions of PML Act particularly with regard to scope of the Act and the definition of Sections 3, 5, 8, 24, 50 etc. The Hon'ble Supreme Court has upheld the said provisions along with

other provisions which were under consideration. Since the Hon'ble Supreme Court has answered all the questions, the contention of the accused that the Act is not applicable to their case, since the properties were acquired prior to the date of commencement of the PML Act, cannot be accepted. Because admittedly the proceeds of crime are continued to be in the possession and enjoyment of the 109 Spl.C.C.69/2018 Accused No.1 and 2.

100. As discussed above, since Section 24 has been upheld, and since the Accused No.1 and 2 have failed to discharge their burden with regard to showing that the properties were acquired out of legal source of income, their contention cannot be accepted. The documents placed by the DW1 to substantiate the contention that all the properties were acquired by adopting due procedure and out of legal source of income, do not in fact substantiate the said contention and the documents are not at all admissible in evidence, hence the arguments of learned counsel Sri.M.G.S. in that regard cannot be accepted. The way in which DW1 has given evidence and the documents placed by him are themselves tainted and created for the purpose of this case and P.C.Act case, hence his evidence does not inspire the confidence of the Court. Further, he failed to 110 Spl.C.C.69/2018 examine his wife (Accused No.2) to substantiate her contention with regard to her independent source of income. Accused No.1 has failed to explain as to what prevented him to declare the acquisition of properties by himself and his wife, to his competent authority and that itself is a misconduct. Therefore, viewed from any angle, his evidence cannot be believed and accepted.

101. In view of the above discussions and the law on the point and since the judgments cited by the learned counsel for the accused, are of different Hon'ble High Courts and since the judgments cited by the learned SPP are of our own Hon'ble High Court and since the Hon'ble Supreme Court has decided the case on 27.07.2022 with regard to the said aspects, the judgments cited by Sri.M.G.S. cannot be relied upon. In view of the said discussion, I am of the clear opinion that, as rightly pointed out by SPP, the 111 Spl.C.C.69/2018 properties in Schedule have been acquired out of the proceeds of crime within the meaning of Section 3 of the PML Act. The Hon'ble Supreme Court in the recent judgment, as extracted above, has held that the role of assisting party is also to the extent of original party, who acquired the properties out of proceeds of crime, the Accused No.2, who is the wife of the Accused No.1 is equally liable along with Accused No.1. The role played by Accused No.2 comes within the meaning of Section 3 of PML Act. Therefore, the contentions of the accused in any manner cannot be believed and accepted.

102. Having discussed above, I am of the clear opinion that the prosecution has proved that the building constructed in item No.1 and the entire properties mentioned in item No.2 to 6 were acquired out of the proceeds of crime. Accordingly, I answer the above point 112 Spl.C.C.69/2018 No.1 in the affirmative.

103. POINT NO.2: In the result, I proceed to pass the following:

ORDER Acting under Section 235 (2) of Cr.P.C., I hereby convict the Accused No.1 and 2 for the offence punishable under Section 4 of the Prevention of Money Laundering Act, 2002.

and that of their surety shall stand canceled.

The matter is posted to hear regarding sentence.

(Dictated to the Judgment Writer, transcribed and computerized by her, corrected and then signed by me on this the 29th day of July, 2022).

(H.A.Mohan) XXXII Addl.C.C. & S.J. and Special Judge for CBI Cases, Bengaluru.

113 Spl.C.C.69/2018 ORDER ON SENTENCE Heard the learned SPP and Sri.M.G.S. the learned counsel for the accused regarding sentence.

The learned counsel for the accused Sri.M.G.S. argued that the Accused No.1 and 2 are senior citizens as they are aged more than 65 years. They have dragged to the court and faced trial for many years. Further, they are suffering from serious ill health. Therefore, having regard to the facts and circumstances, minimum sentence as contemplated under Section 4 of the PML Act may be awarded.

On the other hand, the learned SPP has argued that since the court has come to the conclusion that the Accused No.1 and 2 have committed the offence under Section 4 of PML Act and since it is a serious offence, it is to be dealt with iron hands. The SPP by taking this court through the 114 Spl.C.C.69/2018 observations made by the Hon'ble Supreme Court in Vijay Madanlal Choudhari case, has referred above, has argued that as per Article 39 of Constitution State to prevent concentration of wealth, thus, to realize its socialist goals, it becomes imperative for the State to make such loss, which not only ensure that the unaccounted money infused back in the economic system of the country, but also prevent any activity, which damages the economic fabric of the nation. It cannot be gainsaid that social and economic offences stand on a graver footing as they not only involved individual direct victim, but harm the society as a whole. Accordingly, argued that the maximum punishment up to 7 years may be awarded along with fine to send the message to the society and public servants. No sympathy shall be given in favour of the accused.

115 Spl.C.C.69/2018 Having, heard the arguments of the learned SPP and Sri.M.G.S, perused the records. I have already examined the material in detail. Of course, the accused persons are senior citizens and they have been facing trial for many years. The accused No.1 was regularly appearing before the court and on some occasions Accused No.2 was absent due to ill health.

Section 4 of PML Act prescribes minimum sentence of 3 years rigorous imprisonment and fine. Of course, the same may be extended upto 7 years if the offence does not come within the purview of paragraph 2 of para A of the Schedule. This is not a case comes under NDPS Act. Keeping in mind the observations made by the Hon'ble Supreme Court in the said judgment and looking into the gravity of offence and since the properties have also been attached by the ED and since accused are senior 116 Spl.C.C.69/2018 citizens and appeared before the court regularly and also facing the predicate offence under PC Act by Accused No.1, I am of the opinion that some leniency will have to be taken while awarding the sentence. There shall be a balance between punishment and the

humanity. So, if minimum sentence as prescribed under Section 4 is awarded, that would meet the ends of justice.

Further, as rightly pointed out by SPP Section 8 (5) of the PML Act specifically says, which reads as under:

Section 8(5) in The Prevention of Money Laundering Act, 2002:

(5) Where on conclusion of a trial for any scheduled offence, the person concerned is acquitted, the attachment of the property or retention of the seized property or record under sub-section (3) and net income, if any, shall cease to have effect.

In view of the said provision, there is no option for the court except to order for confiscation of the tainted 117 Spl.C.C.69/2018 properties to the Central Government. Therefore, the arguments of Sri.M.G.S. that properties cannot be confiscated, holds no water.

I have already come to the conclusion that the building constructed on item No.1 by using tainted amount of Rs.5,00,000/□and entire properties in item No.2 to 6 have been acquired out of illegal and tainted money. Further, ED has already ordered to attach the said properties. Therefore, it is just and proper to order for confiscation of building constructed on item No.1 or by recovering of Rs.5,00,000/□from the Accused No.1 or his successor and item No.2 to 6 of the schedule are hereby confiscated to the Central Government.

In view of the aforesaid reasons and since the properties are also being ordered to be confiscated to the Central Government, I hold that it is just and proper to 118 Spl.C.C.69/2018 award sentence of 3 years rigorous imprisonment for the Accused No.1 and 2 along with fine of Rs.5,000/□each. Hence, in the result, I proceed to pass the following:

SENTENCE It is ordered that Accused No.1 and 2 shall undergo rigorous imprisonment for a period of 3 years and shall pay fine of Rs.5,000/□each and in default of payment of fine, they shall further undergo rigorous imprisonment for 3 months.

It is ordered that the building constructed on item No.1 or by recovering of Rs.5,00,000/□construction cost from the Accused No.1 or his successor and item No.2 to 6 of the schedule shall be confiscated to the Central Government.

119 Spl.C.C.69/2018 The period of custody already undergone by the accused if any shall be given set off under Section 428 of Cr.P.C.

Office to furnish free copies of the judgment to the Accused No.1 and 2 forthwith.

(Dictated to the Judgment-writer, transcribed and computerized by her, corrected and then signed by me on this 29th day of July, 2022).

(H.A.Mohan) XXXII A.C.C. & S.J. and Spl. Judge for CBI Cases, Bengaluru.

120 Spl.C.C.69/2018 ANNEXURE LIST OF WITNESSES EXAMINED ON BEHALF OF PROSECUTION P.Ws C.Ws Name Date P.W.1 C.W.1 Johnson K George 14.03.2019 P.W.2 C.W.3 J.Subramanyam 14.03.2019 P.W.3 C.W.2 Gangadharan.M 29.05.2019 P.W.4 C.W.4 V.G.Thomas 10.07.2019 LIST OF DOCUMENTS MARKED ON BEHALF OF PROSECUTION Exhibit Description of exhibited document Exhibited date No. Ex.P.1 Enforcement Case Information Report 14.03.2019 (ECIR) Ex.P.1(a) Signature of PW1 14.03.2019 Ex.P.2 Provisional Attachment Order dated 14.03.2019 19.06.2017 Ex.P.3 Copy of Complaint u/S 5(5) of P.M.L. 14.03.2019 Act on 10.07.2017 before A.D.J., ED Ex.P.4 Statement of A1 29.05.2019 Ex.P.4(a) Signature of A1 29.05.2019 Ex.P.5 Statement of A1 recorded by PW4 u/S 10.07.2019 50(2) & 50(3) of PMLA Ex.P.5(a) Signature of Accused No.1 10.07.2019 Ex.P.5(b) Signature of Accused No.2 10.07.2019 Ex.P.5(c) Signature of Manasa 10.07.2019 121 Spl.C.C.69/2018 Ex.P.6 Statement of A2 recorded on 10.07.2019 21.03.2017 Ex.P.6(a) Signature of A2 10.07.2019 Ex.P.6(b) Signature of A1 10.07.2019 Ex.P.7 Statement of Manasa Rani 10.07.2019 Ex.P.7(a) Signature of Manasa Rani 10.07.2019 Ex.P.7(b) Signature of A1 10.07.2019 Ex.P.8 Statement of A1 recorded on 10.07.2019 29.05.2017 Ex.P.8(a) Signature of A1 10.07.2019 Ex.P.9 Statement of Varadaraju recorded on 10.07.2019 29.05.2017 Ex.P.9(a) Signature of Varadaraju 10.07.2019 Ex.P.10 Confirmation of provisional 10.07.2019 attachment order Ex.P.11 X/c of sale deed dated 07.04.1983 10.07.2019 Ex.P.11 C/c of sale deed dated 07.04.1983 08.01.2020

(a) Ex.P.12 EC for the period from 01.04.2004 to 10.07.2019 17.11.2015 Ex.P.13 Notarized copy of the Gift Deed dated 10.07.2019 25.11.2010 Ex.P.14 Covering letter with c/c of sale deed 10.07.2019 dated 17.02.2010 Ex.P.15 EC for the period from 01.04.2004 to 10.07.2019 03.03.2017 122 Spl.C.C.69/2018 Ex.P.16 True copy of sale deed dated 10.07.2019 10.11.1999 Ex.P.16 C/c of sale deed dated 10.11.1999 08.01.2020

(a) Ex.P.17 EC for the period from 01.04.2004 to 10.07.2019 28.03.2017 Ex.P.18 X/c of sale deed dated 15.04.2002 10.07.2019 Ex.P.18 C/c of sale deed dated 15.04.2002 08.01.2020

(a) Ex.P.19 X/c of RTC dated 04.11.2003 10.07.2019 Ex.P.19 RTC extract obtained from Internet 08.01.2020

(a) Ex.P.20 X/c of mutation extract dated 10.07.2019 21.01.2010 Ex.P.20 Mutation extract obtained from 08.01.2020

(a) Internet Ex.P.21 X/c of sale deed dated 29.01.1996 10.07.2019 Ex.P.21 C/c of sale deed dated 29.01.1996 08.01.2020

(a) Ex.P.22 EC for the period from 01.04.1989 to 10.07.2019 29.03.2017 Ex.P.23 X/c of sale deed dated 07.01.1987 10.07.2019 Ex.P.23 C/c of sale deed dted 07.01.1987 08.01.2020

(a) Ex.P.24 EC for the period from 07.01.1987 to 10.07.2019 29.03.2017 Ex.P.25 to Four letters addressed to respective 10.07.2019 P.28 SROs dated 27.11.2017 123 Spl.C.C.69/2018 Ex.P.29 True copy of charge sheet papers in 10.07.2019 Page No.6 to 20 and other papers from Lokayuktha

Ex.P.30 Complaint filed by PW4 10.07.2019 Ex.P.31 Copy of Final Report filed by 08.01.2020 Lokayuktha Police in Predicate offence (Through DW1) Ex.P.31 List of documents No.1 to 11 (Charge 09.12.2021

(a) sheet Page No.154) Ex.P.31 FD of Rs.17,00,000/□standing in the 09.12.2021

(b) name of A2 Item No.12 (Through DW1) Ex.P.31 List of documents in Charge sheet 09.12.2021

(c) P.154, Item.No.14, 17, 19 to 21 (A2) (Through DW1) Ex.P.31 List of documents in charge sheet 09.12.2021

(d) P.No.154, Item.No.18 (A2) (Through DW1) Ex.P.32 Report submitted by enquiry Officer 24.01.2022 dated 20.05.2003 (Through DW1) Ex.P.33 C/c of order dated 22.02.2020 for 24.01.2022 cancellation of Sannad, Complaint No.160/2015, Bar Council, Bengaluru 124 Spl.C.C.69/2018 (Through DW1) Ex.P.34 Document related to Case 25.01.2022 No.CC.3246/2020 (Through DW1) Ex.P.35 Charge framed in CC.24477/2006 25.01.2022 (Through DW1) Ex.P.36 Attendance Register copy 2008□b9 25.01.2022 (Through DW1) LIST OF WITNESSES EXAMINED ON BEHALF OF ACCUSED D.Ws Name Date D.W.1 J.V.Ramaiah 07.04.2021 LIST OF EXHIBITS MARKED ON BEHALF OF ACCUSED Exhibit Description of exhibited document Exhibited date No. Ex.D.1 C/c of permission letter of 12.11.2021 Government dated 30.06.1983 Ex.D.2 Original Rent agreement dated 12.11.2021 01.10.1989 Ex.D.3 Original Rent Agreement dated 12.11.2021 28.05.2009 Ex.D.4 Original affidavit dated 16.12.2010 12.11.2021 Ex.D.5 Original affidavit dated 22.12.2010 12.11.2021 125 Spl.C.C.69/2018 Ex.D.5(a) Signature of Varadaraju on 06.12.2021 12.11.2021 Ex.D.6 C/c of evidence of Manjunath 12.11.2021 Bevinakuppa dated 07.09.2016 in Spl.C.C.8/2012 Ex.D.7 Original affidavit dated 01.09.2010 12.11.2021 Ex.D.8 Paper Notification dated 15.09.1984 16.11.2021 Ex.D.9 BDA Demand Notice cum challan 16.11.2021 Ex.D.10 Allotment letter dated 02.03.1985 16.11.2021 Ex.D.11 Endorsement - Permission for purchase of 16.11.2021 site dated 25.01.1990 Ex.D.12 BDA Demand Notice cum challan 16.11.2021 Ex.D.13 BDA Demand Notice cum challan 16.11.2021 Ex.D.14 Property Tax Receipt 16.11.2021 Ex.D.15 Possession Certificate dated 14.08.1986 16.11.2021 Ex.D.16 Khahta Certificate dated 09.08.1989 16.11.2021 Ex.D.17 Khatha Certificate dated 09.11.2010 16.11.2021 Ex.D.18 Khatha Extract dated 09.11.2010 16.11.2021 Ex.D.19 Property tax receipt 16.11.2021 Ex.D.20 Letter dated 02.09.1990 16.11.2021 Ex.D.21 Requisition for issuance of No Objection 16.11.2021 Certificate of 20.01.2009 Ex.D.22 Sketch sanction letter dated 23.09.1989 16.11.2021 Ex.D.23 Completion Certificate dated 31.12.1991 16.11.2021 Ex.D.24 Estimation for proposed building 16.11.2021 Ex.D.25 Registered Sale Deed dated 17.02.2010 16.11.2021 Ex.D.26 Affidavit dated 16.12.2010 by R.S.Jaswal 16.11.2021 Ex.D.27 Affidavit dated 16.12.2010 by 16.11.2021 K.Balakrishnan 126 Spl.C.C.69/2018 Ex.D.28 Evidence of Balakrishnan dated 16.11.2021 07.09.2016 in Spl.C.C.8/2012 Ex.D.29 Evidence of Murali Mohan dated 16.11.2021 07.09.2016 in Spl.C.C.8/2012 Ex.D.30 Affidavit dated 16.12.2010 of K.Nagaraj 16.11.2021 Ex.D.30(a Table 'A' particulars of the properties 16.11.2021) dated 06.12.2021 Ex.D.31 Confirmation letter by Nagaraj dated 16.11.2021 31.07.1999 Ex.D.32 Affidavit dt. 16.12.2010 by Pradyutt 16.11.2021 Kumar Das Ex.D.33 Confirmation letter dated 02.11.2010 16.11.2021 Ex.D.34 Income Tax Returns of 2010□11 (7 16.11.2021 sheets) Ex.D.35 Income Tax Returns 2009□10 (8 16.11.2021 sheets) Ex.D.36 Form No.16 in 2008□b9 (2 sheets) 16.11.2021 Ex.D.37 Form No.16 in

2010□1 (2 sheets) 16.11.2021 Ex.D.38 Acknowledgement 2008□9 (5 sheets) 16.11.2021 Ex.D.39 Confirmation letter by 09.12.2021 B.V.Venkataramanappa dt.

Ex.D.40	14.08.1991 Confirmation letter by B.V.Venkataramanappa 16.06.1990	dated	09.12.2021
Ex.D.41	Confirmation letter by Narasimharaja 127	09.12.2021 Spl.C.C.69/2018	
Ex.D.42	dated 15.10.1991 Confirmation letter by B.V.Venkataramanappa 16.06.1990	dated	09.12.2021
Ex.D.43	Affidavit of S.N.Narayanamurthy dated 16.12.2010		24.01.2022
Ex.D.44	Letter dated 29.02.2005		24.01.2022
Ex.D.45	Rental Agreement dated 12.12.2007		24.01.2022
Ex.D.46	Income Tax Challan 2010-11		24.01.2022
Ex.D.47	Confirmation letter dated 16.06.1990		24.01.2022
Ex.D.48	Confirmation letter dated 14.08.1991		24.01.2022
Ex.D.49	Salary details of J.V.Ramaiah dated 01.12.1978 to 31.07.1984		24.01.2022
Ex.D.50	Salary details for the year 2007 to 2009		24.01.2022
Ex.D.51	Service Certificates of J.V.Ramaiah to 54		24.01.2022
Ex.D.55	dated 04.03.2020 Corporation Bank statement dated 19.08.2010		24.01.2022
Ex.D.56	Account statement from 01.04.2005 to 31.03.2006 (4 sheets)		24.01.2022
Ex.D.57	R.D. A/c No.29/1995 in the name of Lalitha V.Ramaiah (8 sheets)		24.01.2022
Ex.D.58	Postal Savings A/c in the name of J.R.Rajesh 128	Spl.C.C.69/2018	24.01.2022
Ex.D.59	RD & Postal Savings A/c Pass Book of J.R.Manasa Rani		24.01.2022
Ex.D.60	RD & Postal Savings A/c Pass Book of J.V.Ramaiah		24.01.2022
Ex.D.61	RD & Postal Savings A/c Pass Book of Rajsha		24.01.2022
Ex.D.62	RD & Postal Savings A/c Pass Book of Lalitha		24.01.2022
Ex.D.63	RD & Postal Savings A/c Pass Book of Rajendra		24.01.2022
Ex.D.64	RD & Postal Savings A/c Pass Book of		24.01.2022

	Manasa Rani	
Ex.D.65	Patta Receipt Book (copy) Sy.No.245 (3 sheets)	24.01.2022
Ex.D.66	Letter issued by V/A dated 25.02.2011	24.01.2022
Ex.D.67	Letter issued by Horticulture Officer dated 14.03.2011	24.01.2022
Ex.D.68	Letter dated 05.01.2011 issued by Horticulture Department (3 sheets)	24.01.2022
Ex.D.69	Pass Book of the S.B.A/c of Lalitha.M (2 sheets)	24.01.2022
Ex.D.70	Agreement of Gift Deed 16.09.1999	24.01.2022
Ex.D.71	Agreement of Gift deed (2 sheets)	24.01.2022
Ex.D.72	Certificates dated 11.05.2012	24.01.2022
	to 74	
Ex.D.75	Lease agreement dated 05.12.2002 129	24.01.2022 Spl.C.C.69/2018
Ex.D.76	Shop Agreement dated 16.12.2002	24.01.2022
Ex.D.77	Shop Agreement dated 28.10.2006	24.01.2022
Ex.D.78	Shop Agreement dated 30.10.2009	24.01.2022
Ex.D.79	Shop Agreement dated 18.01.2003	24.01.2022
Ex.D.80	Lease Agreement dated 17.06.2005	24.01.2022
Ex.D.81	Lease Agreement dated 09.04.2007	24.01.2022
Ex.D.82	Confirmation letter dated 12.10.2010 (39 sheets)	24.01.2022
Ex.D.83	Confirmation letter dated 14.09.2010 (29 sheets)	24.01.2022
Ex.D.84	Certificate issued by Veterinary	24.01.2022

Doctor, Addagal, Srinivasapura Taluk Ex.D.85 Certificate dated 20.05.2002 24.01.2022 Ex.D.86
Deputy Commissioner Order copy, 24.01.2022 dated 12.05.2000 (H.A.Mohan) XXXII Addl.C.C. &
S.J. and Special Judge for CBI Cases, Bengaluru.