

MHCC020104062020



IN THE COURT OF SESSIONS FOR GR.BOMBAY AT MUMBAI

ORDER BELOW EXH.1  
IN P.M.L.A. SPECIAL CASE NO.915 OF 2020

Directorate of Enforcement,  
Represented by its Assistant Director,  
Headquarters Office, 6<sup>th</sup> floor, Lok Nayak     **...Complainant**  
Bhawan, Khan Market, New Delhi-110003

V/s.

Ms. Chanda Kochhar & 10 ors.     **...Accused**

**Appearances:**

Ld. S.PP Mr. Sunil Gonsalvis for the complainant.

**CORAM : HIS HONOUR ADDL.SSESSIONS  
JUDGE SHRI ABHIJEET A.  
NANDGAONKAR  
(C.R.No.16)**  
**DATED : 30<sup>th</sup> January,2021**

**ORDER**

Perused the complaint. Heard the learned S.PP Mr. Sunil Gonsalvis for the complainant/Enforcement Directorate (ED). Perused the statements of witnesses and copies of documents produced with the complaint.

2. The genesis of the present crime under Money Laundering Act is from registering FIR by CBI,BS & FC, New Delhi on 22.01.2019 bearing No.RCBDI/2019/E/0001 for the offence punishable under Sections 120-

B and 420 of Indian Penal Code and under Section 7 and 13 (2) r/w 13 (1)(d) of Prevention of Corruption Act against accused persons.

3. The case of ED/prosecution in nutshell is that,

Accused No.1 was M.D. and C.E.O of I.C.I.C.I bank, whereas accused No.2 is the husband of accused No.1. During June,2019 to October,2011 ICICI Bank had sanctioned six high value loans to various companies of Videocon Goup in the tune of Rs.300 crores in contravention of the rules and policy of sanctioning committee. On 07.09.2009 when Rs.300 crores was disbursed, on the very next day i.e 08.09.2009 accused Mr. V.N. Dhoot transferred an amount of Rs.64 crores to NRPL managed by accused Mr. Deepak Kochhar, husband of accused No.1, through his company SEPL. Mr. Chanda Kochhar got illegal gratification/undue benefit through her husband from VIL/Mr. V.N. Dhoot. NRPL was incorporated on 24.12.2008 and Mr. Deepak Kochhar, Mr. V.N. Dhoot and Mr. Saurabha Dhoot were the first directors of the company. Mr. V.N. Dhoot and Mr. Saurabha Dhoot resigning from the directorship of this company w.e.f 15.01.2009, however, before resigning Mr. V.N.Dhoot allotted 19,97,500 warrants to Mr. Deepak Kochhar @ Rs.10/- per warrant, on an initial payment of Rs.1/- per warrant. On 05.06.2009 shares of NRPL held by Mr. V.N. Dhoot and Mr. Deepak Kochhar group were transferred to SEPL, which became 95% shareholder of NRPL. SEPL was incorporated on 03.07.2008. Mr. V.N. Dhoot and Mr. Vasant Kkade were first directors. Mr. V.N. Dhoot resigned from directorship of SEPL on 15.1.2009 and transferred the control of the said company to Mr. Deepak Kochhar by selling/transferring his shares to Pinnacle Energy (PE) managed by Mr. Deepak Kochhar.

4. ICICI bank sanctioned various loans of Rs.1,575/- to Videocon Group companies. However, these loans were turned NPA resulting in wrongful loss to ICICI bank and wrongful gain to the borrowers and accused persons. ICICI bank had also released the security available in the form of FDR of Rs.50 crores in the accounts of SAL & TEL without any justification. On 01.05.2009 Mrs. Chanda Kochhar took over the charge of ICICI Bank as M.D. and C.E.O. and thereafter, all the credit facilities, as stated above, sanctioned to Videocon group companies. These loans were sanctioned by the different sanctioning committees and Mrs. Chanda Kochhar was one of the committee members, which had sanctioned RTL of Rs.300 crores to VIEL and Rs.750 crores to VIL. Hence, total misappropriated/loss caused as on 26.4.2012 is Rs.1,730/-.

5. The ED has initiated investigation under PMLA and subsequently, carried out search and seizure at different residence, office/companies of the accused. The accused persons were also arrested. Mrs. Chanda Kochhar was appointed in the year 1984 in ICICI bank and over period of time she became MD and CEO of ICICI bank. Mr. Deepak Kochhar has close acquaintance and relationship with Mr.V.N. Dhoot, Chairman and Managing Director of M/s Videocon Industries Ltd. The accused Mrs. Chanda Kochhar had neither disclosed this fact nor recused herself from sanctioning committee of ICICI bank while sanctioning loan to VIL or VIEL. It is also clear from investigation papers that immediately day after sanctioning loan to VIEL Rs.64 crores was transferred to NRPL, owned and managed by accused Mr. Deepak Kochhar. This is illegal gratification to accused Mrs. Chanda Kochhar, through accused Mr. Deepak Kochhar, by abusing her position as MD and CEO of ICICI Bank in sanctioning the loan. The said proceeds of crime Rs.64 crores transferred to NRPL through a web of companies and have been used

towards purchase of properties (wind farm projects of 33.15 MW capacity).

6. It is also transpired that, accused Mrs. Chanda Kochhar and her family have enjoyed facilities from accused Mr. V.N. Dhoot and/or Videocon Group of Companies. The flat situated at CCI, Mumbai purchased by family trust of Mrs. Chanda Kochhar from proceeds of crime for a minuscule sum of Rs.11 lakh, when actual price of the flat was around Rs.5 crores.

7. Mrs. Chanda Kochhar and Mr. Deepak Kochhar were long associated with Mr. V.N. Dhoot. On 18.3.1992 Mr. Deepak Kochhar floated M/s Vikvin Finance Pvt.Ltd (VFPL) with his mother. On 3.06.1993 it was changed as M/s Credential Investment & Finance Ltd on 30.06.1993 and it was also changed to M/s Credential Finance Limited (CFL) on 27.09.1994. Mrs. Chanda Kochhar had allotted equity shares in CFL. In 1994-1994 Mr. V.N. Dhoot invested approximately Rs.10 crores in CFL. On 29.03.1996 CFL made an application before Hon. Bombay High Court to merge with M/s Bloom Field Builders & Construction Company Limited (in which Mr. V.N. Dhoot/ Videocon Group was holding majority shareholding). On 18.09.1996 said amalgamation took place and name of entity changed to M/s Credential Finance Limited, in which Chanda Kochhar, Mr. Deepak Kochhar and their family and Videocon group were the biggest shareholders. Mr. V.N. Dhoot/Videocon Group was having substantial interest/shareholding in Family Trust of Mrs. Chanda Kochhar.

8. It is alleged that, accused Ms. Chanda Kochhar was being MD and CEO of ICICI bank and chairperson/member of sanctioning

committee sanctioned loan of Rs.300 crores to VIEL on 26.8.2019, disbursed on 07.09.2009 and on the next date Rs.64 crores out of the loan funds transferred to NRPL. She was shareholder in CFL and funds were transferred from her salary account to CFL.

Mr. Chanda Kochhar did not disclose her association with PCSPL to ICICI bank. She was authorized signatory in DBS Bank Account of PCSPL (shareholder of NRPL).

Mrs. Chanda Kochhar residing in a flat bearing No.45, CCI Chambers, Churchgate, Mumbai, which was acquired from proceeds of sale allegedly transferred by Mr. V.N. Dhoot/Videocon Group.

9. It is alleged that, Mr. Deepak Kochhar is husband of accused Mrs. Chanda Kochhar. He is beneficial owner/controller of NRPL and was also MD of subsidiaries of NRPL. He is also beneficial owner of PCSPL, QTAPL and SEPL. He used proceeds of crime Rs.64 crores received from Mr. V.N. Dhoot/Videocon Group for acquisition of property. He had control in major decision of SEPL and NRPL, despite of majority shareholding of NRPL held by Mr. V.N. Dhoot.

Mr. Deepak Kochhar did not disclose his source of funds (Rs.64) crores and from this proceeds of crime he purchased shares of SEPL from Mr. V.N. Dhoot through Mr. Mahesh Chandra Punglia. He is involved in concealing the proceeds of crime as untainted property and along with Mr. V.N. Dhoot created structure of layer the transfer of proceeds of crime. Mr. Deepak Kochhar being managing trustee of Quality Trust (Family Trust) acquired flat located at CCL Chambers, Mumbai by acquiring QTAPL (a Videocon Group company and 99 % owners of the said flat) for only Rs.11 lakh.

10. It is alleged that, accused Venugopal Nandlal Dhoot (V.N. Dhoot) is Chairman and Managing Director of VIL, Director of RCPL, Promoter of Videocon Group and Former Director and Shareholder of NRPL & SEPL. He is beneficial owner of VIL, IRCL and RCPL. He did not use loan funds received by VIL (through VIEL) from ICICI bank for the intended purpose and transferred proceeds of crime amounting to Rs.64 crores out of the loan funds received by Videocon Group.

SEPL company acquired 45 % shareholding of NRPL held by PCSPL before transfer of proceeds of crime. This was done to project the transfer of proceeds of crime as a genuine transaction. He along with Mr. Deepak Kochhar created structure of layer the transfer of proceeds of crime.

Mr. V.N. Dhoot also transferred shares of SEPL to Pinnacle Energy (a family trust of Mr. Deepak Kochhar) through Mr. Mahesh Chandra Punglia. Mr. V.N. Dhoot under his control or beneficial ownership assisted Mr. Deepak Kochhar for transfer of the flat.

Mr. V.N. Dhoot transferred the complete shareholding of QTAPL to Quality Advisor (family trust of Ms. Chanda Kocchar and Deepak Kochhar was its Managing trustee).

11. It is alleged that, M/s Videocon Industries Limited (VIL) is a company beneficially owned and controlled by accused Mr. V. N. Dhoot. They submitted incorrect end use certificate issued by VIL's Auditor before ICICI Bank for utilisation of loan funds towards intended purpose. The loans sanctioned to VIL and other group companies turned NPA and resulting into loss to ICICI Bank. VIL assigned receivable of Rs.64 crores from SEPL to IRCL and IRCL in return assigned it to RCPL.

12. It is alleged that, M/s Indian Refrigerator Company Limited (IRCL) assigned the receivables of Rs.64 crores to RCPL, to be collected from SEPL. IRCL was part of and involved in creation of structure to ostensibly hold the receivables of Rs.64 crores of to layer transfer/holding of proceeds of crime. Mr. V.N. Dhoot was in charge, beneficial owner and person responsible for IRCL.

13. It is alleged that, M/s Real Cleantech Pvt. Ltd (RCPL) received the receivables of Rs.64 crores (proceeds of crime which were assigned to it by IRCL), to be collected from SEPL. RCPL was part of and involved in creation of structure to ostensibly hold the receivables of Rs.64 crores of to layer transfer/holding of proceeds of crime. RCPL was allowed silent death. This was done as per plan so that, SEPL, fully owned by Mr. Deepak Kochhar through his family trust named Pinnacle Energy, would not have to pay back to any company. After investigation was taken up, in January,2019 Mr. V.N. Dhoot/Videocon Group applied for revival of RCPL by filing application before NCLT in February,2019 to show that proceeds of crime is genuine. Mr. V.N. Dhoot is incharge, beneficial, owner and person responsible for RCPL

14. It is alleged that, M/s Supreme Energy Private Limited (SEPL), was company of V.N. Dhoot, acquired 45 % shareholding of NRPL from PCSPL before transfer of proceeds of crime amounting to Rs.64 crores to NRPL. Mr. V.N. Dhoot transferred shares of SEPL to Pinnacle Energy (a family trust of Mr. Deepak Kochhar) through Mr. Mahesh Chandra Punglia (dummy of Mr. V.N. Dhoot). This was done as a part of design/structure to conceal the direct link between Mr. V.N. Dhoot and Mr. Deepak Kochhar. Even majority of shareholding of NRPL (95%) held by Mr. V.N. Dhoot, Mr. Deepak Kochhar was exercising control in regard to all the major decisions of SEPL.

Shareholding of SEPL was transferred to Pinnacle Energy by Mr. Mahesh Chandra Punglia at the face value of shares only. SEPL was involved in creation of structure and layering the transfer/holding of proceeds of crime. SEPL was used as a conduit to receive the proceeds of crime amounting to Rs.64 crores from VIL and pass on the said amount to NRPL. Mr. Deepak Kochhar was incharge, controller and person responsible for SEPL.

15. It is alleged that, 45 % shareholding of M/s Nupower Renewable Private Limited (NRPL) held by PCSPL was acquired by SEPL before transfer of proceeds of crime amounting to Rs.64 crores to NRPL. The loan received in NRPL from Videocon Group received from ICICI Bank, without utilizing for intended purpose. The property acquired from proceeds of crime and benefits derived from the said property are enjoyed by NRPL. The accused Deepak Kochhar was in charge, controller and person responsible for NRPL.

16. It is alleged that, M/s Quality Techno Advisors Private Limited (QTAPL) was a Videocon Group company and became owner of the flat located at CCI chambers transfer. The company had no business and only holding the asset i.e flat at CCI Chambers. The said flat was transferred vide dee dt.04.08.2009. While accused Deepak Kochhar appointed as Director on 10.06.2009, he used flat at CCI chambers without paying any rent, even when he was Director of QTAPL.

In 2016 complete shareholding of QTAPL was transferred to Quality Advisor (family trust of Ms. Chanda Kochhar), which is nothing but proceeds of crime paid or transferred by Mr. V.N. Dhoot and same has been projected as untainted property.



Accused Mr. Deepak Kochhar was/is in-charge, controller and person responsible for QTAPL and its business.

17. It is alleged that, Quality Advisors (family trust of Ms. Chanda Kochhar for the benefit of her children in which accused Mr. Deepak Kochhar is the managing trustee) acquired the complete shareholding of QTAPL (99 % owner of the said flat located at CCI Chambers having book value of Rs.3,50,93,245/-) from accused Mr. V.N. Dhoot/Videocon Group. This is nothing but proceeds of crime acquired by Quality Advisors for the benefit of M.s Chanda Kochhar and her family. The said acquisition of QTAPL by Quality Advisors at such low price (Rs.3.5 crores) in the guise of performance guarantee given by QTAPL (a Videocon Company to SEPL (company of Mr. Deepak Kochhar) on behalf of NRPL (company of Mr. Deepak Kochhar). Quality Advisors acknowledged that it has acquired below the fair market value. Accused Mr. Deepak Kochhar was/is incharge, controller, managing trustee and person responsible for Quality Advisors.

18. It is alleged that, as part of conspiracy PCSPL transferred 45 % shareholding of NRPL held by it to SEPL before transfer of proceeds of crime amounting to Rs.64 crores in NRPL and remaining 5 % shareholding of NRPL was transferred by PCSPL to Mr. Deepak Kochhar. PCSPL was having an account in DBS Bank in which Ms. Chanda Kochhar was authorized signatory since 2003 and as per plant within a week of receipt of funds by PCSPL from SEPL, Board of Directors of PCSPL vide resolution dt.08.06.2009 decided to delete the name of Ms. Chanda Kochhar from the list of authorized signatories. This all was to project the receipt of proceeds of crime in NRPL as untainted property.

Accused Mr. Deepak Kochhar was/is incharge, controller, beneficial owner and person responsible for PCSPL as well as conduct of business of PCSPL.

19. After going through the submissions, written complaints and statements recorded under PMLA, it appears that, accused Ms. Chanda Kochhar had misused her official position in granting loan to accused Mr. V.N. Dhoot and/or Videocon group companies and got illegal gratification/undue advantage through her husband accused Mr. Deepak Kochhar, per-se quid-pro-quo web-transactions, created by the accused persons through various companies for siphoning off money and proceeds of crime. Hence, material gathered and produced by ED constitutes the commission of schedule offence, which gave rise to register the offence bearing No.ECIR/02/HIU/2019, dt.31.01.2019 for the offence under Section 3 r/w Section 70 punishable under Section 4 of Prevention of Money Laundering Act. Hence, I am of the opinion that this material is sufficient to proceed against the accused persons.

20. In view of above discussion, I proceed to pass the following order :-

**ORDER**

1. Issue process against accused Nos.1 to 11 in P.M.L.A. Case No.915 of 2020 arising out of ECIR/02/HIU/2019, dt.31.01.2019 for the offence under Section 3 r/w Section 70 punishable under Section 4 of Prevention of Money Laundering Act.
2. Accused No.02 is in custody, summons be served upon him through concerned Jail Authority.

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3. Leave is also granted to the ED to continue with the ongoing investigation and to take action thereon as per law.
4. Adj. for Appearance on 12.02.2021.

**( ABHIJEET A. NANDGAONKAR )**  
Additional Sessions Judge (C.R.No.16)  
Gr.Bombay at Mumbai.

Dt.: 30/01/2021  
Dictated on : 30.01.2021  
Transcribed on: 02.02.2021  
Signed on : 02.02.2021  
kps/-

**“CERTIFIED TO BE TRUE AND CORRECT COPY OF THE ORIGINAL SIGNED JUDGMENT/ORDER”**

**02.02.2021 at 17.08 hours  
UPLOAD DATE AND TIME**

**(KISHOR PRAKASH SHERWADE)  
NAME OF STENOGRAPHER**

<b>Name of the Judge</b>	<b>HHJ SHRI A.A. NANDGAONKAR (COURT ROOM NO.30)</b>
<b>Date of pronouncement of judgment/order</b>	<b>30.01.2021</b>
<b>Judgment/order signed by P.O. on</b>	<b>02.02.2021</b>
<b>Judgment/order uploaded on</b>	<b>02.02.2021</b>