

IN THE SUPREME COURT OF INDIA

CRIMINAL APPELLATE JURISDICTION

CRIMINAL APPEAL NO. _____ OF 2026
(arising out of SLP(Crl.) No. 2927/2026)

ELIZABETH JOHN

.....

APPELLANT

VERSUS

STATE OF KERALA

.....

RESPONDENT

O R D E R

1. Leave granted.
2. The appellant, Elizabeth John, assails the judgment and order dated 04.08.2025 passed by a learned Judge of the High Court of Kerala, dismissing her Criminal Revision Petition No. 793/2022. The said revision was filed by her challenging the dismissal of her discharge petition by the Special Court at Thrissur.
3. By order dated 09.02.2026, this Court directed further proceedings in C.C. No. 6/2014 pending before the learned Enquiry Commissioner and Special Judge, Thrissur, to remain stayed insofar as they pertained to the appellant.
4. The appellant was arraigned as Accused No. 13 in C.C. No. 6/2014 arising out of First Information Report (FIR) No. 3/2005 dated 27.01.2005 registered by the Vigilance and Anti-Corruption Bureau, Thrissur, under Section 13(1)(d) read with Section 13(2) of the Prevention of Corruption Act, 1988, and

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Deepak Guptha
Date: 2026.10.15
17:11:53 IST
Reason: 

Sections 419, 420, 465, 468, 471 and 120B of the Indian Penal Code, 1860. Pertinent to note, the appellant was not shown as an accused in the aforestated FIR but she was implicated in the Final Report dated 31.12.2013. The offences alleged arose out of the sanction of two term loans by the Kerala Financial Corporation¹, Thrissur, in the year 2001. Pertinent to note, the appellant joined the service of the KFC in 1978 and retired in 2006. She was a Deputy Manager (Legal) in 2001 and in that capacity, she was a member of the District Level Screening Committee² of the KFC which processed loan proposals. The offences alleged relate to two term loans of ₹50,00,000/- (Rupees fifty lakhs only) each sanctioned by the DLSC in favour of M/s. Geetha Suppliers and M/s. G & J Suppliers.

5. The meeting of the DLSC was stated to have been held on 31.03.2001 and the appellant participated as a Deputy Manager (Legal). The Regional Manager of KFC, viz., K.S.V. Nayakan, was the Chairman of the DLSC and he was shown as Accused No. 10. Significantly, his discharge application in Criminal M.P. No. 323/2015 in C.C. No. 6/2014 was allowed by the learned Enquiry Commissioner & Special Judge, Thrissur. This order attained finality as the State did not choose to challenge it. Similarly, Bhaskaran K.P., Accused No. 14, was also discharged by the learned Enquiry Commissioner & Special Judge, Thrissur, vide order dated 07.10.2021 passed in Criminal M.P. No. 788/2016 in C.C. No. 6/2014. The same relief was extended to

1 "KFC", for short

2 "DLSC", for short

M.V. Antony, Accused No. 16, by way of order dated 09.05.2022 passed in Criminal M.P. No. 789/2016 in C.C. No. 6/2014.

6. However, the discharge application filed by the appellant in Criminal M.P. No. 787/2016 in C.C. No. 6/2014 was dismissed by the learned Enquiry Commissioner & Special Judge, Thrissur, *vide* order dated 29.08.2022, on the ground that she failed to scrutinize the documents and misused her official position as a Deputy Manager (Legal). Aggrieved thereby, the appellant filed Criminal Revision Petition No. 793/2022, which came to be dismissed by the High Court, *vide* judgment and order dated 04.08.2025, which is impugned presently.
7. The State of Kerala filed a counter affidavit before this Court. Therein, the State did not attempt to draw any distinction between the cases of the other accused who stood discharged and the case of the appellant. It may be noted that the appellant was only a Deputy Manager (Legal) and was a member of the DLSC in that capacity. The Chairman of the DLSC, *viz.*, K.S.V. Nayakan, Accused No. 10, would obviously have a bigger role and responsibility in vetting loan proposals and sanctioning loans. Unless specific allegations are levelled against the appellant in the context of her deliberately failing to carry out her duties as a Deputy Manager (Legal) in scrutinizing the loan proposals, the question of proceeding against her, while letting off other members of the DLSC, who clearly had a bigger role and responsibility, cannot be countenanced. We find no such attempt having been made by the

State. On the other hand, the State admitted candidly that there was no *prima facie* case against those accused who already stood discharged. In the light of this admission in the context of the Chairman of the DLSC who obviously had a much bigger role and responsibility in sanctioning loans, we find no reason to allow the case to proceed against the appellant who, by her very designation, had a much smaller role to play.

8. The appeal is, accordingly, allowed, setting aside the impugned judgment and order dated 04.8.2025.
9. The appellant, Elizabeth John, shall stand discharged in C.C. No. 6/2014 on the file of the learned Enquiry Commissioner & Special Judge, Thrissur, under Section 239 of the Code of Criminal Procedure, 1973.

Pending application(s), if any, shall stand disposed of.

.....J.
(SANJAY KUMAR)

.....J.
(SANJEEV SACHDEVA)

NEW DELHI;
OCTOBER 14, 2026.

S U P R E M E C O U R T O F I N D I A
R E C O R D O F P R O C E E D I N G S

Petition for Special Leave to Appeal (Crl.) No. 2927/2026

[Arising out of impugned final judgment and order dated 04-08-2025 in CRLRP No. 793/2022 passed by the High Court of Kerala at Ernakulam]

ELIZABETH JOHN

Petitioner(s)

VERSUS

STATE OF KERALA

Respondent(s)

(FOR ADMISSION)

Date : 14-10-2026 This matter was called on for hearing today.

CORAM :

HON'BLE MR. JUSTICE SANJAY KUMAR
HON'BLE MR. JUSTICE SANJEEV SACHDEVA

For Petitioner(s) :

Mr. Jose Abraham- 2066, AOR

For Respondent(s) :

Mr. Aljo K. Joseph- 2529, AOR

Mr. Ajay M., Adv.

UPON hearing the counsel, the Court made the following
O R D E R

Leave granted.

In terms of the signed order, the appeal is allowed, setting aside the impugned judgment and order dated 04.08.2025.

Pending application(s), if any, shall stand disposed of.

(DEEPAK GUGLANI)
DEPUTY REGISTRAR

(PREETI SAXENA)
COURT MASTER (NSH)

(signed order is placed on the file)