

P.W. No.6 on S.A. :

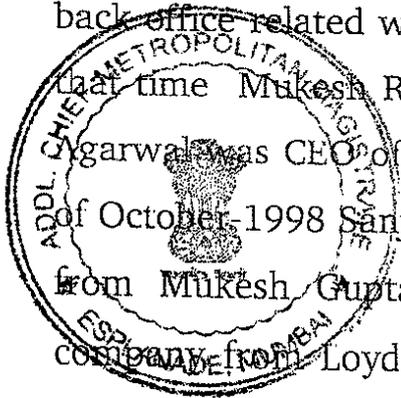
State V/s. Sanjay Agarwal and others

Name : Jaikumar Rasiklal Mehta.
Age : 60 years.
Occupation : Retired.
Residing at : Vasai.

Examination-in-chief by Ld. A.P.P. Smt. P. S. Patil for the

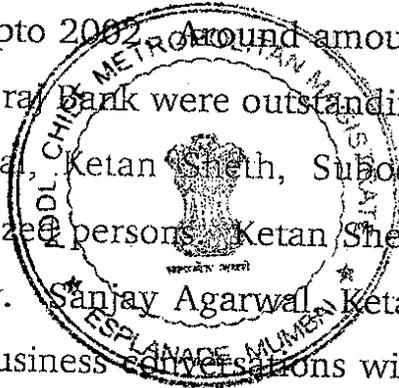
State :-

1. I know Ketan Sheth, Subodh Bhandari, Nandkishor Trivedi and Sanjay Agarwal as I was in their office. Sanjay Agarwal was CEO of Home Trade Limited. Nandkishor Trivedi was Company Secretary. Subodh Bhandari was looking after Finance Department. Ketan Sheth initially was director of said company but subsequently he resigned from said company in 2001. I joined Loyds Brokerage Limited in the month of April-1995. Its office was at Mittal Court, Nariman Point, Mumbai. My job was to upload file of Equity shares transactions taken place with National Stock Exchange and to generate contract note and bill and to dispatch said contract note and bill and to look after back office related work and to look after bill posting activity. At that time Mukesh R. Gupta was owner of said company. Sanjay Agarwal was CEO of said Loyds Brokerage Limited. In the month of October-1998 Sanjay Agarwal took over Loyd Brokerage Limited from Mukesh Gupta. Sanjay Agarwal changed name of the company from Loyd Brokerage Limited to Euro Asian Securities Limited. In the month of March-1999, I was transferred to Debt Market Department. In the month of November-1999, Sanjay



Handwritten signature and date: 28/2/24

Agarwal changed name of Euro Asian Securities Limited to Home Trades Limited and opened new office at Vashi. New office was at Vashi Infotech Park at Vashi Station. In Debt Department, myself, Kanan Mewawala, Ketan Mhaskariya, Indranil Dey and Arvind Rai were serving there. Subodh Bhandari became active in Debt Market around September-2001. Sanjay Agarwal, Subodh Bhandari, Ketan Sheth and N.H. Trivedi used to give details as to sell and purchase of securities and we used to feed that information in computer. They used to give verbal instructions to me about securities. Arvind Rai and Indranil Dey were dealers. Indranil Dey used to look after Calcutta office. Entries related to securities were being taken by myself or by Ketan Mhaskariya or by Arvind Rai and used to take print out of contract note. Transactions with Sadguru Jangli Maharaj Bank went on for around two years. Transactions went upto 2002. Around amount of Rs. 36 Crores of Sadguru Jangli Maharaj Bank were outstanding against the company. Sanjay Agarwal, Ketan Sheth, Subodh Bhandari and N.H. Trivedi were authorized persons. Ketan Sheth used to bring business to the company. Sanjay Agarwal, Ketan Sheth and N. H. Trivedi used to have business conversations with customers. Initially Home Trade Limited used to sell securities to Sadguru Jangli Maharaj Bank and other banks and after some time they used to purchase securities from the banks and used to sell different types of securities to the banks. Home Trade Limited used to make payment of securities purchase and sell amount through cheques. We were not having knowledge whether the



Sanjay Agarwal
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securities for giving to the bank were purchased or not. Home Trade Limited utilized amount received from Sadguru Jangli Maharaj Bank and other banks in other group companies project. They utilized that amount for advertizing, purchase of laptop and server, online site development, salary, office running related expenses. Home Trade Limited sold securities but did not purchase securities from market and utilized amount in Home Trade and Group companies project. In the month of April-2002, company closed down. Home Trade Limited neither provided securities to bank nor repaid money and as such they cheated the bank. I can identify those four persons. Today N. H. Trivedi and Subodh Bhandari are present before the Court.

Cross examination by Adv. Mr.Deepak Mane for accused No.1

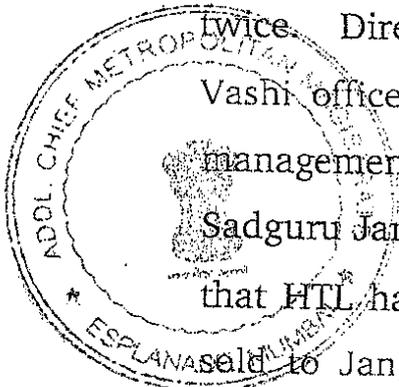
2. Going to adopt cross-examination done for other accused.

Cross-examination by Advocate Nitish Wani for accused No.2

3. No cross.

Cross examination by Adv. Mr.Salsingekar for accused No.4,5,6,7,9 and 10 :-

4. I do not remember that police recorded my statement twice. Directors of Sadguru Jangli Maharaj bank used to visit Vashi office of the company. They used to have meeting with management of HTL company. HTL has gained confidence of Sadguru Jangali Maharaj Bank through transactions. It did happen that HTL has paid difference amount of securities purchased and sold to Jangli Maharaj Bank. Only after going through inward outward register of HTL, it can be said that HTL has provided hard



Wani
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copies of securities to bank or not. I do not know that inward outward register of HTL was in the custody of Nagpur CID, when my statement was recorded. I do not recollect whether I had stated to police that inward outward register of HTL is in the custody of Nagpur CID. I had stated to police in my statement that Home Trade Limited neither provided securities nor paid money to the bank and as such they cheated to bank. But I cannot assign any reason why said fact is not figured in my statement. I do not recollect whether I had stated portion mark 'A' to police that inward outward register of HTL is with Nagpur, CID.

Cross examination by Adv. Rohan Samant for accused No.11 :-

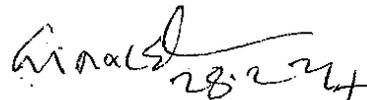
I do not know date of purchase of securities. I do not know that securities were purchased on 20.2.2002 and 28.03.2002. Only after going through contract notes I can say whether contract notes pertaining to present matter was issued by me or not. I do not know details of the contract notes.

Cross examination by Adv. Smt. Poonam Ankeswari for accused No.3 :-

4. I am educated upto B.Com. Lastly, I was serving as Asst. Manager with HTL.

(Cross-examination deferred due to recess.)

R. O. & A. C.



(S.P. Shinde)

Addl. C. M. M., 47th Court,
Esplanade, Mumbai.

Date :28.02.2024

Further cross examination resumed on oath by Adv. Smt.

Poonam Ankeshwari for accused No.3 :-

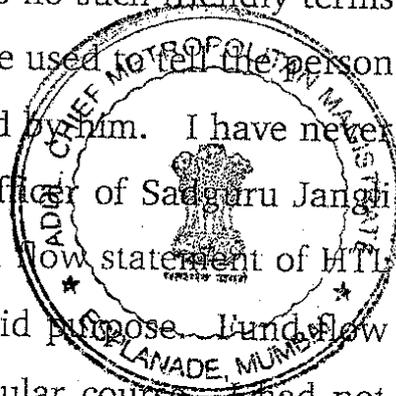
5. My salary was Rs. 5,000/- per month initially. In the month of November-2000, my salary was Rs.50,000/-. I have no idea of the Non-Executive director of the company. As per my understanding Non-Executive director is not active in company. I do not know that accused No.1 Ketan Sheth was Additional Non-executive director for 15 months only. I have never seen signature of Ketan Sheth on contract note. I do not recollect whether I had stated to police in my statement that Ketan Sheth was signatory of said company. I do not have any idea that HTL has not delivered securities worth Rs.16 Crores to GMSL. After going through statement I state that it is not mentioned in my statement that Ketan Sheth was authorized signatory of said company. I do not know that GMSL has filed arbitration proceeding against HTL and award was passed in favour of GMSL. I do not know that as per said award HTL was directed to pay Rs. 16 Crores to GMSL. It is not true to say that today I am deposing false.

Cross-Examination by accused No.14 in person.

6. Wholesale Debt Market Department used to deal in buying and selling Government Securities in HTL. I do not know that to work in Wholesale Debt Market Department training and certificate was required to be obtained from recognized stock exchange. I had not undergone any training for working in Wholesale Debt Market Department or I have not obtained any certificate from recognized stock exchange. My experience with

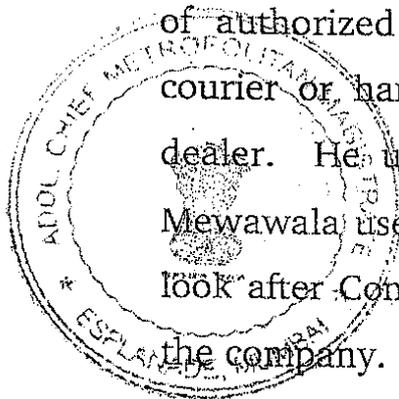
*Answered
28.2.2024*

Home Trade Limited is around 8 years. Prior to joining Home Trade I have no experience in Government Securities Department. I served with Home Trade Limited from March-1999 till April 2002. I served with Account and Finance Department of HTL. My job was only limited to billing of purchase and sell of Government Securities in Accounts Department. Nandkishor Trivedi was looking after Company Secretarial Department of the company. In junior level Sanjay Chokashi was working in Company Secretarial Department. Company secretarial department looks after matter related to appointment and promotion, to follow government norms for limited company, to maintain minutes of meetings, to fix AGM etc.. It is not true to say that Sanjay Chokashi was looking after appointment and promotion of the employee. HTL was member of Bombay Stock Exchange, National Stock Exchange and Pune Stock Exchange. Shares of Home Trade were listed with Bombay and Pune Stock Exchange. I was not boss of Nandkishor Trivedi. Nandkishore Trivedi was neither used to inform nor used to take my permission for going to attend meeting. It was not necessary for Nandkishor Trivedi to report me to whom he met, which meeting he has attended. There was no such friendly terms between me and Nandkishor Trivedi that he used to tell the person with whom he met and what was discussed by him. I have never had any talk with any of the director or officer of Sadguru Jangdi Maharaj Bank. I have never prepared fund flow statement of HTL nor I extended any help to anybody for said purpose. Fund flow statement was not submitted to me in regular course. I had not role to play in purchasing securities for Home Trade or for other



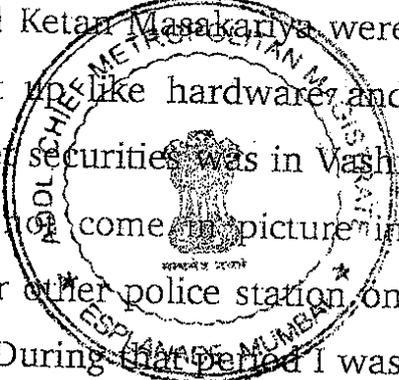
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clients. Initial of the person preparing bill, contract note and adjustment letter was essential and without that authorized signatory would not sign. Bill and contract note (Exh-87 and 88) now shown to me bears initial of Kanan Mewawala. I have not prepared bill and contract note (Exh-87 and 88). Contract note (Exh-89) and bills (Exh-87 and 88) were executed by HTL as member of Pune Stock Exchange. In none of the abovesaid three documents bear signature of Nandkishor Trivedi. Contract note (Exh-89) is principal to principal. There is no brokerage in principal to principal transaction. HTL has not charged brokerage to Sadguru Jangli Maharaj Bank as it was principal to principal transaction. None of the director of HTL introduced with directors or officers of Jangli Maharaj Bank. I have not attended any meeting alongwith members of HTL with officers or directors of Jangli Maharaj Bank. I have never met any bank official in Bombay as well as in Pune. So I do not recognize officer or director of the bank. Nandkishor Trivedi was not used to sign any contract note, bill and adjustment letter unless said bears signature of person from Wholesale Debt Market Department. Kanan Mewawala was looking after back office. Back office means to prepare bill, contract note, to put initial on it and to take signature of authorized signatory on it and fix company seal and then courier or handing over to concerned banker. Arvind Rai was dealer. He used to deal back to back with customers. Kanan Mewawala used to talk with bankers. Nandkishor Trivedi used to look after Company Secretarial Department since the day I joined the company. There was separate inward outward register in



Arvind Rai
28.12.24

respect of securities which were given to the bank. Ketan Masakariya used to take entries in the said register. In respect of securities pertaining to Jangli Maharaj Bank, I have not taken in Inward Outward register of HTL. Any of the bill, contract notes and adjustment letters pertaining to Jangli Maharaj Bank do not bear my signature as I have not prepared them. It is true that information regarding contract note, bill and adjustment letter was to be given only to a person who has to prepare the same. My salary was decend when Home Trade was closed. It is not true to say that I was annoyed with director and office bearers of Home Trade Limited as it was closed. I was aware that Nandkishor Trivedi was working for Home Trade Equity Shares listing with Bombay and National Stock Exchange since 2000. During the same period, there was public issued pertaining Ways India Limited and for that HTL approached to SEBI and for that Nandkishor Trivedi was working. Most of the time Nandkishor Trivedi used to sit in the office situated at Nariman Point because of listing of Ways India Limited and HTL with BSE and NSE. Myself, Kanan Mewawala, Arvind Rai and Ketan Masakariya were used to sit in Vashi office. All the set up like hardware and software related to Wholesale Debt market securities was in Vashi office. I was under fear that I should not come in picture in present case. I was being called in one or other police station on daily basis and I was being interrogated. During that period I was under fear that I should not be an accused in the present case. I was under fear that if I should not attend police station I would be joined as accused. I was never called by police with documents. I


Ketan Masakariya
28.12.23

was not called by police. Nagpur CID called me at Vashi office. I had given certain print outs to CID Nagpur from Mittal Court office. It is not true to say that I gave both statements to police under pressure. It is not true to say that today I am deposing before court under pressure of police.

R. O. & A. C.

(S.P. Shinde)

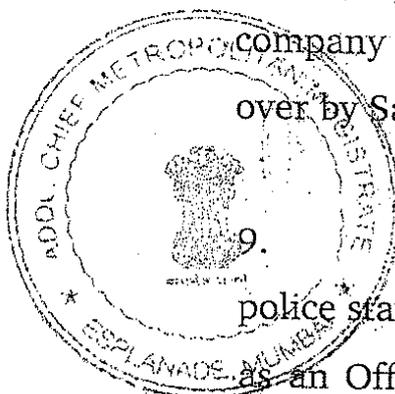
Addl. C. M. M., 47th Court,
Esplanade, Mumbai.

Date :28.02.2024

In view of order passed on application (Exh-90), cross-
Examination by Adv. B.B. Tiwari for accused No.2

7. My evidence is also recorded before Nagpur Court. I do not recollect case number of said case.

8. I am associated with this company since the name of company was Loyd Brokerage. It was closely held company. Euro Asian was also closely held company. HTL was public limited company and Euro Asian became Public limited after it was taken over by Sanjay Agarwal.

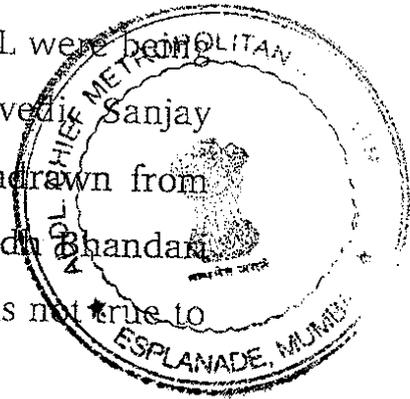


9. I do not remember as to how many times I visited police station in connection with present matter. I joined company as an Office Assistant. I used to prepare contract note and bills. There were around 50 to 70 employees in HTL. I cannot say that in 2002, around 150 employees were there in Home Trade

Shinde
28.2.24

Limited. Generally 5 to 6 contract notes were being prepared in one day. I was not used to prepare contract notes. But I used to prepare contract notes rarely. I was not having any role in decision making process of the company. I am not aware about the all the transactions taken place between HTL and Jangli Maharaj Bank.

10. I do not know that in lieu of the transactions towards purchase of Government of India securities whether HTL has hypothecate with Jangli Maharaj Bank, their shares or they had issued post dated cheque as collateral securities for the transaction. Subodh Bhandari was inducted in HTL company as an employee through Sanjay Agarwal. I do not know whether there was any bank account in the personal name of Subodh Bhandari. Bank account in my personal name was not also there in HTL. All the transaction money were deposited in the account of Home Trade Limited. Money from the account of HTL were being withdrawn under the signature of Nandkishor Trivedi, Sanjay Agarwal and Subodh Bhandari. All the money withdrawn from bank was used for company purpose. Accused Subodh Bhandari never used to take money in his personal account. It is not true to say that today I am deposing false on the say of police.



Re-Examination: Nil

R. O. & A. C.

Shinde
(S.P. Shinde)

Addl. C. M. M., 47th Court,
Esplanade, Mumbai.

Date :28.02.2024

True Copy

S. M. Shinde
06/07/24
Judicial Clerk,

At National Court of Judicial Magistrate's,
Esplanade, Mumbai.