

P.W. No. 7 on S.A. :

State V/s. Sanjay Agarwal and others

Name : Parag Jain
Age : 57 years.
Occupation : Retired.
Residing at : Powai.

Examination-in-chief by Id. A.P.P. Smt. P. S. Patil for the State :-

1. I know accused Ketan Sheth, Sahil Gandhi, Trivedi and Sanjay Agarwal by documents only. They were directors of Home Trade Limited. In the year 2002, I was Deputy General Manager of SEBI and heading Broker's Registration Division. I had sent documents to EOW relating to registration of broker on various stock exchanges, details of directors and also information regarding passed by SEBI against Home Trades and others and debarring them from security market for the reason they were known to have defaulted co-operative bank for delivery of securities as well as for dishonour of cheque. Letter (Exh-93) now shown to me was addressed by me to EOW. It bears my signature.

Cross examination by Adv. Vaishali Malekar holding for Adv.

Mr. Deepak Mane for accused No.1

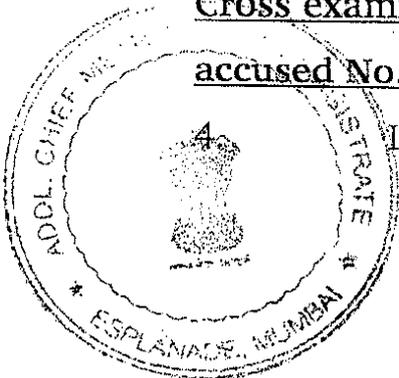
2. Declined

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

3. Declined.

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

I drafted letter (Exh-93) on the basis of data base



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available with SEBI. It would have been updated data. I mentioned in letter that Ketan Sheth was resigned on the basis of data base available with SEBI. Said information is collected from the information submitted by brokers themselves or by the information submitted by stock exchanges.

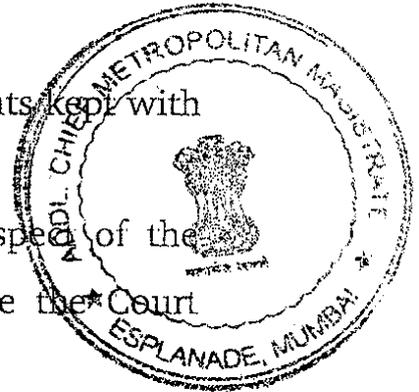
Cross examination by Adv. Mr.Salsingekar for accused

No.4,5,6,7,9 and 10 :-

4. I do not remember because of lapse of time whether I had personally received letter from police. I would not remember the reason for the delay caused in submitting information to EOW. I do not remember whether I had received reminder from EOW. I do not recollect whether at any point of me police met me personally. I do not recollect whether police inquired with me of the case or otherwise. I do not recollect whether police recorded my statement or otherwise.

Question: Do you require time to go through documents kept with office for giving accurate answers.

Answer: I do not require to go back to SEBI in respect of the documents in respect of which I am deposing before the Court today.



Information regarding that NSE had not been enable to HTL for activity on wholesale debt market segment of the exchange and was therefore not eligible to trade on the same might have been verified by me or other officers from the SEBI office. My letter is silent of delivery of securities to Jangli Maharaj Sahkari Bank. I do not recollect that Aphale introduced me that he was Investigating officer in case of fraud committed with Nagpur District Co-

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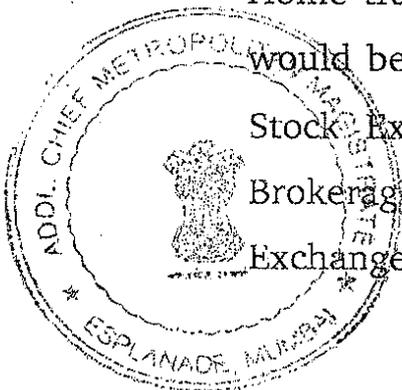
operative Bank. SEBI does not maintain information regarding RBI registration of stock brokers as per the procedure existed at relevant time. I was having authorization from SEBI to Aphale. But I won't recollect whether it was in writing. I do not recollect whether I had handed over any such authorization to Aphale. I have not any document today with me showing that I was authorized to give information to Aphale in 2002. I have not brought any document today to show that I was connected with SEBI in 2002. It is not true to say that I signed letter (Exh-93) at the instance of police and it was already drafted by police.

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

5. Adopting cross-examination for accused No.4,5,6,7,9 and 10

Cross Examination by accused No. 14 in person.

6. I joined SEBI in the year 1993. I left SEBI in the year 2007. I worked in several departments in SEBI some of which are Secondary Market Department, Primary Market Department, Foreign Institutional Investors Department etc.. Last department i.e. Broker's Registration Department takes care of membership of stock brokers. As per letter (Exh-93) Home Trades Limited and Loyds Brokerage are one and the same company. As per letter Home trade Limited was registered with BSE on 07.06.1995. It would be correct to say that Home Trade is member of National Stock Exchange since 27.05.1994 in its original name Loyds Brokerage. Home Trades Limited was member of Pune Stock Exchange since 21.07.1994 in its original name. Home Trade



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Limited was registered with SEBI from different dates. On common sense, offmarket trade means not routed through Stock Exchange. I am not sure as it is technical whether information in my letter starting from however NSE had not been enabled Home Trades Limited for activity on the wholesale debt market segment of the secondary market and was not eligible to trade on the same. I have submitted said information on the database which is available with NSE. Enabling or disabling of brokerage starts only after SEBI registration. It is not true to say that SEBI has nothing to do with enabling or disabling of brokerage. I am not able to confirm whether the work used in my letter (Exh-93) that NSE had not enable Home Trade Limited related to online trading portal of National Stock Exchange. There was only order dated 13.05.2002 with by which Home Trade Limited was debarred from trading.

Re-examination-Nil.

R. O. & A. C.

S.P. Shinde
(S.P. Shinde)

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

Date :04.03.2024



True Copy

S. Shinde
06/03/24
Judicial Clerk,

Additional Chief Judicial Magistrate's,
47th Court, Esplanade, Mumbai.