

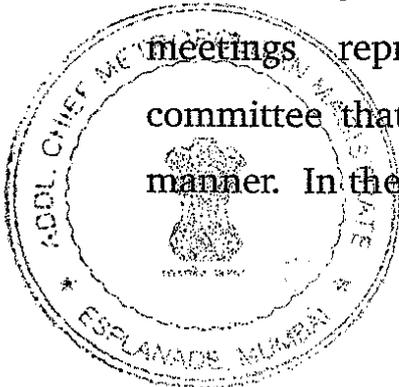
P.W. No. 7 on S.A. :

State V/s. Sanjay Agarwal and others

Name : Shridhar Dattatrya Jog.  
Age : 70 years.  
Occupation : Retired.  
Residing at : Baner, Pune.

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

1. I know all the accused persons. Some of the accused persons were directors of bank, some were bank officials and some were from Home Trade Limited. I joined Shree Jangli Maharaj Co-operative Bank, Pune in the year 2001 as General Manager. When I joined bank, at that time securities worth of Rs.80.00 crores were purchased by the bank. Out of those securities physical worth securities of Rs.65.00 Crores were purchased, but physical securities of Rs.26.00 Crores only were with bank in physical form. But physical securities of other amounts were not with bank. I informed said fact to Board of Directors of the Bank and Chairman Mr. Aphale. I also told them that said amount needs to be recovered. Thereafter, Ketan Seth, Sanjay Agrawal and Trivedi came to bank and they had talked with investment committee members on the topic as to how the amount is to be returned to the bank. Said meeting was attended by myself, ex-general manger Umesh Inamdar and Umakant Munge. It was also attended by members of investment committee. In the said meetings representatives of Home Trade told investment committee that they would return amount to the bank in phase manner. In the said meeting they agreed to give cheques of



*Agarwal*  
30.4.23

Rs.5.00 Crores for next three months and cheques of Rs.10.00 Crores for further period of three months. They also agreed to pledge shares of their company having face value of Rs.75.00 Lakhs and market value of Rs.50.00 Crores. They also suggested to do sale purchase transactions of securities worth of Rs.38 crores and something odds through them. After having discussion board of directors agreed to do sale purchase transactions. Even though the transactions were entered, physical securities were not issued by the bank from Home Trade Limited. As such, accused cheated bank for amount of Rs.38,25,00,000/- and interest thereupon. Blank signed share transfer form (Article – E), which is in the name of Home Trades Limited was submitted by me to police. As per my information, shares were not transferred and bank did not received any amount. I also submitted other documents to police namely letters (Article – F. Colly.). I can identify the accused if shown to me. Today, two accused are present before the Court.

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

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

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

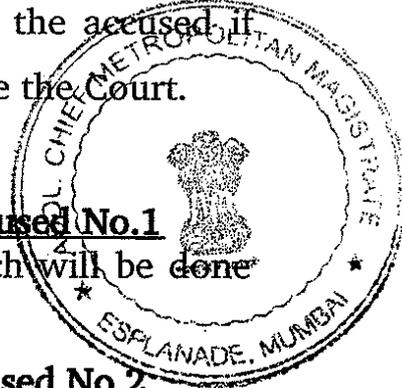
3. Declined.

**Cross examination by Adv. Smt. Poonam Ankeshwari for accused**

**No.3 :-**

4. Prior to joining to Jangali Maharaj Co-operative Bank, I was working with Rupee Co-operative Bank as an Assistant

*Wani*  
*30.6.23*



General Manager. I informed Mr. Aphale about missing securities somewhere in the month of January, 2002. I do not remember if I informed anybody else except Mr. Aphale about missing securities. I do not recollect the exact date but it might come to my notice about missing securities in the mid of January, 2002. I have not gone through special audit report submitted by Mr. Pingale. I do not recollect whether any inquiry was done with me while conducting audit by Mr. Pingale. I have no idea that I have been implicated in the audit report submitted by Mr. Pingale. It is not true to say that as per audit report, myself and Mr. Aphale are responsible for making false entries in book regarding securities in question.

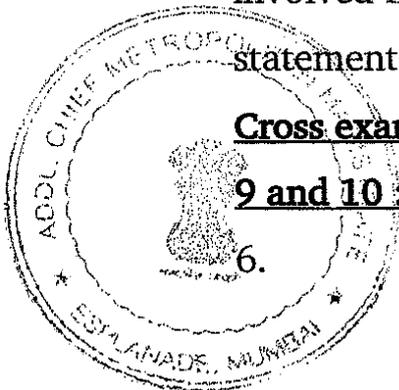
5. I am not aware that accused Ketan Seth was appointed as non-executive director of HTL on 19.01.2000 and he resigned on 15.05.2001. I do not know that GMSL was never worked as broker for our bank. Meeting was held to resolve dispute with Homes Trade Limited. I have no idea that accused no.3 Ketan Seth had no transaction with our bank for and on behalf of HTL and he has nothing to do regarding transactions between bank and HTL. I am not aware that HTL was to give securities worth Rs.17.00 Crores to GMSL. It is not true to say that I have personally involved in this matter but police promised me to let go so give my statement.

Cross examination by Adv. Mr. Salsingekar for accused No.4,5,6,7.

9 and 10 :-

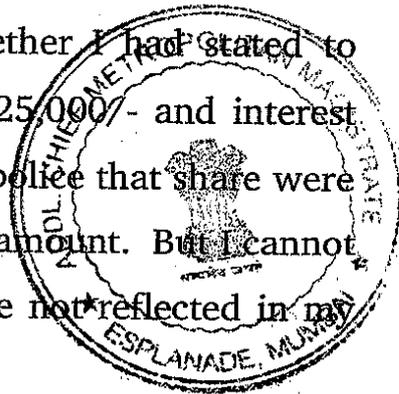
6.

I do not recollect if I had given to EOW in writing



*Manish*  
30.4.2023

about my job profile. I had received my duty list after joining at Jangali Maharaj Co-operative Bank. It is not true to say that I had to prepare office note which is to be put before Board of Director. I used to get prepared office note of the concerned head of the department. I used to get office note prepared from Umakant Mungi, if it is was in respect of investment. I used to verify the office note prepared by Umakant Mungi (PW 2). If there is any mistake in office note prepared by Mungi, then I used to correct it or were not putting it in meeting. During my tenure, I had never suggested board of directors to not to have any transaction with HTL. I cannot say that the then directors of Jangali Maharaj Co-operative Bank were not expert in banking field. After my joining, myself and other directors of Jangali Maharaj Co-operative Bank tried our level best to do recovery from HTL. I do not recollect that HTL used to inform bank for presentation of cheque from time to time. I was also part of meetings conducted for recovery of amount from HTL. I do not recollect whether I had stated to police that accused cheated bank for Rs.38,25,000/- and interest thereon. I do not recollect if I had stated to police that share were not transferred and bank had also not issued amount. But I cannot assign any reason as to why those facts were not reflected in my statement.



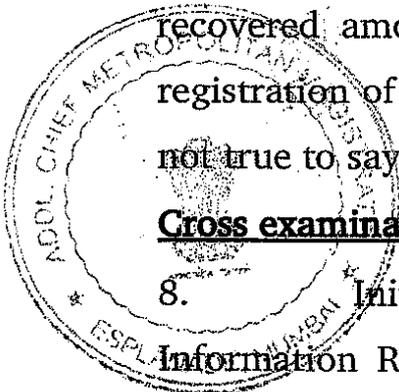
7. At the relevant time there was no complete digitalization. There was stock register about securities with bank. Stock register is the only source to get know if the physical securities were received or not. I do not recollect that some of the

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30/6/23

entries in the stock register in my handwriting. I do not recollect that stock register was before me when police recorded my statement for first time. Without there being stock register, I cannot state certainly about physical securities, which were received by the bank. I have not informed in writing that physical securities were not received by bank to board of directors or to anybody. I do not recollect if I had gone through internal audit conducted by Mahajan. I do not recollect that there were no mention in audit report about delivery of physical securities. I do not recollect if charge report was prepared at the time of taking over and giving over the charge. I cannot say that in connection with present matter I had been to police for one time only. I do not recollect the exact time when police met me or I went to police after registration of crime. I do not recollect that police had come to my place in connection with present matter. I do not recollect that police made to me sit in police for hours together. I do not recollect that police took suspicion on me as to my involvement in the present crime. I think that if there would not be matter of Nagpur Bank, then Jangali Maharaj Co-operative Bank would have recovered amount from HTL. I do not recollect that prior to registration of FIR bank had filed suit for recovery of amount. It is not true to say that today I am deposing false to save myself.

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

8. Initially, my name was there at serial no. 17 in First Information Report as an accused. My duty was to implement resolutions passed by board of directors and investment



committee. I do not know that as per bye-laws rule 36(21) CEO was the member secretary of the board of the directors. Only board of directors can take decisions of the bank. I do not recollect that I submitted an affidavit in an inquiry initiated against me and other persons under section 88 of Maharashtra Co-operative Societies Act. I do not recollect that we all three were exonerate from said inquiry.

Deferred due to recess.

R. O. & A. C.

*Moalif*  
*30/4/24*  
(S.P. Shinde)

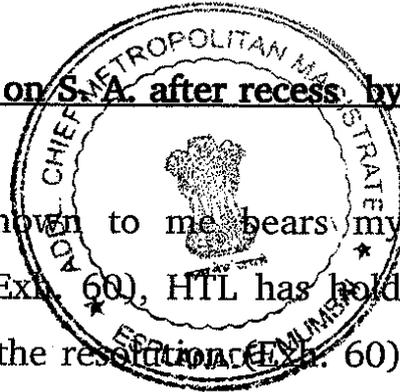
Addl. C. M. M., 47<sup>th</sup> Court,  
Esplanade, Mumbai.

Date :30.04.2024

Cross examination of P. W. No. 7 resumed on S. A. after recess by  
Adv. Rohan Samant for accused No.11 :-

9. Resolution (Exh. 60) now shown to me bears my signature. As mentioned in resolution (Exh. 60), HTL has hold securities worth Rs.36.25 Crores. As per the resolution (Exh. 60) securities were sold and bank earned profit of Rs.7.50 Crores. All the renewed transactions were available with the bank at the relevant time. I do not know that there is no provisions of renewal contract notes in Public Debt Acts and Rules 1946. I do not know that RBI had also not given approval for renewal of contract notes.

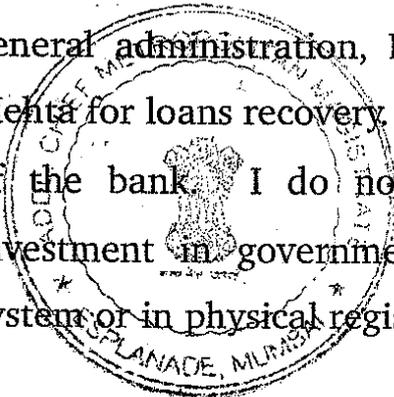
*Moalif*  
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On 11.02.2002, accused no.11 Inamdar was not holding any post in the bank. On 28.06.2002 also accused no.11 was not holding any post in the bank and he is not serving in the bank on which cheque of Rs.55.00 Crores was issued in favour of bank. As an employee, accused no.11 was not serving with bank during the period from 01.02.2002 to 08.03.2002. I do not remember the date on which the meeting was held between the board of directors of bank and HTL. It is not true to say that I implicated accused no.11 as per say of police, just to save me. I do not remember that at the time of purchase of securities worth Rs.36.25 Crores accused no.11 was not serving with bank

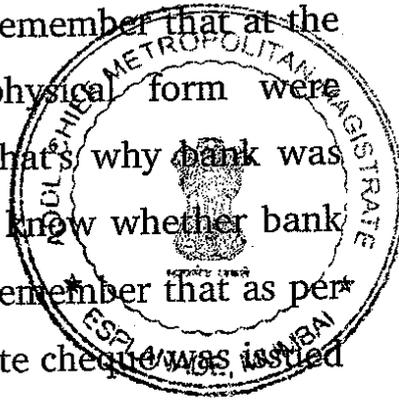
**Cross Examination by accused No.14 in person :-**

10. I am commerce post graduate. I am fully about accounting treatments given in books of accounts. My role was to implement guidelines of investment committee regarding the purchase of government securities. My role was to get the guidelines implemented through concerned department dealing with purchase and selling government securities. I was reporting to board of directors. Whenever there was a meeting I have to report to the board of directors. Mr. Muley was for staff and general administration, Mr. Mungi was for investment, one Mr. Mehta for loans recovery. I was responsible for day to day business of the bank. I do not remember whether entries regarding investment in government securities were taken on computer system or in physical registers. I do not know the purpose for



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which bank has kept annual financial report of HTL for the period 1999-2000 and 2000-2001. I do not remember if I had any occasion to go through said annual financial report of HTL. I do not know whether our bank was maintaining visitors register. It is not true to say that I am deposing false. I do not remember the process followed by bank after receipt of contract notes from HTL. I do not remember that HTL had issued all contract notes on principal to principal basis. I do not remember that all the contract notes issued by HTL to bank were executed between HTL and Pune Stock Exchange in its capacity as member of Pune Stock Exchange. I do not remember that in contract notes and bills HTL has not charged any brokerage. I do not remember whether I had come across any circular either by RBI or by NABARD imposing any limit on buying on selling of GOI with the member of Pune Stock Exchange on principal to principal basis. I do not remember whether I had come across any circular issued by RBI or NABARD prohibiting bank from purchasing and selling GOI securities from the member of Pune Stock Exchange on principal to principal basis. I do not remember whether buying and selling government securities in physical form by RBI. I do not remember that at the relevant time government securities in physical form were available in discounted rate than SGL and that's why bank was dealing with GOI in physical form. I do not know whether bank started dealing with SGL in 1991. I do not remember that as per the practice followed bank and HTL no separate cheque was issued for its buying and selling transaction, but the net difference



*Maolif*  
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between buying and selling price was settled by either party based on adjustment letter. I do not remember that after 07.07.2001 bank has not handed over physical security certificate to the HTL. I do not remember that bank has entered into selling transaction government securities without receiving physical delivery of previous buying transaction. I do not remember that after 07.07.2001 from time to time the bank without receiving delivery of previous transactions decided to sell securities in order to book profit and buy new government securities against the amount realize on sell of GOI. I do not remember that from the year 2000 to 2003 bank's FD interest rate was constantly dropping.

Que. Because of constant trading by the bank the opportunity of delivering physical securities never arises for HTL ?

Ans. How I can say what was the problem with HTL for not giving physical securities to the bank.

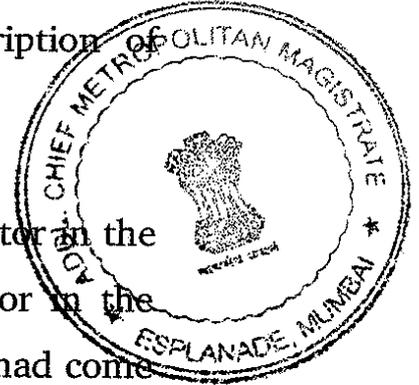
11. I do not remember whether bank had incurred any loss because of trading of buying or selling of securities. I do not remember that lastly bank handed over cheque of Rs.4.81 Crores to HTL for purchase of government securities on 19.09.2001. Between the period 01.12.2001 to 10.01.2002 bank issued securities valued more than Rs.19.00 Crores from HTL towards settlement of contract notes issued by HTL to bank. I was never involved by bank in negotiation of buying and selling of securities with HTL. HTL's liability arises out of contract notes executed between bank and HTL. I do not know that said outstanding was



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30/4/22

contractual liability of HTL. I do not know that there was arbitration clause in contract note and as per said clause dispute arising out of contract note was to be referred to arbitrator of Pune Stock Exchange. I do not remember whether bank had filed any arbitration proceeding for recovery of amount due under the contract notes issued by HTL. During the period running from 01.02.2002 to 28.03.2002 HTL had paid Rs.13.94 Crores towards outstanding amount of GOI transactions arising out of contract notes. I do not know if there was any agreement between bank and its members that bank has to invest money of the member in particular head. There was no agreement between bank and depositors that depositors were directing bank to invest money in particular purpose. All deposits and member subscription of shares were paid in the name of bank only.

12. For outstanding amount HTL is shown as debtor in the books of account of bank and bank is shown as creditor in the books of account of bank. I do not remember whether I had come across any separate agreement between bank and HTL stipulating how the funds received from bank were to be utilized by HTL. It is not true to say that no meeting as stated by me has taken place. It is not true to say that accuse no.14 was not present in the said meeting. It is not true to say that I was constantly apprehending as name was there in FIR. I cannot specifically the date and year of the meeting. It is not true to say that I am fully aware the accused no.14 has no role in the said transaction, but still I deposed false.

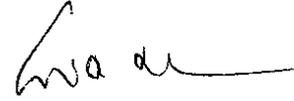


*Anthony 25/11/23*

Cross-examination over.

Re-examination-Nil.

R. O. & A. C.

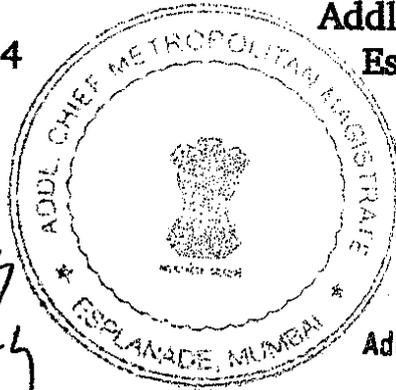


(S.P. Shinde)

Addl. C. M. M., 47<sup>th</sup> Court,  
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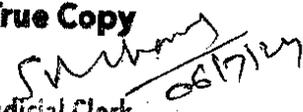
Date :30.04.2024

Mbc/-



Applied on 30/07/2024  
G... ..  
Recd... ..  
Delivered on 20/07/2024

True Copy

  
Judicial Clerk,

Additional Chief Judicial Magistrate's,  
47<sup>th</sup> Court, Esplanade, Mumbai.