Cr Cases 13/2/2013
40449/2016
STATE Vs. SANJAY HARIOM AGGR.
FIR No. 280 /2002
PS Connaught Place

08.01.2018

PW-7

Statement of Sh Jai Kumar Mehta s/o Sh Rasik Lal r/o C 103, Hari Om Aptt. Near Anand Nagar Garden, Vasai Road, West, Distt Palghar, Maharastra 401202

On S.A.

In the year April 1995, I joined with Lyods Brokerage Ltd dealing in shares as share and stock brokers. The said company was purchased Sh Sanjay Aggarwal in the year 1998 and its name was changed to Euro Asian Securites Ltd. Thereafter in November 1999 the Sanjay Aggarwal again changed the name of the company to Home Trade Ltd.

In the year 1998 accused Keten Seth become active as a Director. After 1998 the company started dealing with government securities. This company has dealt with many banks and financial institutions. The said company used to engage in buying and selling government securities. There was an employee Arvind Rai, in Home Trade Ltd. who used to deal with Bajaj Capital. On behalf of Home Trade Ltd, Arvind Rai used to buy and sell the securities from one company to another and the margin was taken as profit. Around January 2002 another employee at Calcutta Branch Indernil Dey was also used to buy and sell the securities from

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one company to another and the margin was taken as profit.

Due to poor financial condition, the money which the company has taken from the banks could not repay the same. Home Trade Ltd has taken the money from the banks for securities but had not delivered securities to them.

The Home Trade Ltd had taken money from Bajaj Capital for delivering securities but due to the poor financial condition was unable to deliver the security to Bajaj Capital. And during this period Home Trade Ltd almost closed.

Arvind Rai used to regular deal with Bajaj Capital on behalf of company.

At this stage, Ld APP for the State seeks permission to cross examine the witness. Heard Allowed.

(It is submitted by Ld APP for State that the copy which he has of the statement of the said witness u/s 161 Cr.PC is in torn condition)

(Objected to by Ld counsel for accused)

My duty in the company was to upload the transaction of earlier sale on the software of the computer relating to National Stock Exchange, to prepare contract, back office related. Mr. Ketan Maskaria was also doing the same job.

It is correct that Mr. Sanjay Aggarwal, Ketan Seth, N.S. Trivedi used to ask for report regarding outstanding of client. Later on Mr. Subodh Bhandari was also asking for similar report. It is correct that Mr. Ketan Seth resigned in 2001 as Director of Home Trade Ltd. However,

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even after his retirement, he used to come our office and look after the affairs of the company. It is correct that Mr. Ketan Seth used to instruct Home Trade Sale Debt department regarding day to day work.

It is correct that Mr. Subodh Bhandari was Incharge of day to day finance and WDM Department of Home Trade and the Group companies and he was authorized to sign contract, note and other security related documents. It is correct that during my tenure, Home Trade had transacted with the Bajaj Capital.

It is correct that the document i.e. Contract dated 18.01.2002 between Bajaj Capital Ltd and Home Trade already Ex.PW1/H & Ex.PW1/I bears the signatures of Subodh Bhandari at point A and signature of Mr. Arvind Rai at point B. I can identity their signatures as I had seen them signing and writing in the official capacity.

It is correct that the document i.e. Contract already Ex.PW1/J to Ex.PW1/M between Bajaj and Home Trade, bears the signatures of Subodh Bhandari and Kanan Mewawala at point A and at point B respectively. I can identity their signatures as I had seen them signing and writing in the official capacity.

It is correct that the document dated 25.11.99 related to Euro Asian Security Ltd which is **Ex.PW7/A (running into four pages)** bears the signatures of N.S. Trivedi, Sanjay Aggarwal at point A and at point B respectively. I can identity their signatures as I had seen them signing and writing in the official capacity.

XXX by Sh Santosh Cha[illegible] Mehta Ld. Counsel for the accused Sanjay

Aggarwal, Subodh Bhandari and Nand Kishore Trivedi.

I am B.Com (Commerce). I have general knowledge of finance. It is correct that all the transaction which was done in the company Home Trade was in my knowledge. There were 6-7 transaction with Bajaj Capital during my tenure. Except the last transaction, all other securities were either delivered or settled with Bajaj Capital. The Company M/s Home Trade was member of Mumbai Stock Exchange, National Stock Exchange and Pune Stock Exchange.

Ex.PW1/H is a bill of Pune Stock Exchange and Ex.PW1/I is a contract note of Pune Stock Exchange. It is correct that on the document Ex.PW1/I it is is written "*principal to principal transaction*".

I was called by the Police at Azad Madian Police Station where I met with police official i.e. Gurmeet Singh and Sarvesh Kumar. They had recorded my statement.

It is correct that in my statement u/s 161 Cr.PC, principal to principal contract is mentioned, but it was told to me by the police officials. It is wrong to suggest that I am aware about the meaning of principal to principal transaction and I am deposing falsely in this regard.

It is correct that I used to enter the transactions alloted to me on the computer. I do not remember whether I uploaded the transaction of Bajaj Capital on the computer or not. I have uploaded the transaction related to security of banks on computer related to securities..

At the time of entering the transaction into the computer, I was not

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aware about the fact whether it was principal to principal transaction or not. I do not use to even mention the fact that a transaction is as a broker. I am not sure for which purpose Form A & Form B is mentioned on the document. I do not know that how the computer system generate Form A & Form B in a transaction. It is correct that I used to generate Form A & Form B.

Q. Can you state after seeing the documents Ex.PW1/H and Ex.PW1/I are related to which stock exchange?

A Pune Stock Exchange.

Q. What was your duty to complete the transaction of security in the company?

A. My Role was to enter Trade details in the system.

Q. From whom you were taking instruction in the company?

A. Sanjay Aggarwal, Ketan Seth, N.S. Trivedi, Subodh Bhandari, Arvind Rai,

Q. What was the instruction given to you by above said persons for a deal?

A. I have to enter the amount of securities and its settlement, face value and its price.

Q. Whether the instruction were in oral or writing?

A. Oral as well as in writing.

Q Who used to give instruction in the case of Bajaj Capital?

A. Arvind Rai.

Q. To generate Form A and Form B what word you used to type in the

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computer system?

A. It there is no brokerage, the system generate FORM B and in case of the brokerage the system generate Form A.

It is correct that the amount from the party directly comes to the account of the company Home Trade. It is correct that the contract note Ex.PW1/H and Bill Ex.PW1/I were signed by Arvind Rai as a dealer and thereafter by the authorized signatory. similarly Ex.PW1/J and K were signed by the dealer Kanan Mewawala and thereafter the authorized signatory. Vol. Ex.PW1/J and K, Kanan Mewawala was only the data entry operator.

It is correct that if I would have generated the bill and contract note, my signature would be there on that document.

I do not know the contents of Ex.PW7/A. I have identified the signature as I used to see them signing and writing during my employment in the company.

It is wrong to suggest that I have deliberately not explained the difference in Form A and B. It is correct that I had no direct dealing with Sanjay Aggarwal, Nand Kishore Again Said : they used to give me instructions.

It is wrong to suggest that I am deposing falsely.

XXX **Sh. Anish Kumar Maggo Ld Counel for accused Ketan Seth**

Whatever I said about Mr. Katan Seth is based on my personal as well as documentary knowledge. I do not remember the date and month of the appointment of Mr. Katan Seth as Director of Home Trade

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company. I do not remember whether I have heard about the appointment of Mr. Katan Seth as Director or I came to know about his appointment through some document. Mr. Katan Seth does not used to look after the work of the company prior to his appointment.

I do not know whether in the year 1998 Mr. Katan Seth was appointed as Director or not. Mr. Katan Seth does not used to give directions to me regarding agreement to the Bajaj Capital. It is wrong to suggest that I am deposing falsely or that Ketan Seth was holding or doing the office work after his retirement

RO&AC

[Samar Vishal]
ACMM-II/PHC/ND/08.01.2018

Applied on........................
Granted on 04/01/2024
Ready on........................
Delivery on 30/01/2024

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True Copy
30/1/24
Judicial Clerk,
Addl. Chief Metropolitan Magistrate's,
47th Court, Esplanade Mumbai.

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