Acc. No. 1

Rajesh I. Patel,
20, Meghdhanushya-1,
Dholeshwar Mahadev Road,
Near Randesan Metro Station, Gandhinagar-Koba road, Gandhinagar-382007.
Date: 15/04/2025

Certificate

To Whom It May Concern

It is to certify that following the request of the concerned Police officer of the concerned Police Station, I, Rajesh I. Patel [B. A. - M. A. (English), Ph. D. in Translation], have translated the documents (1. chargesheet no. 6 of 2003 dated 06/01/2003, FIR No. I-226/02 dated 20/08/2002, 2. Supplemetnary Chargesheet no. 157/04 dated 15/08/2004, FIR No. I-226/02 dated 20/08/2002, and 3. Charge sheet no. 6/04 dated 31/01/2004 FIR No. 226/02 dated 20/08/2002) pertaining to the cases registered with Rander Police Station u/s 406, 409, 421, etc. of IPC from Gujarati into English. The translation is at par as per my knowledge and belief.

Rajesh Patel

Mob. No. 9824280551

[illegible]

Note: - Since the case was registered 23-24 years ago, the documents were mostly handwritten, and reading was partially difficult, therefore, following my request, the typed copy of the documents was provided to me and based on the typed copy, I have translated the documents (3 charge-sheets). Wherever the word illegible/unreadable has been used in Gujarati typed copy, I have written the word Illegible in English copy. The meaning of illegible is 'unreadable'.

Adhar Jan (Rander) 388/pw/23

POLICE INSPECTOR RANDER POLICE STATION SURAT

Chargesheet

Police Station: Rander Police Station District: Surat city

Chargesheet No. 6/03 Date: 06/01/2003

Name, address and occupation of the complainant or informant:

Shri Ashok Jayantilal Sheth, Authorized Manager, Adajan Nagarik Sahakari Bank Ltd., Manthan Apartment, Adajan, Surat.

FIR No. I-226/02 Date: 20/08/2002

Name and address of the accused persons sent up for trial or in the custody of the police or on bail	Name and address of the accused person not sent up for trial, whether arrested or not arrested, including absconders (show the absconders in red ink)	Property (including weapons) found with particulars of where, when by whom found and whether forwarded to the Magistrate.	Name and address of witness	Charge or information, name of offence and circumstance committed with it, in concise detail and under what section of law charged
1	2	3	4	5
Ketan Kantilal Sheth, res. 193, Lalit Kutir, 9-Gulmahor Road, Kuku Munda, was arrested at 15:00 o'clock on 05/10/2002, and was produced in	(1). Nandkishor Shankarlal Trivedi, aged 37, Res. A/3, Pushpam Apartment-6, Candy Road, Vileparle, Mumbai. (2). Sanjaybhai Hariram		1-Complainant: Ashokbhai Jayantibhai Sheth, authorized manager, The Adajan Nagarik Sahakari Bank, Adajan Road, Surat.	Under IPC section-406, 409, 420, 421, 422, 423, 34, 114, 120(b). The fact of the case is that accused no. 1 and accused no. 2 mentioned in column no. 2 opened the offices of Messrs. Home Trade

Court in time and his police custody remand was obtained till 11/10/2002, and as the remand period was over, he has been sent to Hon'ble Court in time.	Agrawal, aged 38, Res. 702, Kusum Apartment, Vasi, Sector-17, Mumbai. (3). Subodhchandra Dasal alias Bhandari, aged 38, Res. House No. 2, Gulab View, beside Vasant Talkies, Chembur, Mumbai. (4). Hiten Bhupendra Shah, Res. 102, Gandhi Nivas, Ashok Nagar road, Vadala, Santakruz, Mumbai. (5). Hiren Gada, Senior Vice President, Home Trade Company, New Mumbai, Office address: 709, Raheja Centre, 214, Free Press Journal Marg, Mumbai.		2- Witness Chairman of the bank Haribhai Ranchhodji Patel, Res. B/4, Nandan Apartment, behind Water Tank, Adajan Road, Surat. 3- Witness Bank Director Pankajbhai Dhansukhlal Shah, Res. B/8, Nandan Apartment, behind Water Tank, Adajan Road, Surat. 4- Witness Assistant Manager of the bank Mukeshbhai Ranchhodji, Res. 33, Narayan Apartment, Ashanagar, Navsari, Dist. Navsari. 5- IO R. M. Puvar, Rander Police Station, Surat.	Company at (1) International Info Tec Park, Tower No. 3, 5th floor, Vasi, Railway Station complex, New Mumbai, and (2) Mittal Court building, Nariman Point, Mumbai, and the accused mentioned in column no. 1, in connivance with the accused mentioned in column no. 2 and column no. 3, on 25/09/2000, accused no. 1 Ketan Kantilal Sheth mentioned in column no. 2 came to the Adajan Nagarik Sahakari Bank of the complainant in person and met the bank manager, the directors of the bank and the chairman and introduced himself as the executive director of Home Trade Company Ltd and as the leading share broker of Mumbai, and said that as per the order of the

	(6). Sashank Gopal Rande, Res. 3/1 Radhakrishna Nivas, SK Bole Road, Dadar, Mumbai. (7). Vijay Himmatlal Modi, Res. A-203, Amita Cooperative Housing Society, Kulupavadi Road, Borivali (East), Mumbai. (8). Salil Dinkarlal Gandhi, Res. 11-13, Gold Coin Co-Op. Ha. Society, (Illegible). (9). Alan James Macmillan, Res. 758, (illegible) (10). Rasal Bankim Vegar, Res. Timber Hill, Terej Aayan Field, MA 1940 (USA) (11). Mick alias Manoj Ambelal Shah, Res.			Reserve Bank of India, some portion of the deposits of the bank (SLR) has to be invested in the government security, and he gave the assurance and the confidence, made deals with the complainant bank from date 25/09/2000 to dated 02/06/2002 to purchase the government securities and gave the contract notes to the bank and the complainant bank purchased the government security of CG-2010 of 7.5% of Rs. 3,06,06,250/- from Home Trade Company, and despite the payment of full amount of the government security, the said accused did not make the delivery of the govt. security to the bank and gave false promises to the complainant bank to make the delivery of the govt. securities,

	Belari Road, RMV Extension, Bangalore. (12). Dhananjay Agrawal, Director, Home Trade Limited company, Office: 709, Raheja Centre, 214 Free Press Journal Marg, Mumbai. (13). Smt. Shilpa Hiten Shah, Res. 102, Gandhi Nivas, Ashok Nagar, Vadala, Santakruz, Mumbai. (14). Smt. Jagruti Ketan Sheth, Res. 193, Lalit Kutir, 9, Gulmahor road, Kuku Munda. (15). Kanan Mevavala, Res. Jayant Mahal, 5th Floor, Opp. Vankhede Stadium, Marine Drive, Mumbai. (16). Ketan R. Maskariya, Director, Home			and did not make the delivery, and did not return the money, and committed fraud and cheating with the complainant bank, committing the offence.

	Trade Limited, Office address: 709, Raheja Centre, 214, Free Press Journal Marg, Mumbai.			

Note:-

1. The FIR of the offence has already been sent to this Hon'ble Court.
2. The face identification sheet of the accused arrested in connection with this offence are attached herewith.
3. The copies to be provided to the arrested accused and Hon'ble Court are attached herewith.
4. The arrangement of the prosecution has been made.
5. In order to produce the complainant and the witnesses in Hon'ble court at the time of hearing, it is requested to issue the summons.
6. It is requested to provide the summary of the final decision of this offence.

Dispatched with compliments: Hon'ble Judicial First Class Magistrate, Second Court, Surat city.

Date: 03/01/2003 Time: :00 o'clock.

Signature of the IO

First Information Report

(U/s 154 of CrPC)

1. District: Surat PS: Rander Police Station FIR No. I-226/02
2. Occurrence of offence:
   From Date: 25/09/2000 to Date: 01/06/2002
3. Reported the offence at the Police Station: Date: 30/08/2002 10:25 hrs.
4. Place of offence and direction and distance from PS: Adajan Nagarik Sahakari Bank Ltd., Manthan Apartment, near Gujarat Gas Circle, Adajan, Surat.
5. Reported to the PS Date: 30/08/2002.
6. Name of the complainant / informer: Shri Ashok Jayantilal Sheth, aged 46, Res. Anjan, authorized manager, for and on behalf of Adajan Nagarik Sahakari Bank Ltd. "Manthan Apartment, near Gujarat Gas Circle, Adajan Road, Surat.
7. Names and addresses of the accused:-
   (1). Home Trade Limited, Registered Company, Occupation: Broker of Share Securities etc. (1) International InfoTech Park, Tower No. 3, 5th Floor, Vashi Railway Station Complex, New Mumbai, Dist. Illegible, Maharashtra.
   (2). Shri Nandkishor Shankarlal Trivedi, aged about 45, occupation: business, Res. Devbhuvan, 2nd Floor, Chira bazaar, Mumbai.
   (3). Shri Ketan Kantilal Sheth, aged about 40, occupation: business, Res. 193, Lalit Kutir, Gulmahor Cross road, 9, Juhu, Mumbai.
   (4). Shri Sanjay Hariram Agrawal, aged 35, occupation: business, Res. Juhu, Shalimar, CAS, Gulmahor Crossroad, Juhu.

(5). Subodh Bhandari, aged about 46, occupation: Business, 704-B, Govind Complex, Vasi, New Mumbai-40005.

(6). Shri Hiten Bhupendra Shah, adult aged, occupation: , Res. 102, Gandhi Nivas, Ashoknagar, Mumbai.

(7). Shri Hiren Gada, adult aged, occupation: business, Senior Vice President, Home Trade Limited, Registered Company. Business: broker of share securities etc. Office address (1) International InfoTech Park, Tower No. 3, 5th Floor, Vashi Railway Station Complex, New Mumbai, Dist. Illegible, Maharashtra. (2) 709, Raheja Centre, 214, Free Press Journal Marg, Mumbai-400002, Maharashtra.

(8). Shri Sashank Gopal Rande, aged 40, occupation: business, Res. 3/1, Radhakrishna Nivas, Ground Floor, SK Bole Road, Dadar (CWJ), Mumbai.

(9). Shri Vijay Himmatlal Modi, aged 46, occupation: business, Res. A-203, Amita Co. O. Housing Society, Kulupadavi road, Borivali (East), Mumbai-400063.

(10). Shri Salil Dinkarlal Gandhi, aged 43, occupation: Business, Res. 11/13, Gold Coin Co. O. Ha. Society, Tardev, Mumbai-400034.

(11). Shri Allan James Macmillan, aged 41, occupation: business, Res. 785, Castro Street, Montenue, CA 94041, USA.

(12). Shri Rasal Bankcam Vegar, adult aged, occupation: Business, Res. Timber Hill Terrace, Iron Field, MA 1940, USA.

(13). Shri Maick alias Manoj Ambelal Shah, aged about 58, occupation: business, Res. Belari Road, RMV Extension, Bangalore-506080.

(14). Shri Dhananjay Achaval, adult aged, occupation: business, Director, Home Trade Limited, Registered Company, occupation: Broker of Share, securities etc., Office addresses (1) International

InfoTech Park, Tower No. 3, 5th Floor, Vashi Railway Station Complex, New Mumbai, Dist. Illegible, Maharashtra. (2) 009, Raheja Centre, 214, Free Press Journal Marg, Mumbai-400002, Maharashtra.

(15). Smt. Shilpa Hiten Shah, Res. 102, Gandhi Nivas, Ashok Nagar, Vadala, Santakruz, Mumbai.

(16). Smt. Jagruti Ketan Sheth, Res. 193, Lalit Kutir, 9, Gulmahor road, Kuku Munda.

(17). Kanan Mevavala, Res. Jayant Mahal, 5th Floor, Opp. Vankhede Stadium, Marine Drive, Mumbai.

(18). Ketan R. Maskariya, Director, Home Trade Limited, Office address: 709, Raheja Centre, 214, Free Press Journal Marg, Mumbai. Office address (1) International InfoTech Park, Tower No. 3, 5th Floor, Vashi Railway Station Complex, New Mumbai, Dist. Illegible, Maharashtra. (2) 709, Raheja Centre, 214, Free Press Journal Marg, Mumbai-400002, Maharashtra.

Brief Fact:

Under IPC section-406, 409, 420, 421, 422, 423, 34, 114, 120(b). With the intention of committing fraud with the bank and to grab the amount, stated that they can make the delivery of the government security in time, and forged false and fake documents and produced the documents bearing the signature and the stamp in the Court and in order to commit fraud and cheating with the bank, gained its trust and confidence and in order to obtain the amount of the government security, put signature on the contract note and falsely stated that they will sell the government security and produced false documents before the bank and committed fraud of Rs. 3,06,06,250/- with the complainant bank, and committed the offence.

Complaint

Date: 30/08/2002

I state my complaint that our bank has been established under The Banking Regulation Act, 1848 and Gujarat Cooperative Act and Sub-Rules at Adajan Road, Surat, and it is a cooperative bank and in order to do the banking activities, our bank has been given the license by Reserve Bank of India, Ahmedabad and the office of our bank is located on Adajan Road, Surat. As per the Resolution passed by the Board of Directors of the said bank, I the complainant has been authorized to lodge the complaint and carry out legal proceedings against the accused of this offence and accordingly, I have lodged the present complaint against the accused of this case.

Accused no. 1 "Messrs Home Trade Limited" is a firm and it has been registered with National Stock Exchange as a Share and Stock Broker and accused no. 2 to 18 are the directors and the agents of the said firm and have stated that the accused firm is engaged in the trading of the share securities etc., and as the accused stated so before me the complainant, and I the complainant relied on what the accused said and accepted him as an agent of the accused no. 1 firm and accused no. 2 to 18 are the directors and the agents of the accused no. 1 firm. He said that he himself does the administration of the firm as the director and agent of the firm and he is responsible for the administration of the firm and in that capacity, the present complaint has been lodged against the accused persons.

The complainant bank is supposed to make the investment of the statutory liquidity amount addressed as the SLR and as per the SLR, the amount has to be invested in the government security and the ratio of the SLR is decided by the Reserve Bank of India from time to time as per the provision of the Banking Regulation Act, 1949, and it is compulsory for all the cooperative banks to abide by such orders of the Reserve Bank, and thus, it was compulsory for the complainant bank also to make the investment in the government security to maintain the SLR.

Accused no. 3 Ketan Sheth, with Niraj Surati, the chartered accountant, Res. Bhruch, had come to the office of the complainant bank located at the address Muktanandnagar, near Adajan Circle, on 25th September 200? In person and accused no. 3 stated that he is a leading share broker at Mumbai and Messrs. Home Trade Ltd is engaged in the trading of Government securities, and said that he is the director of the Company. Besides, accused no. 4 Sanjay Agrawal is the chairman and chief executive of the said company, and accused no. 2 Nandkishor Trivedi is the executive director of the company, and all the three of them are the main office bearers of Home Trade Ltd and are the authorized signatories, he had said. Besides, Home Trade Ltd is registered with National Stock Exchange, and as its evidence, he has produced the photocopy of the certificate in this regard and he further said that they have the fully computerized air-conditioned office with ultra-modern facilities at Mumbai and most of the works of Mumbai-Pune Stock Exchange are done by their firm and had produced the claims regarding the works of the firm.

Taking into account the above mentioned fact stated by the accused no. 3, the complainant bank had entered into the contract with the said company in order to purchase the government security of 12% of Rs. 1 crore and regarding the said contract, the complainant bank had given a cheque of HDFC bank and the accused had made the delivery of the government security to the complainant bank.

Thereafter, in order to purchase the securities of 50 lakh of 10.25%, the complainant bank had entered into the contract with the said company on 15/01/2001 and the complainant bank had made the payment of it through the cheque of HDFC bank and the accused had made the delivery of the securities to us the complainant bank. As the accused firm Home Trade Ltd had made the delivery of both previous contracts, and as the Reserve Bank of India had made the endorsement in favour of the bank, therefore, taking into account the said facts, the complainant bank had given the contract of purchasing the government security of 10.25% of Rs. 50 lakh and the complainant bank had made its payment to the accused company by the cheque of HDFC.

Thereafter, o 05/12/2001, accused no. 3 Shri Ketan Sheth and Niraj Surati had come to the office of the complainant bank in person and had said that Home Trade Ltd is doing the work of the government security on large scale and another registered company of this group titled Wez India Ltd is coming in the Market and the advertisement of their company will be made by Shahrukhkhan, Rutvik Roshan, Sachin Tendulkar, and Priyanka Chopra. Thus, they had presented such claims regarding the work of their company.

Taking this fact into account, they told us that since the market price of the securities of two crore rupees that we had purchased from them earlier, we the complainant bank will earn good benefit and saying so, we had made the contract of selling the said securities with the accused company and in return, they had asked us to purchase the new securities of Rs. 3 crore of 7.5% as its market price is less and thus, our bank had made the contract with the said company to purchase the new securities. When the amount of the selling contract was adjusted with the amount of the purchase contract, the cheque of the amount of difference of Rs. 67, 26,076-38 paisa of HDFC Bank of the name of the accused firm was given to the accused firm and the accused firm deposited the said cheque in its bank account and had encashed it. But thereafter, the complainant bank did not make the delivery of the security of Rs. 3 crore of 7.5% despite repeated demand for the delivery of the said securities. Thus, what the accused had said in person on 05/12/2001 at the office of the complainant bank, was said with the mala fide intention of committing fraud and cheating with the complainant bank, and the accused firm had taken the delivery of all the securities of the selling contract and the accused then did not make the delivery of the new security that was purchased as per the contracts. Thus, the accused made false claims with the intention of committing the offence and fraud with the complainant bank and did not make the delivery of the security and committed fraud with the bank.

Trusting the claim of the accused, and we the complainant have made the financial transactions with the accused of this case in order to maintain the SLR as follows.

Details of the Financial Transactions:

On 28/09/2000, the complainant bank had asked Messrs. Home Trade Ltd to purchase the security of 1 crore rupees of SDL-2010 of 12% and accordingly, the accused had given the contract note (10629). In this regard, the complainant bank had given the cheque of Rs. 1, 00, 25,000/- of HDFC Bank and Messrs. Home Trade Ltd had encashed the said cheque. Regarding this payment, the delivery of the said security has been made to the bank.

On 15/01/2001, the complainant bank had asked to purchase the security of Rs. 50 lakh of CG-2012 of 10.25% and in this regard, Home Trade Ltd had given the Contract Note no. 6401. The complainant bank had given the cheque of Rs. 48, 60,138-89 of HDFC Bank and the accused firm had encashed the said cheque and had given the delivery of the securities.

On 29/08/2001, the complainant bank had asked the accused firm to purchase the government security of Rs. 50 lakh of GOI-2021 of 10.25% and the accused firm had given the contract note no. 6739. The complainant bank had given the cheque of Rs. 52, 42,048.61 regarding the said transaction and Home Trade Ltd had encashed the said cheque but did not make the delivery of the securities.

On 05/12/2001, the complainant bank had decided to sell the government security that it had through Home Trade Ltd. In this regard, the bank had made the contracts with the accused firm at the rate mentioned beside the security.

Sr. No.	Name of security	Amount of selling (total price)
1.	12% SDL-2010	1,21,36,666.67 physical delivery
2.	10.25% CG-2012	58,08,541,67 Home Trade received
3.	10.25% GOI-2021	59,34,965.25 they had the delivery

Rs. 2, 38, 80,173.62 paisa

The same day, the complainant bank decided to purchase the security of CG-2010 of 7.50% of Rs. 3,06,06,250/- and accordingly, the accused company had issued and given contract note no. 6911, and accused no. 5 had put his signature on it on behalf of the accused no. 1.

Regarding the said contract, the complainant bank had sold the security through contract note no. 6905 and 6907, and had made the delivery of the said security to Home Trade Ltd., and the security sold through contract note no. 6909 was in the custody of the Home Trade, and the security purchased by the bank was pending through the contract note no. 6739. The amount of difference of Rs. 67, 26,076.38/- of the above mentioned purchase and selling was given to Messrs. Home Trade by the bank by the draft of HDFC bank. Despite this fact, the complainant bank has paid the full consideration against the total price of Rs. 3, 06, 06,250/-

of the security of GOI-2010 of 7.5% purchased from accused Messrs. Home Trade. Despite this, Home Trade Ltd has failed in making the delivery of the security. The copies of the contract mentioned in this paragraph has been attached herewith.

In order to get the delivery of the above mentioned government security that it has purchased, the complainant bank contacted the accused on phone and in person now and again and the complainant took the follow up and wrote letter on 25/01/2002 to get the early delivery of the government security and asked Home Trade Ltd to make the delivery of the security. Then, a reminder letter was written on 18/03/2002 again and there was no response or reply of it. So, at last, the bank sent a letter to the accused on 09/04/2002 by registered AD asking to make the delivery instantly. A copy of it is attached herewith.

At the time of the confirmation and the payment of the contract of purchase of the security of GOI-2010 of 7.5%, the accused persons gave promise and assurance to the complainant bank for the physical delivery in specific time limit but despite the time period was over, and despite the repeated demand of the delivery of the security, the accused did not make the physical delivery of the securities with mala fide intention fraudulently. So, the complainant bank informed the accused that it will take legal action against them. So, against the said security, the accused made the physical delivery of GOI-2017, 8.07% vide the letter dated 12.04.2002 and said that with the promise of giving GOL, 7.50%, the contract bearing the signature could not be found from the security market on 29.03.2002, so they had executed the contract (the copy is attached herewith in the list). Besides, the accused said that they will make the delivery of the government security by 30.04.2002 and if they cannot make the delivery by 30.04.2002, the accused had sent the cheque no. 984321 dated 27.05.2002 of Rs.

3,24,62,700/- of HDFC bank, Nariman Point branch, and had asked the complainant bank to encash it (the copy of it is attached herewith).

Thereafter, I the complainant and the director of the bank Pankaj Shah had gone to the office of the accused firm at Mumbai to get the said security and the director of the firm Shri Nandkishor Trivedi who is accused no. 2 of this case was present and they had met him and he had assured that the delivery of the security will be made in very short period. He had said that if the delivery is not received, the bank can encash the said cheque but then, despite the time period was over, the accused could not make the delivery of the said government security to the complainant bank.

Therefore, the complainant presented the cheque given by the accused I the HDFC bank on 27/05/2002 and the said cheque returned with the remark 'account blocked' on 01/06/2002, and when the accused had given the said cheque, the accused knew that the cheque will get returned, and despite this fact, the accused had given the cheque with the mala fide intention of committing fraud and cheating with the complainant bank. As the said cheque got returned, a notice has been given under the Negotiable Instrument Act section-138. Despite the said notice, the accused have not paid the said amount in time limit and therefore, we are entitled to lodge the separate complaint under the Negotiable Instrument Act. This complaint has been lodged for the offences punishable under the Penal Code.

In the above circumstances, the accused of this case, with the intention of committing fraud with the complainant bank and to siphon off the money of the bank, falsely promised that they can make the delivery of the government security in time and showed forged and fake documents and gained the trust of the complainant bank by doing so, and besides, in order to get the amount of the government security, the accused also put signatures on the contract note. But at the time of issuing such contract note, the accused knew very well that they did not have the government security that they were supposed to give to the complainant bank, and they also knew that they will never be able to give the physical delivery of it to the complainant bank. Despite this fact, they had given the cheque that got returned. Thus, with the mala fide intention of committing fraud and cheating with the complainant bank, the accused falsely said to sell the government security and took the money and then did not make the physical delivery of the securities and the accused have committed the punishable offences of serious nature. Chartered accountant Niraj Surati had introduced accused Ketan Sheth to the bank and he knows regarding the transactions mentioned in the complaint and he had attempted to sell the securities to the bank and he had helped in giving the said cheque as well. Therefore, he is our main witness.

After the cheque given by the accused got returned, the complainant bank came to know that the accused have committed fraud with the bank and meanwhile, the accused of this case hatched the criminal conspiracy and in order to get the illegal financial benefit in connivance with one another, committed fraud with the bank and besides, the bank has come to know that the accused have done so with the mala fide intention of committing fraud with the bank. Despite the attempts to contact the accused persons of this case, they could not be traced or found at their residential and office addresses. Besides, there is the possibility that they may flee from India and therefore, I lodge this complaint against the accused persons and request to seize their properties and to seize their passport and take necessary legal action in this regard.

The complainant bank is a cooperative bank and the money of the complainant bank is the money of the public and the accused, in connivance with one another, committed the fraud with the complainant bank with pre-planning and siphoned off the money of the bank. Therefore, I lodge my complaint to take legal action against the accused for the offences punishable under IPC section-406, 409, 420, 421, 422, 423, 465, 467, 468, 471, 114, 34, 120(b).

The witnesses for the complainant bank are the directors and the staff members of the bank and the chartered accountant Niraj Surati and those whose names may surface as witnesses in the investigation.

Date: 20/08/2002

Sd/-

Adajan Sahakari Bank Manager

The above written complaint was received vide the Local Application No. 443/02 dated 20/08/2002 of the Police Inspector, Rander Police Station, the offence registered on the basis of the said application, and dispatched to the Court with compliments.

To,

Hon'ble Chief Judicial First Class Magistrate,

Chief Court, Surat.

Date: as above.

Police Sub Inspector

Rander Police Station

Surat City

Date: 12/09/2002

I am Ashokbhai Jayantibhai Sheth, aged 48, occupation: Job, Res. 20, Giriraj Society, Vibhag-2, Anand Mahel Road, Adajan, Surat.

On being asked, I state that I reside at the above mentioned address with my family and I do the job as the manager in Adajan Nagarik Sahakari Bank for last 15 months.

Today, you police have read over to me my complaint lodged by me against Home Trade Ltd, and I state that I have lodged the said complaint against Home Trade and its owners etc., and on being asked in this regard, I state that I have lodged this complaint by virtue of the (Illegible) given by the administrator of the bank. The complaint is true and correct. On being asked, I state that our bank (illegible) Ketan Sheth, Niraj Surati, chartered accountant, Res. Bharuch, had come to our bank on 25/09/2000 and at that time, the chairman Haribhai, director Pankajbhai and manager Ashokbhai were present and he said that he is a share broker at Mumbai and he is the director of Home Trade Ltd which is engaged in the work of government security. After the said meeting, the bank, with the consent of the board of the bank, started the trading of government security and then, for all the (illegible) made by the bank, Messrs. Home Trades Ltd had executed and (1) purchased the security of Rs. 1 crore of SDL-2010 of 12% on 25/09/2000, and (2) the bank had purchased the security of Rs. 25 lakh of CG-2012 of 10.25% on 15/01/01 and in this regard, the Home Trade Ltd had made the delivery of the security (3) on 29/08/01, the bank had purchased the security of Rs. 25 lakh of COI-2010 of 10.25%, and (4) the bank decided to sell the said purchased security on 05/12/2001 and made the agreement and the same day, the bank decided to purchase the security of total Rs. 3,06,06,250/- vide CG-2010 of 7.50% (illegible) from Messrs.

Home Trade Ltd., and accordingly, as per the Note No. 6911 of the contract given by Home Trade Ltd, the bank had given the amount of different of Rs. 3,69,26,076.38 paisa through the cheque of HDFC Bank to Messrs. Home Trade Ltd., despite this fact, Home Trade Ltd failed in making the delivery of the government security (illegible) for which the bank had paid the (illegible) consideration amount of Rs. 3,06,06,250/- of COI-2010 at 7.5% purchased from Home Trade Ltd.

When the complainant bank did not get the delivery of the security, it contacted Home Trade Ltd., and at that time, it said to give the delivery by 20/08/2002, and if the security is not delivered, the cheque no. 984621 dated 27/05/02 of Rs. 3,24,62,700/- of HDFC Bank (illegible) was sent asking to encash it and when it was presented before the HDFC bank, Surat branch on 1/6/02, it returned with the remark "Account blocked", and thus, Home Trade Ltd did not make the delivery of the security purchased by the bank (Illegible).

I am producing the certified copies of all the above agreements made by the bank with the said company.

All the said transactions mentioned above were made with the consent of the board of the directors decided in its meeting and I am producing the certified copies of it.

As per the rules of the Reserve Bank of India, the investment (SSR) has to be made in the government. The complainant bank, in order to get the security, had contacted the said company now and again (illegible), and a letter was written on 25/01/2002 to Messrs. Home Trade Ltd by the Bank asking to make the delivery of the government security. Then, on 18/06/2002, again a reminder letter was written to the Company and its reply was also not given. So, at last, on 09/06/2002, the bank (illegible), asked to give the decision immediately to write a letter to Home Trade, and all (illegible) am producing herewith. Despite this, since the delivery was

not received, I the complainant, and the director of the bank Pankajbhai Shah, had gone in person to the office of Home Trade Company Limited, located at Nariman Point, Mumbai to get the delivery of the government security on 25/04/2002, (Illegible), and the director of Home Trade Company (illegible) Nandkishor Trivedi had met us and he had assured that the delivery of the government security will be made in very short period. He had said that if the delivery is not received, he had asked to encash the cheque of Rs. 3,24,62,700/- but when the cheque was presented in the Court, it returned on 02/06/2002 with the remark of 'account blocked', and the bank (illegible).

(Illegible)....

For all the above mentioned transactions, of the HDFC bank (Illegible), Home Trade (Illegible), sent to Mumbai. All these persons (Illegible), got deposited in the bank account of Home Trade Ltd but I will produce the copy of the certificate of the HDFC Bank.

For all these transactions, the complainant bank (illegible), of Home Trade Company Ltd (Illegible), all these (Illegible), got deposited in the account of Home Trade Ltd., and (Illegible), Home Trade Ltd. (illegible), I have not found the information regarding the (illegible).

When the bank manager felt that the security will not come from Home Trade, he lodged his written complaint on behalf of the bank on the date (Illegible), and the bank has carried out the proceedings of fining the arbitration (illegible).

As per my knowledge, (illegible), the firm titled Messrs. Home Trade Ltd., the said firm as the share and stock broker, (illegible), and this (Illegible) the director of the said firm, (illegible), (illegible), (illegible), accused Ketan Sheth had made the deals with the bank (illegible), and with this, the transactions made by Home Trade Ltd with the bank as mentioned

below, (illegible), have to be kept in the safe of the bank by the director of the board of the bank (Illegible).

(1) Illegible

(2) Copy of the contract made with the Home Trade Ltd.

(3) Letters written to the bank to get the government security.

(4) Copy of the letter written to the Home Trade Ltd.

(5) Copy of the cheque of HDFC bank of Rs. 3, 24, 62,700/- given by Home Trade against the government security.

(6) Copy of the cheque that got returned.

(7) Certificate regarding the clearance of the cheque given by the bank to Home Trade Ltd.

(8) Illegible the copy of the agreement of the authority given to the manager for the proceedings.

I am producing the (illegible) as mentioned above.

The above fact has been stated by me.

Before,
Sd/- Illegible
Police Inspector
Rander Police Station
Surat City

Date: 24/09/2002

I am Ashokbhai Jayantibhai Sheth, aged 48, occupation: Job, Res. 20, Giriraj Society, Vibhag-2, Anand Mahel Road, Adajan, Surat.

On being asked, I state that I (Illegible) and it is true and correct as stated by me (illegible). Furthermore, on being asked, I state that,

(1). The Investment committee of the bank and the board of directors made the policy (illegible), and no officer was authorized to purchase the security.

(2). Home Trade had not offered the security. The Director of Home Trade Ltd. Shri Ketan Sheth and Niraj Surati had come to the bank in person and had (illegible) offer. Besides, Home Trade was preparing the contract and sending it to the bank and the bank was making the payment through the draft accordingly.

(3). Each bank is supposed to safeguard 25% amount of the total deposits in the SSR. (As per the guideline of RBI), therefore, the total deposits in our Bank in December 2001 was Rs. (Illegible).

(4). As per the rules of the Government, the banks having the deposits less than Rs. 25 crore can do the process of the security in physical form, we do not do the process in the physical form.

(5). The copies of the contract of the purchase and selling made by the bank have been attached to the FIR and accordingly, the Home Trade Ltd has failed in providing the security as per the contract.

(6). Home Trade Ltd had the security (Illegible). The information of this office is not with the bank. Besides, (illegible) the bank transactions have not been made with Home Trade Ltd.

(7). Our Bank had issued the demand draft after checking the account of the name Home Trade Ltd, and the said draft got debited from

our account and it got deposited in the account of Home Trade Ltd., and in this regard, the affidavit has been submitted. Besides, from the account of Home Trade Ltd., the amount of Rs. (illegible) from the account of Home Trade Ltd but the bank does not have any information of it.

(8). Mr. Ketan Sheth, the director of Home Trade Ltd used to come to our bank and then regarding the purchase and selling of the security (illegible), then, he did not send the contract from their Mumbai office and as per the contract, the bank was making the payment and then, the Home Trade Ltd Security Delivery was ours, and they were sending in favour of our bank to transfer (illegible), and from the bank (illegible) Ahmedabad. Earlier, at that time, the said security had been sent by transferring.

Our bank does not have a single security purchased by Home Trade Ltd because our bank had sold the Home Trade (illegible) to purchase security. At that time, Home Trade did not give us and has held the meeting.

The above fact stated by me is true and correct.

Before,
(Sd/- Illegible)
Police Inspector
Rander Police Station

Date: 12/09/2002

I am Mukeshbhai Ranchhodji, aged about 36, occupation: Job, Res. 33, Narayan Apartment, Ashanagar, Navsari, Dist. Navsari.

On being asked, I state that I reside at the above mentioned address with my family and I do job as the assistant manager in Adajan Nagarik Sahakari Bank for last four years.

Today, you police have read over the complaint lodged by the manager of our bank Shri Ashokbhai Jayantilal Sheth against Home Trade Ltd., and on being asked in this regard, I state that accused no. 1 Ketan Sheth, with Niraj Surati, the chartered accountant, Res. Bharuch, had come to our bank on 25/09/2000 and at that time, Haribhai, the chairman, and director Pankajbhai and manager Ashobhai were present in the bank and he had said that he is a share broker at Mumbai and he is the director of Home Trade Ltd which is engaged in the work of government security. After the said meeting, the bank, with the consent of the board of the bank, started the trading of government security and then, for all the (illegible) made by the bank, Messrs. Home Trades Ltd had executed and (1) purchased the security of Rs. 1 crore of SDL-2010 of 12% on 25/09/2000, and (2) the bank had purchased the security of Rs. 25 lakh of CG-2012 of 10.25% on 15/01/01 and in this regard, the Home Trade Ltd had made the delivery of the security (3) on 29/08/01, the bank had purchased the security of Rs. 25 lakh of COI-2010 of 10.25%, and (4) the bank decided to sell the said purchased security on 05/12/2001 and made the agreement and the same day, the bank decided to purchase the security of total Rs. 3,06,06,250/- vide CG-2010 of 7.50% (illegible) from Messrs. Home Trade Ltd., and accordingly, as per the Note No. 6911 of the contract given by Home Trade Ltd, the bank had given the amount of different of Rs.

3,69,26,076.38 paisa through the cheque of HDFC Bank to Messrs. Home Trade Ltd., despite this fact, Home Trade Ltd failed in making the delivery of the government security (illegible) for which the bank had paid the (illegible) consideration amount of Rs. 3,06,06,250/- of COI-2010 at 7.5% purchased from Home Trade Ltd.

When the complainant bank did not get the delivery of the security, it contacted Home Trade Ltd., and at that time, it said to give the delivery by 20/08/2002, and if the security is not delivered, the cheque no. 984621 dated 27/05/02 of Rs. 3,24,62,700/- of HDFC Bank (illegible) was sent asking to encash it and when it was presented before the HDFC bank, Surat branch on 1/6/02, it returned with the remark "Account blocked", and thus, Home Trade Ltd did not make the delivery of the security purchased by the bank (Illegible).

The above fact stated by me is true and correct.

Before

Sd/- Illegible

Police Inspector

Rander Police Station

Surat City

Date: 12/09/2002

I am Pankajbhai Dhansukhlal Shah, occupation: Tax consultant, Res. b/8, Nandan Apartment, behind Water Tank, Adajan road, Surat.

On being asked, I state that I reside at the above-mentioned address with my family and I do the practice as an advocate of Sales Tax and Income Tax and I serve as the director in Adajan Nagarik Sahakari Bank since 12/07/98.

Today, you police have read over to me the complaint (illegible) filed by the manager of the bank Shri Ashokbhai Jayantilal Shah and on being asked in this regard, I state that,

In order to maintain the SLR of the bank as per the order of the government bank, it is compulsory for the bank to invest specific amount in the government security. Accordingly, the policy of investment of the bank was made by taking the decision in the meeting of the management body of the bank, the bank had taken the decision of making the investment in the government security. Accordingly, the bank had made contract with Home Trade Limited to purchase the government security through the said firm and in order to enter into the said contract, Shri Ketan Sheth with Shri Niraj Surati had met in person at the bank and as Shri Niraj Surati was working as the familiar person of Home Trade Limited of the banks of South Gujarat, and accordingly, our bank had made the deal with Home Trade Limited to get the government security. The bank had received the delivery of the government security for two times as per the contract. The said security delivery was of the name of Home Trade Limited (Illegible) Bank and in the name of our bank, the bank had purchased (illegible) and its signature and stamp (Illegible) transferred in the name of our bank. In order to purchase the government security, our bank had made the

transactions with the Home Trade Limited for total four times and as per the last transaction, Home Trade Limited did not give the security (illegible), and has committed fraud with our bank and by not making the delivery of the security (illegible), in return, Home Trade Limited had given the cheque of Rs. 3,24,62,700/- of HDFC bank dated 27/05/2002 bearing the signature of Sanjay Agrawal, and our bank had presented the said cheque in HDFC Bank on 27/05/2002 in order to deposit it in the account of our bank and the said cheque has been returned to us on 01/06/2002 with the remark of 'account blocked'. The said deal with Home Trade Limited was made in presence of Shri Niraj Surati and Shri Ketan Sheth, the director of Home Trade Limited who had come to our bank and I, chairman Haribhai, and our manager Shri Ashokbhai and Mukeshbhai were present. At present, our bank does not have any government security.

The above fact stated by me is true and correct.

Before,
Sd/- Illegible
Police Inspector
Rander Police Station, Surat city.

Date: 12/09/2002

I am Haribhai Ranchhodji Patel, occupation: retired, Res. B/4, Nandan Apartment, behind Water Tank, Adajan Road, Surat.

On being asked, I state that I live with my family and I serve as the chairman in the management body of Adajan Nagarik Sahakari Bank.

Today, you police have read over to me the complaint filed by the manager of our bank Mr. Ashokbhai Jayantilal Sheth against Home Trade Company, and on being asked in this regard, I state that,

In order to maintain the SLR of the bank as per the order of the government bank, it is compulsory for the bank to invest specific amount in the government security. Accordingly, the investment of the bank (illegible) by taking the decision in the meeting of the management body of the bank, the bank had taken the decision of making the investment in the government security. Accordingly, the bank had made contract with Home Trade Limited to purchase the government security through the said firm and in order to enter into the said contract, Shri Ketan Sheth with Shri Niraj Surati had met in person at the bank and as Shri Niraj Surati knew (illegible) for the government security of the Sahakari bank of South Gujarat, had met and he was acting as the mediator for the trading of the government security through Home Trade Limited and accordingly, our bank had made the deal with Home Trade Limited to get the government security. The bank had received the delivery of the government security for two times as per the contract. The said security was of the name of Home Trade Limited (Illegible) Bank and in the name of our bank, the bank had purchased (illegible) and its signature and stamp (Illegible) transferred in the name of our bank. In order to purchase the government security, our bank had made the transactions with the Home Trade Limited for total four

times and as per the last transaction, Home Trade Limited did not give the security (illegible), and has committed fraud with our bank and by not making the delivery of the security (illegible), in return, Home Trade Limited had given the cheque of Rs. 3,24,62,700/- of HDFC bank dated 27/05/2002, which was given by the staff on behalf of Sanjay Agrawal and our bank had presented the said cheque in HDFC Bank on 27/05/2002 in order to deposit it in the account of our bank and the said cheque has been returned to us on 01/06/2002 with the remark of 'account blocked'. The transactions with Home Trade Limited were made in presence of Shri Niraj Surati and Shri Ketan Sheth, the director of Home Trade Limited had come to our bank and I and Pankajbhai D. Shah and our manager Shri Ashokbhai and Mukeshbhai. At present, our bank does not have any government security. Besides, Niraj Surati (Illegible) no information of it.

The above fact stated by me is true and correct.

Before,
Sd/- Illegible
Police Inspector
Rander Police Station, Surat city.

Supplementary Chargesheet

Police Station: Rander Police Station **District: Surat city**

Chargesheet No. 6/03 **Date: 06/01/2003**

Name, address and occupation of the complainant or informant:

Shri Ashok Jayantilal Sheth, Authorized Manager, Adajan Nagarik Sahakari Bank Ltd., Manthan Apartment, Adajan, Surat.

FIR No. I-226/02 Date: 20/08/2002

Name and address of the accused persons sent up for trial or in the custody of the police or on bail	Name and address of the accused person not sent up for trial, whether arrested or not arrested, including absconders (show the absconders in red ink)	Property (including weapons) found with particulars of where, when by whom found and whether forwarded to the Magistrate.	Name and address of witness	Charge or information, name of offence and circumstance committed with it, in concise detail and under what section of law charged
1	2	3	4	5
Ketan Kantilal Sheth, res. 193, Lalit Kutir, 9-Gulmahor Road, Kuku Munda, was arrested at 15:00 o'clock on 05/10/2002, and was produced in	(1). Nandkishor Shankarlal Trivedi, aged 37, Res. A/3, Pushpam Apartment-6, Candy Road, Vileparle, Mumbai. (2). Sanjaybhai Hariram		1-Complainant: Ashokbhai Jayantibhai Sheth, authorized manager, The Adajan Nagarik Sahakari Bank, Adajan Road, Surat.	Under IPC section-406, 409, 420, 421, 422, 423, 34, 114, 120(b). The fact of the case is that accused no. 1 and accused no. 2 mentioned in column no. 2 opened the offices of Messrs. Home Trade

Court in time and his police custody remand was obtained till 11/10/2002, and as the remand period was over, he has been sent to Hon'ble Court in time.	Agrawal, aged 38, Res. 702, Kusum Apartment, Vasi, Sector-17, Mumbai. (3). Subodhchandra Dasal alias Bhandari, aged 38, Res. House No. 2, Gulab View, beside Vasant Talkies, Chembur, Mumbai. (4). Hiten Bhupendra Shah, Res. 102, Gandhi Nivas, Ashok Nagar road, Vadala, Santakruz, Mumbai. (5). Hiren Gada, Senior Vice President, Home Trade Company, New Mumbai, Office address: 709, Raheja Centre, 214, Free Press Journal Marg, Mumbai.		2- Witness Chairman of the bank Haribhai Ranchhodji Patel, Res. B/4, Nandan Apartment, behind Water Tank, Adajan Road, Surat. 3- Witness Bank Director Pankajbhai Dhansukhlal Shah, Res. B/8, Nandan Apartment, behind Water Tank, Adajan Road, Surat. 4- Witness Assistant Manager of the bank Mukeshbhai Ranchhodji, Res. 33, Narayan Apartment, Ashanagar, Navsari, Dist. Navsari. 5- IO R. M. Puvar, Rander Police Station, Surat.	Company at (1) International Info Tec Park, Tower No. 3, 5th floor, Vasi, Railway Station complex, New Mumbai, and (2) Mittal Court building, Nariman Point, Mumbai, and the accused mentioned in column no. 1, in connivance with the accused mentioned in column no. 2 and column no. 3, on 25/09/2000, accused no. 1 Ketan Kantilal Sheth mentioned in column no. 2 came to the Adajan Nagarik Sahakari Bank of the complainant in person and met the bank manager, the directors of the bank and the chairman and introduced himself as the executive director of Home Trade Company Ltd and as the leading share broker of Mumbai, and said that as per the order of the

	(6). Sashank Gopal Rande, Res. 3/1 Radhakrishna Nivas, SK Bole Road, Dadar, Mumbai. (7). Vijay Himmatlal Modi, Res. A-203, Amita Cooperative Housing Society, Kulupavadi Road, Borivali (East), Mumbai. (8). Salil Dinkarlal Gandhi, Res. 11-13, Gold Coin Co-Op. Ha. Society, (Illegible). (9). Alan James Macmillan, Res. 758, (illegible) (10). Rasal Bankim Vegar, Res. Timber Hill, Terej Aayan Field, MA 1940 (USA) (11). Mick alias Manoj Ambelal Shah, Res.			Reserve Bank of India, some portion of the deposits of the bank (SLR) has to be invested in the government security, and he gave the assurance and the confidence, made deals with the complainant bank from date 25/09/2000 to dated 02/06/2002 to purchase the government securities and gave the contract notes to the bank and the complainant bank purchased the government security of CG-2010 of 7.5% of Rs. 3,06,06,250/- from Home Trade Company, and despite the payment of full amount of the government security, the said accused did not make the delivery of the govt. security to the bank and gave false promises to the complainant bank to make the delivery of the govt. securities,

	Belari Road, RMV Extension, Bangalore. (12). Dhananjay Agrawal, Director, Home Trade Limited company, Office: 709, Raheja Centre, 214 Free Press Journal Marg, Mumbai. (13). Smt. Shilpa Hiten Shah, Res. 102, Gandhi Nivas, Ashok Nagar, Vadala, Santakruz, Mumbai. (14). Smt. Jagruti Ketan Sheth, Res. 193, Lalit Kutir, 9, Gulmahor road, Kuku Munda. (15). Kanan Mevavala, Res. Jayant Mahal, 5th Floor, Opp. Vankhede Stadium, Marine Drive, Mumbai. (16). Ketan R. Maskariya, Director, Home			and did not make the delivery, and did not return the money, and committed fraud and cheating with the complainant bank, committing the offence.

	Trade Limited, Office address: 709, Raheja Centre, 214, Free Press Journal Marg, Mumbai.			

Note:-

1. The FIR of the offence has already been sent to this Hon'ble Court.
2. The face identification sheet of the accused arrested in connection with this offence are attached herewith.
3. The copies to be provided to the arrested accused and Hon'ble Court are attached herewith.
4. The arrangement of the prosecution has been made.
5. In order to produce the complainant and the witnesses in Hon'ble court at the time of hearing, it is requested to issue the summons.
6. It is requested to provide the summary of the final decision of this offence.

Dispatched with compliments: Hon'ble Judicial First Class Magistrate, Second Court, Surat city.

Date: 03/01/2003 Time: :00 o'clock.

Signature of the IO

POLICE INSPECTOR RANDER POLICE STATION SURAT

POLICE INSPECTOR RANDER POLICE STATION SURAT

First Information Report
(U/s 154 of CrPC)

1. District: Surat PS: Rander Police Station FIR No. I-226/02
2. Occurrence of offence:
   From Date: 25/09/2000 to Date: 01/06/2002
3. Reported the offence at the Police Station: Date: 30/08/2002 10:25 hrs.
4. Place of offence and direction and distance from PS: Adajan Nagarik Sahakari Bank Ltd., Manthan Apartment, near Gujarat Gas Circle, Adajan, Surat.
5. Reported to the PS Date: 30/08/2002.
6. Name of the complainant / informer: Shri Ashok Jayantilal Sheth, aged 46, Res. Anjan, authorized manager, for and on behalf of Adajan Nagarik Sahakari Bank Ltd. "Manthan Apartment, near Gujarat Gas Circle, Adajan Road, Surat.
7. Names and addresses of the accused:-
   (1). Home Trade Limited, Registered Company, Occupation: Broker of Share Securities etc. (1) International InfoTech Park, Tower No. 3, 5th Floor, Vashi Railway Station Complex, New Mumbai, Dist. Illegible, Maharashtra.
   (2). Shri Nandkishor Shankarlal Trivedi, aged about 45, occupation: business, Res. Devbhuvan, 2nd Floor, Chira bazaar, Mumbai.
   (3). Shri Ketan Kantilal Sheth, aged about 40, occupation: business, Res. 193, Lalit Kutir, Gulmahor Cross road, 9, Juhu, Mumbai.
   (4). Shri Sanjay Hariram Agrawal, aged 35, occupation: business, Res. Juhu, Shalimar, CAS, Gulmahor Crossroad, Juhu.

(5). Subodh Bhandari, aged about 46, occupation: Business, 704-B, Govind Complex, Vasi, New Mumbai-40005.

(6). Shri Hiten Bhupendra Shah, adult aged, occupation: , Res. 102, Gandhi Nivas, Ashoknagar, Mumbai.

(7). Shri Hiren Gada, adult aged, occupation: business, Senior Vice President, Home Trade Limited, Registered Company. Business: broker of share securities etc. Office address (1) International InfoTech Park, Tower No. 3, 5th Floor, Vashi Railway Station Complex, New Mumbai, Dist. Illegible, Maharashtra. (2) 709, Raheja Centre, 214, Free Press Journal Marg, Mumbai-400002, Maharashtra.

(8). Shri Sashank Gopal Rande, aged 40, occupation: business, Res. 3/1, Radhakrishna Nivas, Ground Floor, SK Bole Road, Dadar (CWJ), Mumbai.

(9). Shri Vijay Himmatlal Modi, aged 46, occupation: business, Res. A-203, Amita Co. O. Housing Society, Kulupadavi road, Borivali (East), Mumbai-400063.

(10). Shri Salil Dinkarlal Gandhi, aged 43, occupation: Business, Res. 11/13, Gold Coin Co. O. Ha. Society, Tardev, Mumbai-400034.

(11). Shri Allan James Macmillan, aged 41, occupation: business, Res. 785, Castro Street, Montenue, CA 94041, USA.

(12). Shri Rasal Bankcam Vegar, adult aged, occupation: Business, Res. Timber Hill Terrace, Iron Field, MA 1940, USA.

(13). Shri Maick alias Manoj Ambelal Shah, aged about 58, occupation: business, Res. Belari Road, RMV Extension, Bangalore-506080.

(14). Shri Dhananjay Achaval, adult aged, occupation: business, Director, Home Trade Limited, Registered Company, occupation: Broker of Share, securities etc., Office addresses (1) International

InfoTech Park, Tower No. 3, 5th Floor, Vashi Railway Station Complex, New Mumbai, Dist. Illegible, Maharashtra. (2) 009, Raheja Centre, 214, Free Press Journal Marg, Mumbai-400002, Maharashtra.

(15). Smt. Shilpa Hiten Shah, Res. 102, Gandhi Nivas, Ashok Nagar, Vadala, Santakruz, Mumbai.

(16). Smt. Jagruti Ketan Sheth, Res. 193, Lalit Kutir, 9, Gulmahor road, Kuku Munda.

(17). Kanan Mevavala, Res. Jayant Mahal, 5th Floor, Opp. Vankhede Stadium, Marine Drive, Mumbai.

(18). Ketan R. Maskariya, Director, Home Trade Limited, Office address: 709, Raheja Centre, 214, Free Press Journal Marg, Mumbai. Office address (1) International InfoTech Park, Tower No. 3, 5th Floor, Vashi Railway Station Complex, New Mumbai, Dist. Illegible, Maharashtra. (2) 709, Raheja Centre, 214, Free Press Journal Marg, Mumbai-400002, Maharashtra.

Brief Fact:

Under IPC section-406, 409, 420, 421, 422, 423, 34, 114, 120(b). With the intention of committing fraud with the bank and to grab the amount, stated that they can make the delivery of the government security in time, and forged false and fake documents and produced the documents bearing the signature and the stamp in the Court and in order to commit fraud and cheating with the bank, gained its trust and confidence and in order to obtain the amount of the government security, put signature on the contract note and falsely stated that they will sell the government security and produced false documents before the bank and committed fraud of Rs. 3,06,06,250/- with the complainant bank, and committed the offence.

Complaint

Date: 30/08/2002

I state my complaint that our bank has been established under The Banking Regulation Act, 1848 and Gujarat Cooperative Act and Sub-Rules at Adajan Road, Surat, and it is a cooperative bank and in order to do the banking activities, our bank has been given the license by Reserve Bank of India, Ahmedabad and the office of our bank is located on Adajan Road, Surat. As per the Resolution passed by the Board of Directors of the said bank, I the complainant has been authorized to lodge the complaint and carry out legal proceedings against the accused of this offence and accordingly, I have lodged the present complaint against the accused of this case.

Accused no. 1 "Messrs Home Trade Limited" is a firm and it has been registered with National Stock Exchange as a Share and Stock Broker and accused no. 2 to 18 are the directors and the agents of the said firm and have stated that the accused firm is engaged in the trading of the share securities etc., and as the accused stated so before me the complainant, and I the complainant relied on what the accused said and accepted him as an agent of the accused no. 1 firm and accused no. 2 to 18 are the directors and the agents of the accused no. 1 firm. He said that he himself does the administration of the firm as the director and agent of the firm and he is responsible for the administration of the firm and in that capacity, the present complaint has been lodged against the accused persons.

The complainant bank is supposed to make the investment of the statutory liquidity amount addressed as the SLR and as per the SLR, the amount has to be invested in the government security and the ratio of the SLR is decided by the Reserve Bank of India from time to time as per the provision of the Banking Regulation Act, 1949, and it is compulsory for all the cooperative banks to abide by such orders of the Reserve Bank, and thus, it was compulsory for the complainant bank also to make the investment in the government security to maintain the SLR.

Accused no. 3 Ketan Sheth, with Niraj Surati, the chartered accountant, Res. Bhruch, had come to the office of the complainant bank located at the address Muktanandnagar, near Adajan Circle, on 25th September 200? In person and accused no. 3 stated that he is a leading share broker at Mumbai and Messrs. Home Trade Ltd is engaged in the trading of Government securities, and said that he is the director of the Company. Besides, accused no. 4 Sanjay Agrawal is the chairman and chief executive of the said company, and accused no. 2 Nandkishor Trivedi is the executive director of the company, and all the three of them are the main office bearers of Home Trade Ltd and are the authorized signatories, he had said. Besides, Home Trade Ltd is registered with National Stock Exchange, and as its evidence, he has produced the photocopy of the certificate in this regard and he further said that they have the fully computerized air-conditioned office with ultra-modern facilities at Mumbai and most of the works of Mumbai-Pune Stock Exchange are done by their firm and had produced the claims regarding the works of the firm.

Taking into account the above mentioned fact stated by the accused no. 3, the complainant bank had entered into the contract with the said company in order to purchase the government security of 12% of Rs. 1 crore and regarding the said contract, the complainant bank had given a cheque of HDFC bank and the accused had made the delivery of the government security to the complainant bank.

Thereafter, in order to purchase the securities of 50 lakh of 10.25%, the complainant bank had entered into the contract with the said company on 15/01/2001 and the complainant bank had made the payment of it through the cheque of HDFC bank and the accused had made the delivery of the securities to us the complainant bank. As the accused firm Home Trade Ltd had made the delivery of both previous contracts, and as the Reserve Bank of India had made the endorsement in favour of the bank, therefore, taking into account the said facts, the complainant bank had given the contract of purchasing the government security of 10.25% of Rs. 50 lakh and the complainant bank had made its payment to the accused company by the cheque of HDFC.

Thereafter, o 05/12/2001, accused no. 3 Shri Ketan Sheth and Niraj Surati had come to the office of the complainant bank in person and had said that Home Trade Ltd is doing the work of the government security on large scale and another registered company of this group titled Wez India Ltd is coming in the Market and the advertisement of their company will be made by Shahrukhkhan, Rutvik Roshan, Sachin Tendulkar, and Priyanka Chopra. Thus, they had presented such claims regarding the work of their company.

Taking this fact into account, they told us that since the market price of the securities of two crore rupees that we had purchased from them earlier, we the complainant bank will earn good benefit and saying so, we had made the contract of selling the said securities with the accused company and in return, they had asked us to purchase the new securities of Rs. 3 crore of 7.5% as its market price is less and thus, our bank had made the contract with the said company to purchase the new securities. When the amount of the selling contract was adjusted with the amount of the purchase contract, the cheque of the amount of difference of Rs. 67, 26,076-38 paisa of HDFC Bank of the name of the accused firm was given to the accused firm and the accused firm deposited the said cheque in its bank account and had encashed it. But thereafter, the complainant bank did not make the delivery of the security of Rs. 3 crore of 7.5% despite repeated demand for the delivery of the said securities. Thus, what the accused had said in person on 05/12/2001 at the office of the complainant bank, was said with the mala fide intention of committing fraud and cheating with the complainant bank, and the accused firm had taken the delivery of all the securities of the selling contract and the accused then did not make the delivery of the new security that was purchased as per the contracts. Thus, the accused made false claims with the intention of committing the offence and fraud with the complainant bank and did not make the delivery of the security and committed fraud with the bank.

Trusting the claim of the accused, and we the complainant have made the financial transactions with the accused of this case in order to maintain the SLR as follows.

Details of the Financial Transactions:

On 28/09/2000, the complainant bank had asked Messrs. Home Trade Ltd to purchase the security of 1 crore rupees of SDL-2010 of 12% and accordingly, the accused had given the contract note (10629). In this regard, the complainant bank had given the cheque of Rs. 1, 00, 25,000/- of HDFC Bank and Messrs. Home Trade Ltd had encashed the said cheque. Regarding this payment, the delivery of the said security has been made to the bank.

On 15/01/2001, the complainant bank had asked to purchase the security of Rs. 50 lakh of CG-2012 of 10.25% and in this regard, Home Trade Ltd had given the Contract Note no. 6401. The complainant bank had given the cheque of Rs. 48, 60,138-89 of HDFC Bank and the accused firm had encashed the said cheque and had given the delivery of the securities.

On 29/08/2001, the complainant bank had asked the accused firm to purchase the government security of Rs. 50 lakh of GOI-2021 of 10.25% and the accused firm had given the contract note no. 6739. The complainant bank had given the cheque of Rs. 52, 42,048.61 regarding the said transaction and Home Trade Ltd had encashed the said cheque but did not make the delivery of the securities.

On 05/12/2001, the complainant bank had decided to sell the government security that it had through Home Trade Ltd. In this regard, the bank had made the contracts with the accused firm at the rate mentioned beside the security.

Sr. No.	Name of security	Amount of selling (total price)
1.	12% SDL-2010	1,21,36,666.67 physical delivery
2.	10.25% CG-2012	58,08,541,67 Home Trade received
3.	10.25% GOI-2021	59,34,965.25 they had the delivery

Rs. 2, 38, 80,173.62 paisa

The same day, the complainant bank decided to purchase the security of CG-2010 of 7.50% of Rs. 3,06,06,250/- and accordingly, the accused company had issued and given contract note no. 6911, and accused no. 5 had put his signature on it on behalf of the accused no. 1.

Regarding the said contract, the complainant bank had sold the security through contract note no. 6905 and 6907, and had made the delivery of the said security to Home Trade Ltd., and the security sold through contract note no. 6909 was in the custody of the Home Trade, and the security purchased by the bank was pending through the contract note no. 6739. The amount of difference of Rs. 67, 26,076.38/- of the above mentioned purchase and selling was given to Messrs. Home Trade by the bank by the draft of HDFC bank. Despite this fact, the complainant bank has paid the full consideration against the total price of Rs. 3, 06, 06,250/-

of the security of GOI-2010 of 7.5% purchased from accused Messrs. Home Trade. Despite this, Home Trade Ltd has failed in making the delivery of the security. The copies of the contract mentioned in this paragraph has been attached herewith.

In order to get the delivery of the above mentioned government security that it has purchased, the complainant bank contacted the accused on phone and in person now and again and the complainant took the follow up and wrote letter on 25/01/2002 to get the early delivery of the government security and asked Home Trade Ltd to make the delivery of the security. Then, a reminder letter was written on 18/03/2002 again and there was no response or reply of it. So, at last, the bank sent a letter to the accused on 09/04/2002 by registered AD asking to make the delivery instantly. A copy of it is attached herewith.

At the time of the confirmation and the payment of the contract of purchase of the security of GOI-2010 of 7.5%, the accused persons gave promise and assurance to the complainant bank for the physical delivery in specific time limit but despite the time period was over, and despite the repeated demand of the delivery of the security, the accused did not make the physical delivery of the securities with mala fide intention fraudulently. So, the complainant bank informed the accused that it will take legal action against them. So, against the said security, the accused made the physical delivery of GOI-2017, 8.07% vide the letter dated 12.04.2002 and said that with the promise of giving GOL, 7.50%, the contract bearing the signature could not be found from the security market on 29.03.2002, so they had executed the contract (the copy is attached herewith in the list). Besides, the accused said that they will make the delivery of the government security by 30.04.2002 and if they cannot make the delivery by 30.04.2002, the accused had sent the cheque no. 984321 dated 27.05.2002 of Rs.

3,24,62,700/- of HDFC bank, Nariman Point branch, and had asked the complainant bank to encash it (the copy of it is attached herewith).

Thereafter, I the complainant and the director of the bank Pankaj Shah had gone to the office of the accused firm at Mumbai to get the said security and the director of the firm Shri Nandkishor Trivedi who is accused no. 2 of this case was present and they had met him and he had assured that the delivery of the security will be made in very short period. He had said that if the delivery is not received, the bank can encash the said cheque but then, despite the time period was over, the accused could not make the delivery of the said government security to the complainant bank.

Therefore, the complainant presented the cheque given by the accused I the HDFC bank on 27/05/2002 and the said cheque returned with the remark 'account blocked' on 01/06/2002, and when the accused had given the said cheque, the accused knew that the cheque will get returned, and despite this fact, the accused had given the cheque with the mala fide intention of committing fraud and cheating with the complainant bank. As the said cheque got returned, a notice has been given under the Negotiable Instrument Act section-138. Despite the said notice, the accused have not paid the said amount in time limit and therefore, we are entitled to lodge the separate complaint under the Negotiable Instrument Act. This complaint has been lodged for the offences punishable under the Penal Code.

In the above circumstances, the accused of this case, with the intention of committing fraud with the complainant bank and to siphon off the money of the bank, falsely promised that they can make the delivery of the government security in time and showed forged and fake documents and gained the trust of the complainant bank by doing so, and besides, in order to get the amount of the government security, the accused also put signatures on the contract note. But at the time of issuing such contract note, the accused knew very well that they did not have the government security that they were supposed to give to the complainant bank, and they also knew that they will never be able to give the physical delivery of it to the complainant bank. Despite this fact, they had given the cheque that got returned. Thus, with the mala fide intention of committing fraud and cheating with the complainant bank, the accused falsely said to sell the government security and took the money and then did not make the physical delivery of the securities and the accused have committed the punishable offences of serious nature. Chartered accountant Niraj Surati had introduced accused Ketan Sheth to the bank and he knows regarding the transactions mentioned in the complaint and he had attempted to sell the securities to the bank and he had helped in giving the said cheque as well. Therefore, he is our main witness.

After the cheque given by the accused got returned, the complainant bank came to know that the accused have committed fraud with the bank and meanwhile, the accused of this case hatched the criminal conspiracy and in order to get the illegal financial benefit in connivance with one another, committed fraud with the bank and besides, the bank has come to know that the accused have done so with the mala fide intention of committing fraud with the bank. Despite the attempts to contact the accused persons of this case, they could not be traced or found at their residential and office addresses. Besides, there is the possibility that they may flee from India and therefore, I lodge this complaint against the accused persons and request to seize their properties and to seize their passport and take necessary legal action in this regard.

The complainant bank is a cooperative bank and the money of the complainant bank is the money of the public and the accused, in connivance with one another, committed the fraud with the complainant bank with pre-planning and siphoned off the money of the bank. Therefore, I lodge my complaint to take legal action against the accused for the offences punishable under IPC section-406, 409, 420, 421, 422, 423, 465, 467, 468, 471, 114, 34, 120(b).

The witnesses for the complainant bank are the directors and the staff members of the bank and the chartered accountant Niraj Surati and those whose names may surface as witnesses in the investigation.

Date: 20/08/2002

Sd/-

Adajan Sahakari Bank Manager

The above written complaint was received vide the Local Application No. 443/02 dated 20/08/2002 of the Police Inspector, Rander Police Station, the offence registered on the basis of the said application, and dispatched to the Court with compliments.

To,

Hon'ble Chief Judicial First Class Magistrate,

Chief Court, Surat.

Date: as above.

Police Sub Inspector

Rander Police Station

Surat City

Translated from Gujarati into English by Dr. Rajesh I. Patel, B.A., M. A. (English), Ph.D. (In Translation), Gandhinagar, Gujarat. (Translator of Pannalal Patel's Gujarati Classic – Malela Jiv into English titled Kanji and Jivi: A Tragic Love Story – published by Sahitya Akademi, New Delhi, India's premier literary institution, functioning under the Ministry of Culture, Govt. of India)

Date: 12/09/2002

I am Ashokbhai Jayantibhai Sheth, aged 48, occupation: Job, Res. 20, Giriraj Society, Vibhag-2, Anand Mahel Road, Adajan, Surat.

On being asked, I state that I reside at the above mentioned address with my family and I do the job as the manager in Adajan Nagarik Sahakari Bank for last 15 months.

Today, you police have read over to me my complaint lodged by me against Home Trade Ltd, and I state that I have lodged the said complaint against Home Trade and its owners etc., and on being asked in this regard, I state that I have lodged this complaint by virtue of the (Illegible) given by the administrator of the bank. The complaint is true and correct. On being asked, I state that our bank (illegible) Ketan Sheth, Niraj Surati, chartered accountant, Res. Bharuch, had come to our bank on 25/09/2000 and at that time, the chairman Haribhai, director Pankajbhai and manager Ashokbhai were present and he said that he is a share broker at Mumbai and he is the director of Home Trade Ltd which is engaged in the work of government security. After the said meeting, the bank, with the consent of the board of the bank, started the trading of government security and then, for all the (illegible) made by the bank, Messrs. Home Trades Ltd had executed and (1) purchased the security of Rs. 1 crore of SDL-2010 of 12% on 25/09/2000, and (2) the bank had purchased the security of Rs. 25 lakh of CG-2012 of 10.25% on 15/01/01 and in this regard, the Home Trade Ltd had made the delivery of the security (3) on 29/08/01, the bank had purchased the security of Rs. 25 lakh of COI-2010 of 10.25%, and (4) the bank decided to sell the said purchased security on 05/12/2001 and made the agreement and the same day, the bank decided to purchase the security of total Rs. 3,06,06,250/- vide CG-2010 of 7.50% (illegible) from Messrs.

Home Trade Ltd., and accordingly, as per the Note No. 6911 of the contract given by Home Trade Ltd, the bank had given the amount of different of Rs. 3,69,26,076.38 paisa through the cheque of HDFC Bank to Messrs. Home Trade Ltd., despite this fact, Home Trade Ltd failed in making the delivery of the government security (illegible) for which the bank had paid the (illegible) consideration amount of Rs. 3,06,06,250/- of COI-2010 at 7.5% purchased from Home Trade Ltd.

When the complainant bank did not get the delivery of the security, it contacted Home Trade Ltd., and at that time, it said to give the delivery by 20/08/2002, and if the security is not delivered, the cheque no. 984621 dated 27/05/02 of Rs. 3,24,62,700/- of HDFC Bank (illegible) was sent asking to encash it and when it was presented before the HDFC bank, Surat branch on 1/6/02, it returned with the remark "Account blocked", and thus, Home Trade Ltd did not make the delivery of the security purchased by the bank (Illegible).

I am producing the certified copies of all the above agreements made by the bank with the said company.

All the said transactions mentioned above were made with the consent of the board of the directors decided in its meeting and I am producing the certified copies of it.

As per the rules of the Reserve Bank of India, the investment (SSR) has to be made in the government. The complainant bank, in order to get the security, had contacted the said company now and again (illegible), and a letter was written on 25/01/2002 to Messrs. Home Trade Ltd by the Bank asking to make the delivery of the government security. Then, on 18/06/2002, again a reminder letter was written to the Company and its reply was also not given. So, at last, on 09/06/2002, the bank (illegible), asked to give the decision immediately to write a letter to Home Trade, and all (illegible) am producing herewith. Despite this, since the delivery was

not received, I the complainant, and the director of the bank Pankajbhai Shah, had gone in person to the office of Home Trade Company Limited, located at Nariman Point, Mumbai to get the delivery of the government security on 25/04/2002, (Illegible), and the director of Home Trade Company (illegible) Nandkishor Trivedi had met us and he had assured that the delivery of the government security will be made in very short period. He had said that if the delivery is not received, he had asked to encash the cheque of Rs. 3,24,62,700/- but when the cheque was presented in the Court, it returned on 02/06/2002 with the remark of 'account blocked', and the bank (illegible).

.. (Illegible)....

For all the above mentioned transactions, of the HDFC bank (Illegible), Home Trade (Illegible), sent to Mumbai. All these persons (Illegible), got deposited in the bank account of Home Trade Ltd but I will produce the copy of the certificate of the HDFC Bank.

For all these transactions, the complainant bank (illegible), of Home Trade Company Ltd (Illegible), all these (Illegible), got deposited in the account of Home Trade Ltd., and (Illegible), Home Trade Ltd. (illegible), I have not found the information regarding the (illegible).

When the bank manager felt that the security will not come from Home Trade, he lodged his written complaint on behalf of the bank on the date (Illegible), and the bank has carried out the proceedings of fining the arbitration (illegible).

As per my knowledge, (illegible), the firm titled Messrs. Home Trade Ltd., the said firm as the share and stock broker, (illegible), and this (Illegible) the director of the said firm, (illegible), (illegible), (illegible), accused Ketan Sheth had made the deals with the bank (illegible), and with this, the transactions made by Home Trade Ltd with the bank as mentioned

below, (illegible), have to be kept in the safe of the bank by the director of the board of the bank (Illegible).

(1) Illegible

(2) Copy of the contract made with the Home Trade Ltd.

(3) Letters written to the bank to get the government security.

(4) Copy of the letter written to the Home Trade Ltd.

(5) Copy of the cheque of HDFC bank of Rs. 3, 24, 62,700/- given by Home Trade against the government security.

(6) Copy of the cheque that got returned.

(7) Certificate regarding the clearance of the cheque given by the bank to Home Trade Ltd.

(8) Illegible the copy of the agreement of the authority given to the manager for the proceedings.

I am producing the (illegible) as mentioned above.

The above fact has been stated by me.

Before,

Sd/- Illegible

Police Inspector

Rander Police Station

Surat City

Date: 24/09/2002

I am Ashokbhai Jayantibhai Sheth, aged 48, occupation: Job, Res. 20, Giriraj Society, Vibhag-2, Anand Mahel Road, Adajan, Surat.

On being asked, I state that I (Illegible) and it is true and correct as stated by me (illegible). Furthermore, on being asked, I state that,

(1). The Investment committee of the bank and the board of directors made the policy (illegible), and no officer was authorized to purchase the security.

(2). Home Trade had not offered the security. The Director of Home Trade Ltd. Shri Ketan Sheth and Niraj Surati had come to the bank in person and had (illegible) offer. Besides, Home Trade was preparing the contract and sending it to the bank and the bank was making the payment through the draft accordingly.

(3). Each bank is supposed to safeguard 25% amount of the total deposits in the SSR. (As per the guideline of RBI), therefore, the total deposits in our Bank in December 2001 was Rs. (Illegible).

(4). As per the rules of the Government, the banks having the deposits less than Rs. 25 crore can do the process of the security in physical form, we do not do the process in the physical form.

(5). The copies of the contract of the purchase and selling made by the bank have been attached to the FIR and accordingly, the Home Trade Ltd has failed in providing the security as per the contract.

(6). Home Trade Ltd had the security (Illegible). The information of this office is not with the bank. Besides, (illegible) the bank transactions have not been made with Home Trade Ltd.

(7). Our Bank had issued the demand draft after checking the account of the name Home Trade Ltd, and the said draft got debited from

our account and it got deposited in the account of Home Trade Ltd., and in this regard, the affidavit has been submitted. Besides, from the account of Home Trade Ltd., the amount of Rs. (illegible) from the account of Home Trade Ltd but the bank does not have any information of it.

(8). Mr. Ketan Sheth, the director of Home Trade Ltd used to come to our bank and then regarding the purchase and selling of the security (illegible), then, he did not send the contract from their Mumbai office and as per the contract, the bank was making the payment and then, the Home Trade Ltd Security Delivery was ours, and they were sending in favour of our bank to transfer (illegible), and from the bank (illegible) Ahmedabad. Earlier, at that time, the said security had been sent by transferring.

Our bank does not have a single security purchased by Home Trade Ltd because our bank had sold the Home Trade (illegible) to purchase security. At that time, Home Trade did not give us and has held the meeting.

The above fact stated by me is true and correct.

Before,
(Sd/- Illegible)
Police Inspector
Rander Police Station

Date: 12/09/2002

I am Mukeshbhai Ranchhodji, aged about 36, occupation: Job, Res. 33, Narayan Apartment, Ashanagar, Navsari, Dist. Navsari.

On being asked, I state that I reside at the above mentioned address with my family and I do job as the assistant manager in Adajan Nagarik Sahakari Bank for last four years.

Today, you police have read over the complaint lodged by the manager of our bank Shri Ashokbhai Jayantilal Sheth against Home Trade Ltd., and on being asked in this regard, I state that accused no. 1 Ketan Sheth, with Niraj Surati, the chartered accountant, Res. Bharuch, had come to our bank on 25/09/2000 and at that time, Haribhai, the chairman, and director Pankajbhai and manager Ashobhai were present in the bank and he had said that he is a share broker at Mumbai and he is the director of Home Trade Ltd which is engaged in the work of government security. After the said meeting, the bank, with the consent of the board of the bank, started the trading of government security and then, for all the (illegible) made by the bank, Messrs. Home Trades Ltd had executed and (1) purchased the security of Rs. 1 crore of SDL-2010 of 12% on 25/09/2000, and (2) the bank had purchased the security of Rs. 25 lakh of CG-2012 of 10.25% on 15/01/01 and in this regard, the Home Trade Ltd had made the delivery of the security (3) on 29/08/01, the bank had purchased the security of Rs. 25 lakh of COI-2010 of 10.25%, and (4) the bank decided to sell the said purchased security on 05/12/2001 and made the agreement and the same day, the bank decided to purchase the security of total Rs. 3,06,06,250/- vide CG-2010 of 7.50% (illegible) from Messrs. Home Trade Ltd., and accordingly, as per the Note No. 6911 of the contract given by Home Trade Ltd, the bank had given the amount of different of Rs.

3,69,26,076.38 paisa through the cheque of HDFC Bank to Messrs. Home Trade Ltd., despite this fact, Home Trade Ltd failed in making the delivery of the government security (illegible) for which the bank had paid the (illegible) consideration amount of Rs. 3,06,06,250/- of COI-2010 at 7.5% purchased from Home Trade Ltd.

When the complainant bank did not get the delivery of the security, it contacted Home Trade Ltd., and at that time, it said to give the delivery by 20/08/2002, and if the security is not delivered, the cheque no. 984621 dated 27/05/02 of Rs. 3,24,62,700/- of HDFC Bank (illegible) was sent asking to encash it and when it was presented before the HDFC bank, Surat branch on 1/6/02, it returned with the remark "Account blocked", and thus, Home Trade Ltd did not make the delivery of the security purchased by the bank (Illegible).

The above fact stated by me is true and correct.

Before

Sd/- Illegible

Police Inspector

Rander Police Station

Surat City

Date: 12/09/2002

I am Pankajbhai Dhansukhlal Shah, occupation: Tax consultant, Res. b/8, Nandan Apartment, behind Water Tank, Adajan road, Surat.

On being asked, I state that I reside at the above-mentioned address with my family and I do the practice as an advocate of Sales Tax and Income Tax and I serve as the director in Adajan Nagarik Sahakari Bank since 12/07/98.

Today, you police have read over to me the complaint (illegible) filed by the manager of the bank Shri Ashokbhai Jayantilal Shah and on being asked in this regard, I state that,

In order to maintain the SLR of the bank as per the order of the government bank, it is compulsory for the bank to invest specific amount in the government security. Accordingly, the policy of investment of the bank was made by taking the decision in the meeting of the management body of the bank, the bank had taken the decision of making the investment in the government security. Accordingly, the bank had made contract with Home Trade Limited to purchase the government security through the said firm and in order to enter into the said contract, Shri Ketan Sheth with Shri Niraj Surati had met in person at the bank and as Shri Niraj Surati was working as the familiar person of Home Trade Limited of the banks of South Gujarat, and accordingly, our bank had made the deal with Home Trade Limited to get the government security. The bank had received the delivery of the government security for two times as per the contract. The said security delivery was of the name of Home Trade Limited (Illegible) Bank and in the name of our bank, the bank had purchased (illegible) and its signature and stamp (Illegible) transferred in the name of our bank. In order to purchase the government security, our bank had made the

transactions with the Home Trade Limited for total four times and as per the last transaction, Home Trade Limited did not give the security (illegible), and has committed fraud with our bank and by not making the delivery of the security (illegible), in return, Home Trade Limited had given the cheque of Rs. 3,24,62,700/- of HDFC bank dated 27/05/2002 bearing the signature of Sanjay Agrawal, and our bank had presented the said cheque in HDFC Bank on 27/05/2002 in order to deposit it in the account of our bank and the said cheque has been returned to us on 01/06/2002 with the remark of 'account blocked'. The said deal with Home Trade Limited was made in presence of Shri Niraj Surati and Shri Ketan Sheth, the director of Home Trade Limited who had come to our bank and I, chairman Haribhai, and our manager Shri Ashokbhai and Mukeshbhai were present. At present, our bank does not have any government security.

The above fact stated by me is true and correct.

Before,

Sd/- Illegible

Police Inspector

Rander Police Station, Surat city.

Date: 12/09/2002

I am Haribhai Ranchhodji Patel, occupation: retired, Res. B/4, Nandan Apartment, behind Water Tank, Adajan Road, Surat.

On being asked, I state that I live with my family and I serve as the chairman in the management body of Adajan Nagarik Sahakari Bank.

Today, you police have read over to me the complaint filed by the manager of our bank Mr. Ashokbhai Jayantilal Sheth against Home Trade Company, and on being asked in this regard, I state that,

In order to maintain the SLR of the bank as per the order of the government bank, it is compulsory for the bank to invest specific amount in the government security. Accordingly, the investment of the bank (illegible) by taking the decision in the meeting of the management body of the bank, the bank had taken the decision of making the investment in the government security. Accordingly, the bank had made contract with Home Trade Limited to purchase the government security through the said firm and in order to enter into the said contract, Shri Ketan Sheth with Shri Niraj Surati had met in person at the bank and as Shri Niraj Surati knew (illegible) for the government security of the Sahakari bank of South Gujarat, had met and he was acting as the mediator for the trading of the government security through Home Trade Limited and accordingly, our bank had made the deal with Home Trade Limited to get the government security. The bank had received the delivery of the government security for two times as per the contract. The said security was of the name of Home Trade Limited (Illegible) Bank and in the name of our bank, the bank had purchased (illegible) and its signature and stamp (Illegible) transferred in the name of our bank. In order to purchase the government security, our bank had made the transactions with the Home Trade Limited for total four

times and as per the last transaction, Home Trade Limited did not give the security (illegible), and has committed fraud with our bank and by not making the delivery of the security (illegible), in return, Home Trade Limited had given the cheque of Rs. 3,24,62,700/- of HDFC bank dated 27/05/2002, which was given by the staff on behalf of Sanjay Agrawal and our bank had presented the said cheque in HDFC Bank on 27/05/2002 in order to deposit it in the account of our bank and the said cheque has been returned to us on 01/06/2002 with the remark of 'account blocked'. The transactions with Home Trade Limited were made in presence of Shri Niraj Surati and Shri Ketan Sheth, the director of Home Trade Limited had come to our bank and I and Pankajbhai D. Shah and our manager Shri Ashokbhai and Mukeshbhai. At present, our bank does not have any government security. Besides, Niraj Surati (Illegible) no information of it.

The above fact stated by me is true and correct.

POLICE INSPECTOR RANDER POLICE STATION SURAT

Before,
Sd/- Illegible
Police Inspector
Rander Police Station, Surat city.

Supplementary Chargesheet

Police Station: Rander Police Station District: Surat city

Chargesheet No. 6/04 Date: 31/01/2004

Name, address and occupation of the complainant or informant:

Shri Ashok Jayantilal Sheth, Res. 20, Giriraj Society, Vibhag-2, Anand Mahel Road, Rander, Surat.

FIR No. 226/02 Date: 20/08/2002

Name and address of the accused persons sent up for trial or in the custody of the police or on bail	Name and address of the accused person not sent up for trial, whether arrested or not arrested, including absconders (show the absconders in red ink)	Property (including weapons) found with particulars of where, when by whom found and whether forwarded to the Magistrate.	Name and address of witness	Charge or information, name of offence and circumstance committed with it, in concise detail and under what section of law charged
1	2	3	4	5
Accused: (1). Sanjaybhai Hariram Agrawal, aged 38, Res. 702, Kusum Apartment, Vasi, Sector-17, Mumbai, arrested at 19:30 o'clock	(1). Ketan Kantilal Sheth, Res. 193, Lalit Kutir, 9, Gulmahor road, Kuukumunda, was arrested at 15:00 o'clock on 05/10/02, and accused no. 2 Subodh		1-Complainant: Ashokbhai Jayantibhai Sheth, Res. 20, Giriraj Society, Anand Mahel Road, Rander, Surat. 2-Panch-Pramodkumar Ahallprasad	Under IPC section-406, 409, 420, 421, 422, 423, 34, 114, 120(b). The fact of the case is that accused no. 1 and accused no. 2 mentioned in column no. 2 opened the offices of Messrs. Home Trade

Translated from Gujarati into English by Dr. Rajesh I. Patel, B.A., M. A. (English), Ph.D. (In Translation), Gandhinagar, Gujarat. (Translator of Pannalal Patel's Gujarati Classic – Malela Jiv into English titled Kanji and Jivi: A Tragic Love Story – published by Sahitya Akademi, New Delhi, India's premier literary institution, functioning under the Ministry of Culture, Govt. of India)

on18/10/2003, and (2). Nandkishor Shankarlal Trivedi, aged 37, A/3, Pushpam Apartment-6, Candy Road, Vileparle, Mumbai-56, was arrested at 13:30 o'clock on 11/11/2003 and have been sent to the Court Custody of this Hon'ble Court.	Dayalchandra Bhandari, Res. 704, Govinddham Complex, Sector No. 14, New Mumbai, based on the order of Hon'ble Gujarat High Court given in CrMA No. 9047/03 and No. 33619/03 dated 14/11/2003, (illegible).		Sharma, Res. New Haridham Society, 120, Bamroli road, Udhana, Surat. 3-Panch-Virendra Motram Yadav, Res. Adajan, in the compound of Bank of Baroda, Adajan Patiya, Rander, surat. 4-Sikandar Yusuf Pathan, Res. Rang Avadhut society, Vibhag-3, Plot No. 140, Ramnagar, Rander, Surat. 5-Panch-Mohammad Irfan Iqbal Shekh, Res. Near Rander Bus Stop, Rander, Surat. 6-Panch-Pankajbhai Dhansukhlal Shah, Res. B-8, Nandan Apartment, near water tank,	Company at (1) International Info Tec Park, Tower No. 3, 5th floor, Vasi, Railway Station complex, New Mumbai, and (2) Mittal Court building, Nariman Point, Mumbai, and the accused mentioned in column no. 1, in connivance with the accused mentioned in column no. 2 and column no. 3, on 25/09/2000, accused no. 1 Ketan Kantilal Sheth mentioned in column no. 2 came to the Adajan Nagarik Sahakari Bank of the complainant in person and met the bank manager, the directors of the bank and the chairman and introduced himself as the executive director of Home Trade Company Ltd and as the leading share broker of Mumbai, and said that as per the order of the

			Adajan road, Rander, Surat. 7- Panch- Haribhai Ranchhodbhai Patel, Res. B-4, Nandan Apartment, near Water tank, Adajan road, Rajder, Surat. 8-Panch- Mukeshbhai Ranchhodji Namak, Res. 33, Narayan Apartment, Ashanagar, Navsari, Dist. Navsari. 9-witness- IO R. M. Puvar, PI, Rander PS, Surat. 10-witness IO B. S. Pathan, PI, Rander PS, Surat.	Reserve Bank of India, some portion of the deposits of the bank (SLR) has to be invested in the government security, and he gave the assurance and the confidence, made deals with the complainant bank from date 25/09/2000 to dated 02/06/2002 to purchase the government securities and gave the contract notes to the bank and the complainant bank purchased the government security of CG-2010 of 7.5% of Rs. 3,06,06,250/- from Home Trade Company, and despite the payment of full amount of the government security, the said accused did not make the delivery of the govt. security to the bank and gave false promises to the complainant bank to make the delivery of the govt. securities,

POLICE INSPECTOR RANDER POLICE STATION SURAT

				and did not make the delivery, and did not return the money, and committed fraud and cheating with the complainant bank, committing the offence.

Note:-

1. The FIR of the offence has already been sent to this Hon'ble Court.
2. The first chargesheet against the arrested accused has been filed on 03/01/2003 in this offence.
3. The face identification sheet of the accused arrested in connection with this offence are attached herewith.
4. The copies to be provided to the arrested accused and Hon'ble Court are attached herewith.
5. The photographs of the accused attached.
6. The arrangement of the prosecution has been made.
7. In order to produce the complainant and the witnesses in Hon'ble court at the time of hearing, it is requested to issue the summons.

Dispatched with compliments: Hon'ble Judicial First Class Magistrate, Second Court, Surat city.

Date: /12/2003 Time: :00 o'clock.

Signature of the IO

Panchnama

Sr. No. Name Age Occupation Address

1. Pramodkumar Andalprasad Sharma, 35, Rickshaw Driver, New Haridham Society-12, Bamroli road, Udhana, Surat, Adajan Patiya, in the compound of Bank of Baroda, Rander, Surat.
2. Virendra Motiram Yadav, 21, rickshaw driver, Adajan Patiya, in the Compound of Bank of Baroda, Rander, Surat.

We, the above mentioned panchas, having been called by you the staff of Rander Police Station, have come here at Rander Police Station and reported to you.

Here, you Police Inspector Shri Pathan informed us the Panchas that the accused Sanjay Hariram Agrawal of the offence registered with Rander Police Station vide I-CR No. 226/2002, under IPC Section-406, 409, 420, 465, 467, 468, 471, 114, 34, 120(b) is to be arrested in connection with the offence, we were asked to dictate the panchnama of his physical condition on observation and examination. Therefore, we the pachas have expressed our willingness and we dictated that,

Here you sir asked the name and address of the person who is present before you here at Rander Police Station in presence of us the Panchas, he states that his name is Sanjay Hariram Agrawal, Res. 702, Kusum Apartment, Sector-17, Vasi, New Mumbai, native: 7, Harisabha Street, Khedalpol, Calcutta (West Bengal). He is wearing a half-sleeved maroon T-Shirt and black cotton jeans. During his physical search, no article has been found. No any fresh injury mark is visible on his body. When you sir asked the said person in presence of us the Panchas whether he has any old illness or whether he is in need of medical check-up, he states that he does not have any illness and he does not want to go to the hospital for any medical check-up. You police have not seized anything from the said person during his physical search.

The above Panchnama dictated by us the Panchas on examination and observation is true and correct and after reading and understanding it, we have put our signatures below. Date: 18/10/2003 from time: 19:00 to 19:30.

1. Sd/- Illegible
2. Sd/- Illegible

Before,
Sd/- Illegible
Police Inspector
Rander Police Station
Surat City

Panchnama

Sr. No.	Name	Age	Occupation	Address

1. Sikandar Yusuf Pathan, 42, business, Rang Avadhut Society, Vibhag-3, Plot No. 140, Ramnagar, Rander, Surat.
2. Mohammad Irfan Iqbal Shekh, 24, Rickshaw Driver, near Rander Bus Stop, Rander, Surat.

We, the above mentioned panchas, having been called by you the staff of Rander Police Station, have come here at Rander Police Station and reported to you.

Here, you Police Inspector Shri Pathan informed us the Panchas that in connection with the offence registered with Rander Police Station vide I-CR No. 226/2002, under IPC Section-406, 409, 420, 465, 467, 468, 471, 114, 34, 120(b), the samples of the natural signature and the writing put on the cheque by accused Sanjay Agrawal on behalf of Home Trade Company Limited and given to the complainant Shri Ashok Jayantilal Sheth, the manager, Adajan Nagarik Sahakari Bank, Surat regarding the trading of the government security (Illegible), contract note are to be seized in connection with the investigation of the offence, we were asked to dictate the Panchnama on examination and observation, and we the Panchas have expressed our willingness for the same, and we dictated that,

Here a person is present before you sir at Rander Police Station and on being asked his name and address I presence of us the Panchas, he states that his name is Sanjay Hariram Agrawal, Res. 702, Kusum Apartment, Sector-17, Vasi, New Mumbai, native: 7, Harisabha Street, Khedalpol, Calcutta (West Bengal), and he is the executive officer of Home Trade Company Ltd. He states in presence of us the Panchas that the account payee cheque no. 974321 of Rs. 3,24,62,700/- of HDFC Bank, Nariman Point Branch, Mumbai dated 27/05/2002 bearing the name Adajan Nagarik Sahakari Bank, Surat issued by Home Trade Company Limited has been written with his signature and the signature is his.

The accused also states in presence of us the Panchas that Home Trade Company Limited has issued different contract notes of the government security as a part of the contract that Home Trade Company Limited had entered into with Adajan Nagarik Sahakari Bank to purchase the government security. Of them, the signatures put on the contract notes no. 10629, 7553, 7555, 7557 have also been put by himself. In connection with the investigation of the said offence, 06 samples signatures of accused Sanjay Hariram Agrawal have been obtained on each of the six pages. Thus, total 36 samples signatures of the said accused have been obtained for investigation. Each of the sample signatures has been encircled with red ball pen and we the Panchas and you sir have put our signatures at the bottom of (illegible). Page no. 1 to 6 of the samples signatures have been marked as Mark A-1 to A-6, and estimating its value at Rs. 00.00/-, they have been seized. Besides, the samples handwritings similar to the one made on the cheque given by Home Trade Company Limited have been obtained on 06 different pages, and they have been encircled with red ball pen and we the Panchas and you sir have put signatures and each of the six pages is given Mark B-1 to B-6, (illegible), and the English page of a magazine of natural writing of the accused in English, whose first paragraph page is marked as Mark-C, and the samples of the handwriting of the accused similar to the one made in English in the first paragraph have been obtained, and such samples have been taken on total 06 pages in presence of us the Panchas and each of the paragraphs have been encircled with red ball pen, and we the Panchas and you sir have put signatures, (illegible), and all the six pages marked as Mark C-1 to C-6 have been seized in connection with the investigation of the offence. Nothing else have been seized by you police.

The above Panchnama dictated by us the Panchas on examination and observation is true and correct, and after reading and understanding it, we the panchas have put our signatures below. Date: 19/10/2002, time: 10:45 to 12:45.

1. Sd/- Illegible
2. Sd/- Illegible

Before,
Sd/- Illegible
Police Inspector
Rander Police Station
Surat City

Date: 12/09/2002

I am Ashokbhai Jayantibhai Sheth, aged 48, occupation: Job, Res. 20, Giriraj Society, Vibhag-2, Anand Mahel Road, Adajan, Surat.

On being asked, I state that I reside at the above mentioned address with my family and I do the job as the manager in Adajan Nagarik Sahakari Bank for last 15 months.

Today, you police have read over to me my complaint lodged by me against Home Trade Ltd, and I state that I have lodged the said complaint against Home Trade and its owners etc., and on being asked in this regard, I state that I have lodged this complaint by virtue of the (Illegible) given by the administrator of the bank. The complaint is true and correct. On being asked, I state that our bank (illegible) Ketan Sheth, Niraj Surati, chartered accountant, Res. Bharuch, had come to our bank on 25/09/2000 and at that time, the chairman Haribhai, director Pankajbhai and manager Ashokbhai were present and he said that he is a share broker at Mumbai and he is the director of Home Trade Ltd which is engaged in the work of government security. After the said meeting, the bank, with the consent of the board of the bank, started the trading of government security and then, for all the (illegible) made by the bank, Messrs. Home Trades Ltd had executed and (1) purchased the security of Rs. 1 crore of SDL-2010 of 12% on 25/09/2000, and (2) the bank had purchased the security of Rs. 25 lakh of CG-2012 of 10.25% on 15/01/01 and in this regard, the Home Trade Ltd had made the delivery of the security (3) on 29/08/01, the bank had purchased the security of Rs. 25 lakh of COI-2010 of 10.25%, and (4) the bank decided to sell the said purchased security on 05/12/2001 and made the agreement and the same day, the bank decided to purchase the security of total Rs. 3,06,06,250/- vide CG-2010 of 7.50% (illegible) from Messrs.

Home Trade Ltd., and accordingly, as per the Note No. 6911 of the contract given by Home Trade Ltd, the bank had given the amount of different of Rs. 3,69,26,076.38 paisa through the cheque of HDFC Bank to Messrs. Home Trade Ltd., despite this fact, Home Trade Ltd failed in making the delivery of the government security (illegible) for which the bank had paid the (illegible) consideration amount of Rs. 3,06,06,250/- of COI-2010 at 7.5% purchased from Home Trade Ltd.

When the complainant bank did not get the delivery of the security, it contacted Home Trade Ltd., and at that time, it said to give the delivery by 20/08/2002, and if the security is not delivered, the cheque no. 984621 dated 27/05/02 of Rs. 3,24,62,700/- of HDFC Bank (illegible) was sent asking to encash it and when it was presented before the HDFC bank, Surat branch on 1/6/02, it returned with the remark "Account blocked", and thus, Home Trade Ltd did not make the delivery of the security purchased by the bank (Illegible).

I am producing the certified copies of all the above agreements made by the bank with the said company.

All the said transactions mentioned above were made with the consent of the board of the directors decided in its meeting and I am producing the certified copies of it.

As per the rules of the Reserve Bank of India, the investment (SSR) has to be made in the government. The complainant bank, in order to get the security, had contacted the said company now and again (illegible), and a letter was written on 25/01/2002 to Messrs. Home Trade Ltd by the Bank asking to make the delivery of the government security. Then, on 18/06/2002, again a reminder letter was written to the Company and its reply was also not given. So, at last, on 09/06/2002, the bank (illegible), asked to give the decision immediately to write a letter to Home Trade, and all (illegible) am producing herewith. Despite this, since the delivery was

not received, I the complainant, and the director of the bank Pankajbhai Shah, had gone in person to the office of Home Trade Company Limited, located at Nariman Point, Mumbai to get the delivery of the government security on 25/04/2002, (Illegible), and the director of Home Trade Company (illegible) Nandkishor Trivedi had met us and he had assured that the delivery of the government security will be made in very short period. He had said that if the delivery is not received, he had asked to encash the cheque of Rs. 3,24,62,700/- but when the cheque was presented in the Court, it returned on 02/06/2002 with the remark of 'account blocked', and the bank (illegible).

(Illegible)....

For all the above mentioned transactions, of the HDFC bank (Illegible), Home Trade (Illegible), sent to Mumbai. All these persons (Illegible), got deposited in the bank account of Home Trade Ltd but I will produce the copy of the certificate of the HDFC Bank.

For all these transactions, the complainant bank (illegible), of Home Trade Company Ltd (Illegible), all these (Illegible), got deposited in the account of Home Trade Ltd., and (Illegible), Home Trade Ltd. (illegible), I have not found the information regarding the (illegible).

When the bank manager felt that the security will not come from Home Trade, he lodged his written complaint on behalf of the bank on the date (Illegible), and the bank has carried out the proceedings of fining the arbitration (illegible).

As per my knowledge, (illegible), the firm titled Messrs. Home Trade Ltd., the said firm as the share and stock broker, (illegible), and this (Illegible) the director of the said firm, (illegible), (illegible), (illegible), accused Ketan Sheth had made the deals with the bank (illegible), and with this, the transactions made by Home Trade Ltd with the bank as mentioned

below, (illegible), have to be kept in the safe of the bank by the director of the board of the bank (Illegible).

(1) Illegible
(2) Copy of the contract made with the Home Trade Ltd.
(3) Letters written to the bank to get the government security.
(4) Copy of the letter written to the Home Trade Ltd.
(5) Copy of the cheque of HDFC bank of Rs. 3, 24, 62,700/- given by Home Trade against the government security.
(6) Copy of the cheque that got returned.
(7) Certificate regarding the clearance of the cheque given by the bank to Home Trade Ltd.
(8) Illegible the copy of the agreement of the authority given to the manager for the proceedings.

I am producing the (illegible) as mentioned above.

The above fact has been stated by me.

Before,
Sd/- Illegible
Police Inspector
Rander Police Station
Surat City

Date: 24/09/2002

I am Ashokbhai Jayantibhai Sheth, aged 48, occupation: Job, Res. 20, Giriraj Society, Vibhag-2, Anand Mahel Road, Adajan, Surat.

On being asked, I state that I (Illegible) and it is true and correct as stated by me (illegible). Furthermore, on being asked, I state that,

(1). The Investment committee of the bank and the board of directors made the policy (illegible), and no officer was authorized to purchase the security.

(2). Home Trade had not offered the security. The Director of Home Trade Ltd. Shri Ketan Sheth and Niraj Surati had come to the bank in person and had (illegible) offer. Besides, Home Trade was preparing the contract and sending it to the bank and the bank was making the payment through the draft accordingly.

(3). Each bank is supposed to safeguard 25% amount of the total deposits in the SSR. (As per the guideline of RBI), therefore, the total deposits in our Bank in December 2001 was Rs. (Illegible).

(4). As per the rules of the Government, the banks having the deposits less than Rs. 25 crore can do the process of the security in physical form, we do not do the process in the physical form.

(5). The copies of the contract of the purchase and selling made by the bank have been attached to the FIR and accordingly, the Home Trade Ltd has failed in providing the security as per the contract.

(6). Home Trade Ltd had the security (Illegible). The information of this office is not with the bank. Besides, (illegible) the bank transactions have not been made with Home Trade Ltd.

(7). Our Bank had issued the demand draft after checking the account of the name Home Trade Ltd, and the said draft got debited from

our account and it got deposited in the account of Home Trade Ltd., and in this regard, the affidavit has been submitted. Besides, from the account of Home Trade Ltd., the amount of Rs. (illegible) from the account of Home Trade Ltd but the bank does not have any information of it.

(8). Mr. Ketan Sheth, the director of Home Trade Ltd used to come to our bank and then regarding the purchase and selling of the security (illegible), then, he did not send the contract from their Mumbai office and as per the contract, the bank was making the payment and then, the Home Trade Ltd Security Delivery was ours, and they were sending in favour of our bank to transfer (illegible), and from the bank (illegible) Ahmedabad. Earlier, at that time, the said security had been sent by transferring.

Our bank does not have a single security purchased by Home Trade Ltd because our bank had sold the Home Trade (illegible) to purchase security. At that time, Home Trade did not give us and has held the meeting.

The above fact stated by me is true and correct.

Before,
(Sd/- Illegible)
Police Inspector
Rander Police Station

POLICE INSPECTOR RANDER POLICE STATION SURAT

Date: 14/09/2003

I am Ashokbhai Jayantibhai Sheth, aged 48, occupation: Job, Res. 20, Giriraj Society, Vibhag-2, behind Sagar Complex, Anand Mahel Road, Rander, Surat, phone no. 2691840, 2690384.

On being asked, I state that today you sir have read over to me my statements dated 12/09/2002 and dated 25/09/2002 given by me and they are true and correct and on being asked further in this regard, I state that, I was appointed as the bank manager of Adajan Nagarik Sahakari Bank on 01/05/2001 and prior to it, I was doing job as the officer in the office of Union Bank of India, (Illegible), Surat. As per the order of Bank of India, some portion of the bank deposit is invested in the Government Security (illegible). Accordingly, as decided by the management of the bank, my previous manager Mukeshbhai Nayak, as per the discussion made with the chartered accountant Niraj in the bank at Surat, and the accused, the complainant bank had started purchasing the government security (illegible) with Home Trade Limited since the date 25/09/2000 and on the basis of the contract, the complainant bank had made the contract of purchasing the security of 12% of Rs. 1 crore from the accused Home Trade Limited. As a part of the said contract, the complainant bank had issued the (Illegible) of one crore twenty five thousand rupees of HDFC Bank in favour of this firm and Home Trade Limited Company had encashed it. Besides, as per the said contract, the complainant has received the delivery of the government security, which is the government security of SDL-2010 of 12%.

Besides, on 15/01/2001, our complainant bank had made the contract of purchasing the security of Rs. 50 lakh of 10.25% and as a part of the said contract, Rs. (Illegible), the complainant bank had issued the cheque of Rs. 48,60,138/- of HDFC Bank in favor of accused Home Trade Limited, and Home Trade Limited Company has deposited the said cheque in their account and as a part of the said contract, the delivery of the government security of 2012 .... Of 10.25% was made to the complainant bank and it has been mentioned on the basis of the entry made in the register of our bank.

On the basis of the previous transaction of Home Trade Company Limited, the complainant bank had asked Home Trade Company to purchase the government security of 10.25% of Rs. 50 lakh and as a part of it, the Complainant Bank had issued a cheque of HDFC Bank of Rs. (Illegible) in favor of accused Home Trade Limited and it had got deposited in Home Trade Ltd. Despite this fact, accused Home Trade Ltd did not give the delivery of the government security to the complainant bank.

Thereafter, on 05/12/2001, accused Ketan Sheth and agent Niraj Surati had come to the complainant bank in person and had met the administrators of the bank and as per the conversation that they had with them, since the price of all the three government security purchased by the complainant bank was good in the market, and as the bank was earning the profit, the complainant bank had decided to sell all the three security and in return, the complainant bank had decided to purchase the government security of Rs. 3 crore rupees of 7.5 % interest from accused Home Trade Limited as it was having less rate. As the selling amount of the government security was less than the purchase amount of new government security, the complainant bank had issued a cheque of Rs. 67,26,076.38 paisa in favor of accused Home Trade Limited to adjust the amount and the said cheque got deposited in the account of accused Home Trade Limited and then the complainant bank made phone calls to accused Home Trade Company Limited now and again and made written communication to accused Home Trade Company Limited demanding the delivery of the government security of the price of Rs. 3,9,06,250/- of the rate of 7.5% but accused Home Trade Company Limited or its directors did not make the delivery of the government security to the complainant bank.

Based on the written communication made by the complainant bank with accused Home Trade Company Limited for the delivery of the government security, it was informed to the accused Home Trade Limited Company that if they cannot make the delivery of the government security by 30/04/2002, the cheque no. 984321 dated 27/05/2002 of Rs. 3,24,62,700/- of HDFC Bank, Nariman Point Branch that was given by the accused Home Trade Company Limited but since the accused Home Trade Company Limited could not make the delivery of the security by 20/04/2002, the time limit given to the accused Company, and when the our bank deposited the said cheque in HDFC Bank at Surat for clearance, but as the bank account of the accused Home Trade Company Limited was blocked, the cheque returned without clearance and on the basis of it, the complainant bank carried out the proceedings against the accused Home Trade Limited and its Directors under the Negotiable Instrument Act Section-138.

During the period of the transactions of Government Security with the bank, I, on behalf of the complainant bank (Illegible), had met accused Ketan Sheth in Adajan Nagarik Sahakari Bank in person as he had come to meet. Besides, accused no. 2 Nandkishor Trivedi, despite the contract made with the accused Home Trade Company Limited to purchase the government security and despite the financial transactions through which the amount was paid, the delivery of government security was not made by the Home Trade Company Limited and therefore, I the Complainant and the director of the bank Shri Pankajbhai Shah had gone to the office of Messrs. Home Trade Company Limited at Mumbai in person and had met the director of the company Shri Nandkishor Shankarlal Trivedi and he had assured that the delivery of the government security will be made to us in short period, and the delivery (Illegible), if received, the complainant bank was asked to deposit the cheque given earlier. Besides, accused no. 4 Sanjay Hariram Agrawal, no. 5 Sobodh Bhandari, no. 6 Hiten Bhupendra Shah, 7. Hiren Gadda, 8. Shashank Gopal Rande, 9. Vijay Himmatlal Modi, 10. Salil Dinkarlal Gandhi, 11. Allen James Macmillan, 12. Rasal Bankem, Vegar, 13. Mike alias Manoj Ambalal Shah, and 14. Dhananjay Agrawal, 15. Smt. Shilpa Hiten Shah, 16. Smt. Jagruti Ketan Sheth, 17. Kanan Mevawala, 18. Ketan R. Mashkariya, etc. mentioned in the complaint have never met us or no meeting has taken place with them in person or no transactions have been made with them regarding the trading of the government security but as we did not receive the delivery of the government security from accused Home Trade Company Limited, we the complainant bank has lodged a complaint against the accused persons mentioned in the complaint regarding the fraud committed with the bank by producing false documents and for receiving the huge amount from the bank by giving the excuse of giving government security and then did not make the delivery of the government security. Besides, the original cheque and the original contract notes given by Messrs. Home Trade Company Limited have been kept in the safe security of our bank and the photocopy of the same has been provided earlier.

The above further fact stated by me is true and correct.

Before,

(Sd/- Illegible)

Police Inspector

Rander Police Station, Surat.

Translated from Gujarati into English by Dr. Rajesh I. Patel, B.A., M. A. (English), Ph.D. (In Translation), Gandhinagar, Gujarat. (Translator of Pannalal Patel's Gujarati Classic – Malela Jiv into English titled Kanji and Jivi: A Tragic Love Story – published by Sahitya Akademi, New Delhi, India's premier literary institution, functioning under the Ministry of Culture, Govt. of India)

Date: 12/09/2002

I am Haribhai Ranchhodji Patel, occupation: retired, Res. B/4, Nandan Apartment, behind Water Tank, Adajan Road, Surat.

On being asked, I state that I live with my family and I serve as the chairman in the management body of Adajan Nagarik Sahakari Bank.

Today, you police have read over to me the complaint filed by the manager of our bank Mr. Ashokbhai Jayantilal Sheth against Home Trade Company, and on being asked in this regard, I state that,

In order to maintain the SLR of the bank as per the order of the government bank, it is compulsory for the bank to invest specific amount in the government security. Accordingly, the investment of the bank (illegible) by taking the decision in the meeting of the management body of the bank, the bank had taken the decision of making the investment in the government security. Accordingly, the bank had made contract with Home Trade Limited to purchase the government security through the said firm and in order to enter into the said contract, Shri Ketan Sheth with Shri Niraj Surati had met in person at the bank and as Shri Niraj Surati knew (illegible) for the government security of the Sahakari bank of South Gujarat, had met and he was acting as the mediator for the trading of the government security through Home Trade Limited and accordingly, our bank had made the deal with Home Trade Limited to get the government security. The bank had received the delivery of the government security for two times as per the contract. The said security was of the name of Home Trade Limited (Illegible) Bank and in the name of our bank, the bank had purchased (illegible) and its signature and stamp (Illegible) transferred in the name of our bank. In order to purchase the government security, our bank had made the transactions with the Home Trade Limited for total four

times and as per the last transaction, Home Trade Limited did not give the security (illegible), and has committed fraud with our bank and by not making the delivery of the security (illegible), in return, Home Trade Limited had given the cheque of Rs. 3,24,62,700/- of HDFC bank dated 27/05/2002, which was given by the staff on behalf of Sanjay Agrawal and our bank had presented the said cheque in HDFC Bank on 27/05/2002 in order to deposit it in the account of our bank and the said cheque has been returned to us on 01/06/2002 with the remark of 'account blocked'. The transactions with Home Trade Limited were made in presence of Shri Niraj Surati and Shri Ketan Sheth, the director of Home Trade Limited had come to our bank and I and Pankajbhai D. Shah and our manager Shri Ashokbhai and Mukeshbhai. At present, our bank does not have any government security. Besides, Niraj Surati (Illegible) no information of it.

The above fact stated by me is true and correct.

Before,
Sd/- Illegible
Police Inspector
Rander Police Station, Surat city.

Translated from Gujarati into English by Dr. Rajesh I. Patel, B.A., M. A. (English), Ph.D. (In Translation), Gandhinagar, Gujarat. (Translator of Pannalal Patel's Gujarati Classic – Malela Jiv into English titled Kanji and Jivi: A Tragic Love Story – published by Sahitya Akademi, New Delhi, India's premier literary institution, functioning under the Ministry of Culture, Govt. of India)

Date: 12/09/2002

I am Pankajbhai Dhansukhlal Shah, occupation: Tax consultant, Res. b/8, Nandan Apartment, behind Water Tank, Adajan road, Surat.

On being asked, I state that I reside at the above-mentioned address with my family and I do the practice as an advocate of Sales Tax and Income Tax and I serve as the director in Adajan Nagarik Sahakari Bank since 12/07/98.

Today, you police have read over to me the complaint (illegible) filed by the manager of the bank Shri Ashokbhai Jayantilal Shah and on being asked in this regard, I state that,

In order to maintain the SLR of the bank as per the order of the government bank, it is compulsory for the bank to invest specific amount in the government security. Accordingly, the policy of investment of the bank was made by taking the decision in the meeting of the management body of the bank, the bank had taken the decision of making the investment in the government security. Accordingly, the bank had made contract with Home Trade Limited to purchase the government security through the said firm and in order to enter into the said contract, Shri Ketan Sheth with Shri Niraj Surati had met in person at the bank and as Shri Niraj Surati was working as the familiar person of Home Trade Limited of the banks of South Gujarat, and accordingly, our bank had made the deal with Home Trade Limited to get the government security. The bank had received the delivery of the government security for two times as per the contract. The said security delivery was of the name of Home Trade Limited (Illegible) Bank and in the name of our bank, the bank had purchased (illegible) and its signature and stamp (Illegible) transferred in the name of our bank. In order to purchase the government security, our bank had made the

transactions with the Home Trade Limited for total four times and as per the last transaction, Home Trade Limited did not give the security (illegible), and has committed fraud with our bank and by not making the delivery of the security (illegible), in return, Home Trade Limited had given the cheque of Rs. 3,24,62,700/- of HDFC bank dated 27/05/2002 bearing the signature of Sanjay Agrawal, and our bank had presented the said cheque in HDFC Bank on 27/05/2002 in order to deposit it in the account of our bank and the said cheque has been returned to us on 01/06/2002 with the remark of 'account blocked'. The said deal with Home Trade Limited was made in presence of Shri Niraj Surati and Shri Ketan Sheth, the director of Home Trade Limited who had come to our bank and I, chairman Haribhai, and our manager Shri Ashokbhai and Mukeshbhai were present. At present, our bank does not have any government security.

The above fact stated by me is true and correct.

Before,
Sd/- Illegible
Police Inspector
Rander Police Station, Surat city.

POLICE INSPECTOR RANDER POLICE STATION SURAT

Translated from Gujarati into English by Dr. Rajesh I. Patel, B.A., M. A. (English), Ph.D. (In Translation), Gandhinagar, Gujarat. (Translator of Pannalal Patel's Gujarati Classic – Malela Jiv into English titled Kanji and Jivi: A Tragic Love Story – published by Sahitya Akademi, New Delhi, India's premier literary institution, functioning under the Ministry of Culture, Govt. of India)

Date: 09/10/2003

I am Pankajbhai Dhansukhlal Shah, aged 49, occupation: Tax Consultant, Res. B/8, Nandan Apartment, behind Water Tank, Adajan Road, Surat.

On being asked, I state that today you sir have read over to me my statement given on 12/09/2002 and I state that it is true and correct. On being asked further in this regard, I state that I have been serving as the director of Adajan Nagarik Sahakari Bank since 12/07/1998, and do the practice as the Sale Tax and Income Tax advocate at Surat city and as per the order of Reserve Bank of India, it is compulsory to make investment of specific part of the bank deposit in the government security, therefore, the manager of our bank and the administrators together decided to purchase the government security and accordingly, the manager of the bank Shri Mukeshbhai Ranchhodbhai Nayak and I had discussed with accused Ketan Sheth with the chartered accountant Niraj Surati who had come to our bank in person and as per the discussion held with them, our complainant bank had started the deals with Messrs. Home Trade Company Limited through accused Ketan Kantilal Sheth to purchase the government security on 25/09/2000, and based on it, the complainant bank had issued the cheque of Rs. 1 crore 25 thousand of HDFC Bank in favor of accused Home Trade Limited and Messrs. Home Trade Limited deposited the said cheque in their account and in return Messrs. Home Trade Company Limited had made the delivery of government security of C. G. 2012 of 10.25% to the complainant bank as a part of the contract, and Reserve Bank of India had transferred both government security in the name of our bank (illegible).

Based on the deals made with Home Trade Limited earlier, we had decided to purchase the government security of the rate of 10.25% of Rs.

50 lakh and as a part of it, we the complainant bank had issued a cheque of Rs. 52, 42,048.61 paisa of HDFC Bank in favor of Home Trade Company Ltd, and the amount of the said cheque too got deposited in the account of Messrs. Home Trade Company Limited but Messrs. Home Trade Ltd did not make the delivery of the government security despite the time limit of the note no. 6739 of the contract was over.

Thereafter, on 05/12/2001, accused Ketan Kantilal Sheth with the chartered accountant Niraj Surati had come to our bank and at that time, I and the assistant manager Mukeshbhai Nayak and Manager Shri Ashokbhai Sheth had held the discussion with them and as per the said discussion, as the market price of the government security that the complainant bank had purchased was good, and the price of the new government security was less, and as the complainant bank was in profit, it was decided to sell the security that the complainant bank had purchased earlier and to purchase the new government security at less price, and accordingly, the complainant bank (we) made the contract to sell all the three security and in return, to purchase the government security of Rs. 3 crore of the rate of 7.5% from Home Trade Limited, and as the amount of the newly purchased government security was more than the sold government security, the complainant bank (we) had issued a cheque of Rs. 67, 26,076.38 paisa of HDFC Bank in favor of Home Trade Company and the said cheque got deposited in the account of Home Trade Company. Despite the contract, Home Trade Company Limited did not make the delivery of government security of Rs. 3, 06, 06,250/- of 7.5% to us the complainant bank and in order to get the delivery of the said government security, I myself had talked to Subodh Bhandari, the director of Home Trade Company, and Kanan Mevavala on phone and they had told us on the phone that they will make the delivery of the government security very shortly. Despite this fact, Messrs. Home Trade Company Limited did not

POLICE INSPECTOR POLICE STATION SURAT

make the delivery of the government security to us and in order to get the delivery of the government security from Home Trade Company Ltd., we had informed the said company by making written communication through Registered AD, but Home Trade Ltd did not make the delivery of the government security of 7.5% rate of Rs.3,06,06,250/- to us the Complainant Bank, and if Home Trade Company Ltd could not make the delivery of the government security to the complainant bank, it had given the cheque no. 984321 of HDFC Bank, Nariman Point Branch, Mumbai of Rs. 3,24,62,700/- and Home Trade Company Ltd had asked to encash the said cheque by 30/04/2002. So, in order to get the delivery of the government security of Rs. 3, 06,06,250/- from Home Trade Company Ltd in person, I, with the manager Ashokbhai Sheth had gone to the office of Home Trade Company Ltd, Nariman Point, Mumbai in person and at that time, the director of Home Trade Company Ltd Mr. Nandkishor Shankarlal Trivedi was present in the office and as per the discussion that he had with him to get the government security, accused no. 2 Nandkishor Trivedi too had assured us to make the delivery of the government security as per the contract in very short period, and had said that if the delivery of the government security is not made to us by 30/04/2002 by Home Trade Company Ltd., he asked us to encash the cheque of Rs. 3,24,62,700/-. So, as he assured us that we will get the delivery of the government security, we had returned to Surat, and then despite the assurance given by Nandkishor Trivedi, the director of Home Trade Company Limited, we did not get the delivery of the government security in the time period assured by him. So, we presented the cheque of Rs. 3,24,62,700/- of HDFC Bank, Nariman Point Branch, Mumbai given to us by Home Trade Company Limited on 27/05/2002 to get it deposited in our account but as the bank account of Home Trade Company Ltd of Mumbai HDFC was blocked, the cheque returned to us with the remark "account blocked" and on the basis of it, we have carried out the proceedings against Home Trade Company Ltd and its directors under the Negotiable Instrument Act Section 138.

Regarding the contract of purchasing the government security made with Home Trade Ltd by our Adajan Nagarik Sahakari Bank, Ketan Kantilal Sheth had come to our bank in person and had said that he is the director of Home Trade Company Ltd and said that Home Trade Ltd is doing the business of the trading of the government security on large scale and gave assurance and promise and asked us the complainant bank to purchase the government security and accordingly, we made the financial transactions with Home Trade Company Ltd to purchase the government security and accused no. 5 and accused no. 17 Subodh Bhandari and Kanan Mevavala of Home Trade Company Ltd with whom we had made the financial transactions to purchase the government security and in return, we did not receive the delivery of government security from Home Trade Company Ltd, and therefore, when we made phone call to the office of Home Trade Company Ltd., we had talked on the phone and accused no. 5 Subodh Bhandari has given different contract note numbers – 6739, 6905, 6907, 6909, 6911 bearing his signature and we have met accused no. 2 Nandkishor Trivedi in person in the office of Home Trade Company at Mumbai and accused no. 4 Sanjay Hariram Agrawal has given us in writing the Contract Note No. 10629 dated 28/09/2000 of total Rs. 1,00,00,000/- of SDL-2010 of 12% bearing his signature, and has given the cheque no. 984321 of account payee of Rs. 3,24,62,700/- of HDFC Bank, Nariman Point, Mumbai of the name of Adajan Nagarik Sahakari Bank Ltd., while accused no. 1 has been mentioned as the accused no. 1 and it is a registered company and it holds the membership of National Stock Exchange, Bombay Stock Exchange and Pune Stock Exchange.

Besides, accused no. 6 Hiten Bhupendra Shah, no. 7 Hiren Gada, No. 8 Sashank Gopal Ranade, no. 9 Vijay Himmatlal Modi, No. 10 Salil

Dinkarlal Gandhi, no. 11 Alan James Macmillan, No. 12 Rasal Bankim Vegar, No. 13 Mick alias Manoj Ambelal Shah, no. 14 Dhananjay Agrawal, No. 15 Smt. Shilpa Hiten Shah, no. 16 Smt. Jagruti Ketan Sheth, and accused no. 18 Ketan R. Maskariya with whom we have not contacted in person or have not made any deal with them in person, nor we have met them in person during the deal of Home Trade Ltd.

The above fact stated by me is true and correct.

Before,
Sd/- Illegible
Police Inspector
Rander Police Station
Surat City

Date: 09/10/2003

I am Haribhai Ranchhodji Patel, occupation: Retired, Res. B/4, Nandan Apartment, behind Water Tank, Adajan Road, Surat.

On being asked, I state that today you sir have read over to me my statement dated 12/09/2002 and I state that it is true and correct. On being asked further in this regard, I state that I have been serving as the chairman of Adajan Nagarik Sahakari Bank Ltd since November 1997 when the bank was started, and as per the order of Reserve Bank of India, it is compulsory to make investment of specific part of the bank deposit in the government security, therefore, the manager of our bank Mukeshbhai Nayak and the director Pankajbhai Shah and me and the directors of the bank together decided to purchase the government security and accordingly, the manager of the bank Shri Mukeshbhai Ranchhodbhai Nayak and I had discussed with the chartered accountant Niraj Surati and as per the discussion held with them, our complainant bank had started the deals with Messrs. Home Trade Company Limited through accused Ketan Kantilal Sheth to purchase the government security on 25/09/2000, and based on it, the complainant bank had issued the account payee cheque of Rs. 1 crore 25 thousand of HDFC Bank in favor of accused Home Trade Limited and Messrs. Home Trade Limited and based on it, the contract note dated 28/09/2000 bearing the signature of Sanjay Agrawal on behalf of Home Trade regarding the purchase of the government security of ST: 2010 of 12% was given to us and the delivery of the said government security was also given to us the complainant bank by the Home Trade Ltd.

Besides, on 15/01/2001, as decided by the administrators of the board of the bank, our bank had entered into the contract of purchasing the government security of Rs. 50, 00,000/- of 10.25% from Home Trade

Company Ltd., and as a part of the said contract, our bank had given the account payee cheque of Rs. 48,60,138.89 paisa of HDFC Bank to Home Trade Company Ltd and the amount of the said cheque too got deposited in the account of Home Trade Company Ltd. Besides, as per the contract, the delivery of the government security of CG-2012 of 10.25% was made by the Home Trade Company Ltd and the Reserve Bank of India had transferred both security in the name of our Adajan Nagarik Sahakari Bank Ltd.

Thereafter, as per the deal made with Home Trade Company Ltd., it was decided to purchase the government security of 10.25% of Rs. 50,00,000/- again and in this regard, we had given an account payee cheque of Rs. 52,42,048.61 paisa of HDFC Bank, Mumbai to Home Trade Company Ltd, and the amount of the said cheque also got deposited in the account of Home Trade Company Ltd but despite the contract note given by the Home Trade Company, it did not make the delivery of the government security to our Adajan Nagarik Sahakari Bank Ltd.

Thereafter, on 20/12/2001, accused Ketan Kantilal Sheth, with the chartered accountant Niraj Surati had come to our bank and had met me, bank director Pankajbhai Shah and manager Ashokbhai Sheth and the assistant manager Mukeshbhai Nayak in the bank and as said by Ketan Sheth, as the market price of the government security purchased by us earlier from Home Trade Company Ltd., and as the market price of the new government security was less, therefore, the bank will earn good profit by selling of the old government security and he had asked the bank to purchase the new government security at less price. In this regard, I discussed with the members of our board and as the bank had earned financial benefit, it was decided to sell the government security purchased earlier from Home Trade company Ltd and to purchase the new government security at less price and had made the contract with Home

Trade Ltd to purchase the government security of Rs. 3,00,00,000/- of 7.5% and as the amount of the sold government security was less than the amount of the newly purchased government security, therefore, regarding the said additional amount, our bank had given an account payee cheque of Rs. 67,26,076.38 paisa to Home Trade Company of HDFC Bank, Mumbai, and the amount of the said cheque also got deposited in the account of Home Trade Company Ltd., and as per the said contract, Home Trade Company did not make the delivery of the government security of Rs. 3,06,06,250/- of 7.5% to our bank and in order to get the said delivery, our bank asked the Home Trade Company now and again on phone and by written communication as well, and I came to know of it from the other members of the board and the bank manager. Despite this fact, we did not receive the delivery of the government security from Home Trade Company Ltd., and Home Trade Company gave us the account payee cheque no. 984321 of HDFC Nariman Point, Mumbai of Rs. 3,20,62,700/-, saying that if the delivery of the government security is not received by our bank from Home Trade Company, we can encash the said cheque after 30/04/02 and the said Company had asked us to do so by writing a letter. Thereafter, as I was going to America, I had submitted a written report to the Board of our bank for the leave of 06 months and as the board sanctioned my leave report, I was on leave after 19/04/2002, and then, as my leave period ended, I reported to duty at the bank on 27/09/2002, and meanwhile, when I was at America Body Town, I had come to know through the news on TV and newspapers regarding the cheating and fraud of Home Trade Company.

During the deals and the transactions made with Home Trade Company Ltd regarding the purchase of government security, Ketan Kantilal Sheth who had come to our bank in person, therefore, I know only him. Besides, as accused Sanjay Agrawal and Subodh Bandhari have put their signatures on the contract note and the cheque issued by Home Trade Ltd on behalf of Home Trade Company, I know their names. But I have not had any talk or meeting or written communication in my presence. Besides, except Ketan Kantilal Sheth, Sanjay Hariram Agrawal and Subodh Bhandari, I do not know anything more regarding the other accused persons, nor have I had any meeting or talk with them in person.

The above further fact stated by me is true and correct.

Before,

Sd/- Illegible

Police Inspector

Rander Police Station

Surat city

Date: 12/09/2002

I am Mukeshbhai Ranchhodji, aged about 36, occupation: Job, Res. 33, Narayan Apartment, Ashanagar, Navsari, Dist. Navsari.

On being asked, I state that I reside at the above mentioned address with my family and I do job as the assistant manager in Adajan Nagarik Sahakari Bank for last four years.

Today, you police have read over the complaint lodged by the manager of our bank Shri Ashokbhai Jayantilal Sheth against Home Trade Ltd., and on being asked in this regard, I state that accused no. 1 Ketan Sheth, with Niraj Surati, the chartered accountant, Res. Bharuch, had come to our bank on 25/09/2000 and at that time, Haribhai, the chairman, and director Pankajbhai and manager Ashobhai were present in the bank and he had said that he is a share broker at Mumbai and he is the director of Home Trade Ltd which is engaged in the work of government security. After the said meeting, the bank, with the consent of the board of the bank, started the trading of government security and then, for all the (illegible) made by the bank, Messrs. Home Trades Ltd had executed and (1) purchased the security of Rs. 1 crore of SDL-2010 of 12% on 25/09/2000, and (2) the bank had purchased the security of Rs. 25 lakh of CG-2012 of 10.25% on 15/01/01 and in this regard, the Home Trade Ltd had made the delivery of the security (3) on 29/08/01, the bank had purchased the security of Rs. 25 lakh of COI-2010 of 10.25%, and (4) the bank decided to sell the said purchased security on 05/12/2001 and made the agreement and the same day, the bank decided to purchase the security of total Rs. 3,06,06,250/- vide CG-2010 of 7.50% (illegible) from Messrs. Home Trade Ltd., and accordingly, as per the Note No. 6911 of the contract given by Home Trade Ltd, the bank had given the amount of different of Rs.

3,69,26,076.38 paisa through the cheque of HDFC Bank to Messrs. Home Trade Ltd., despite this fact, Home Trade Ltd failed in making the delivery of the government security (illegible) for which the bank had paid the (illegible) consideration amount of Rs. 3,06,06,250/- of COI-2010 at 7.5% purchased from Home Trade Ltd.

When the complainant bank did not get the delivery of the security, it contacted Home Trade Ltd., and at that time, it said to give the delivery by 20/08/2002, and if the security is not delivered, the cheque no. 984621 dated 27/05/02 of Rs. 3,24,62,700/- of HDFC Bank (illegible) was sent asking to encash it and when it was presented before the HDFC bank, Surat branch on 1/6/02, it returned with the remark "Account blocked", and thus, Home Trade Ltd did not make the delivery of the security purchased by the bank (Illegible).

The above fact stated by me is true and correct.

Before
Sd/- Illegible
Police Inspector
Rander Police Station
Surat City

Date: 13/10/2003

I am Mukeshbhai Ranchhodji, aged about 36, occupation: Job, Res. 33, Narayan Apartment, Ashanagar, Navsari, Dist. Navsari.

On being asked, I state that today you sir have read over to me my statement dated 12/09/2002 and it is true and correct. On being asked further in this regard, I state that in my statement dated 12/09/2002, I have stated that accused Ketan Kantilal Sheth had come to our Adajan Nagarik Sahakari Bank on 25/09/2000, and at that time, I have stated 'Ashokbhai' was the manager in our bank. But actually, Ashokbhai Jayantilal Sheth was not doing job in our bank on 25/09/2000, and when Ketan Kantilal Sheth came to our bank, I was doing the job as the I/c manager in the bank. Meanwhile, he had met me, and the chairman of the board of our bank Shri Haribhai Ranchhodji Patel and director Pankajbhai Dhansukhlal Shah. In this regard, he had been accompanied by the chartered accountant Niraj Surati who was doing the work of the government security in the cooperative banks in South Gujarat and he had come to our bank a week ago and had met me and Pankajbhai and Haribhai and had discussed regarding purchase of the government security and Niraj Surati had arranged the meeting of us with accused Ketan Kantilal Sheth and at that time, Ketan Kantilal Sheth had said that he is the director of Home Trade Company Ltd., and said that Home Trade Company Ltd is engaged in the trading of the government security on large scale, and therefore, it is the government approved registered company and it was decided to take the evidences in this regard, and based on it, the board of the bank decided with accused Ketan Kantilal Sheth to purchase the government security of Rs. 1,00,00,000/- and based on it, the accused had registered the contract regarding the purchase of the government security from Home Trade Ltd on his mobile phone. Based on it, our bank had given the account payee cheque of HDFC bank of Rs. 1, 00,25,000/- to Home Trade Ltd., and then, from Home Trade Company Ltd., our bank had received the contract note no. 10629 dated 28/09/2000 bearing the signature of Sanjay Agrawal regarding the government security of SDL-2010 of 12% and based on it, Home Trade Company Ltd had made the delivery of the government security to our bank and on 12/01/2001, we had made the contract of purchasing the government security of Rs. 50,00,000/- of 10.25% from Home Trade and based on the said contract, Home Trade Ltd had made the delivery of the government security of Rs. 48,60,138/89 paisa of CG-2012 of 10.25% to our bank.

Thereafter, Ashokbhai Jayantilal Sheth was appointed as the manager in our bank and as decided by the members of the board of our bank, since the dealing of Home Trade Company Ltd was good, it was decided to purchase the additional government security of 10.25% of Rs. 50,00,000/- and in this regard, our bank had written a cheque of the name of Home Trade Company Ltd of HDFC Bank of Rs. 52,42,048/61 paisa and had given it to Home Trade Company Ltd, and the said cheque got deposited in the account of Home Trade Company Ltd., and the Home Trade Company Ltd had given the Contract Note No. 6739 but the company did not make the delivery of the government security.

Thereafter, on 05/12/2001, the accused of this case Ketan Kantilal Sheth, with the chartered accountant Nirajbhai Surati had come to the bank, and at that time, I was present on duty in the bank and Ketanbhai Sheth and the chairman Hirabhai Patel and director Pankajbhai Shah had met (illegible), and later on, our bank had purchased the security from Home Trade Company Ltd., and as the market price of the government security was good and by selling it, the bank would earn good financial benefit, therefore, in exchange of it, our bank had made the contract of purchasing the government security of Rs. 3,06,06,250/- of 3.5% of less price and our bank had given the cheque of the amount of difference of the amount of the sold government security and the amount of the government security to be purchased newly would be sent to Home Trade, it was discussed, as per what I had come to know. Accordingly, our Bank had written an account payee cheque of Rs.67,26,076/38 paisa to Home Trade Company Ltd., of HDFC Bank and the said cheque got deposited in the account of Home Trade company Ltd., and despite this fact, Home Trade Company Ltd did not make the delivery of the government security to our bank. So, in order to get the delivery of the government security, our bank made phone calls to the office of Home Trade Company Ltd now and again and made written communication through registered AD., meanwhile, Home Trade Company Ltd gave an account payee cheque no. 874321 dated 27/05/2002 of Rs. 34,24,62,7000/00 of HDFC bank, Nariman Point branch, Mumbai, saying that in case the delivery of government security is not made by Home Trade company by 30/04/2002, the cheque can be encashed. As the delivery of the government security was not received from Home Trade Company on 25/04/2002, the manager of our bank Ashokbhai Sheth, director Pankajbhai Shah had gone to the office of Home Trade Company Limited located at the address Mittal Court Building, Nariman Point, Mumbai to get the government security in person where accused Nandkishor was present and they had met him and he had said that the delivery will be made in short period. But since the delivery was not made, and I had come to know that it was asked to encash the cheque given earlier by the company. But even then also the delivery of government security was not made to our bank by Home Trade Company Ltd., therefore, our bank presented the cheque of Rs. 3,24,62,700/- given by Home Trade Company but the account of Home Trade Company Ltd was blocked and therefore, the cheque returned with the remark 'Account blocked', and then, our bank has carried out the legal action against the Home Trade

Company Ltd through the advocate against Home Trade Company Ltd and its directors under the Negotiable Instrument Act section 138 and the matter is pending in the Court. I am producing a photocopy of it before you sir.

In this government security, the interest is paid by the government in installments during the year as per the percentage mentioned in the government security as per the investment of the concerned bank.

Regarding the purchase of the government security from Home Trade Company Ltd., accused Ketan Kantilal Sheth had come to the bank in person and had said in this regard in person and therefore, I know him very well. Besides, accused Sanjay Agrawal who has put his signature on the contract note no. 10629 of SDL-2010 of 12% of Rs. 1 crore in favor of our bank, but since our bank did not get the delivery of the government security, the company has given the cheque of Rs. 3,24,62,700/- bearing his signature. Besides, accused Subodh Bhandari has made his signature on the contract note no. 6739, 6905, 6907, 6909, 6911 in favour of our bank bearing his signature, and as per the contract note 6911, the government security of Rs. 3,06,06,250/- of 7.5% of CG-2010 was not made, and the company committed fraud with our bank but I have not had meeting with them in person, nor have I talked to them on phone, nor have I had any written communication with them. Besides, except accused Ketan Kantilal Sheth mentioned in the complaint, I do not know any others, nor have I had any meeting with the others in person, nor have I had any written communication with them.

The above fact stated by me is true and correct.

Before,

Sd/- Illegible

Police Inspector

Rander Police Station, Surat City.

Translated from Gujarati into English by Dr. Rajesh I. Patel, B.A., M. A. (English), Ph.D. (In Translation), Gandhinagar, Gujarat. (Translator of Pannalal Patel's Gujarati Classic – Malela Jiv into English titled Kanji and Jivi: A Tragic Love Story – published by Sahitya Akademi, New Delhi, India's premier literary institution, functioning under the Ministry of Culture, Govt. of India)