

To,

Assistant Public Prosecutor,

Valsad Court

Respected Sir,

With due respect, I, B.M. Patel, Police Sub-Inspector, Local Crime Branch, Valsad, submit the following report regarding Case No. 119/02 of Valsad City Police Station, registered under various sections of the Indian Penal Code. The accused individuals, Ketanbhai Kantilal Seth (Shah), aged 40, residing at JUHU Scheme, near Willow Parle Railway Station, Andheri West, Gulmohar Cross Road No. 9/193, Lalit Apartment, 3rd Floor, Mumbai, and Sanjay Hariram Aggarwal, aged 37, residing at 702, Kusum Apartment, Sector No. 17, Vashi, Navi Mumbai, with a permanent address of 7 Hari Sabha Street, Khedar port, Calcutta-23, have been charged under the following sections:

- Sections: 467, 406, 409, 420, 421, 422, 423, 120B, and 34(1) of the IPC

Based on substantial evidence, we have filed a charge sheet against the accused individuals. This charge sheet comprises documents and statements marked from Exhibit Nos. 1 to 105. All relevant materials have been provided in support of the prosecution.

The court proceedings have continued based on this evidence, and we await further instructions on the final outcome.

Date: 10/11/2002

Yours faithfully,

(Signature)

B.M. Patel

Police Sub-Inspector,

Local Crime Branch, Valsad

The copies of Pages regarding Investigation held under
Sections: 467, 406, 409, 420, 421, 422, 423, 120B, and
34 of the IPC

SR NO.	Page Details	Number	Remarks
1	The document provided by the police station for further investigation	1	
2	Clause of Valsad City Police station	1	
3	The complainant's original complaint and its copy.	A1 TO A22	
4	Chetan Ramnlal Desai's statement and other additional documents provided.	A1 TO A157	
5	The original and copy of the site inspection report (panchnama) of the crime scene	2	

6	The original and copy of the site inspection report (panchnama) conducted at the accused Sanjay Agarwal's Home Trade company, with him present during the investigation.	2	
7	Statement of Fateh singh morar bhai thakor	1	
8	Statement of Dharmin Chandrakant desai	1	
9	Statement of Kiran Alias Hemant Ramnlal desai	1	
10	Statement of Nilesh bhai raman lal modi	1	
11	The statement of Deepa Ben Surendra, residing at Goregaon, 2-B 605 Dheeraj Valley East, along with the documented proof submitted by her	B1 TO B121	

12	Statement of sivsingh saanthusing bigot Mnager of Maharashtra Co. Op. Bank and Documents submitted by Him	C1 TO C15	
13	Statement of Vaidh Vyas murti brahmin VP of Mumbai UTI Bank and other documents submitted by him	D1 TO D27	
14	Statement of HDFC Bank Ast. Manager, Shivayogi Vasaav raaj kulchand & other documents submitted by him	E1 TO E43	
15	Statement of Janta Sahkari bank Asst. Manager, Shrikant Someshvar deshpande & other documents submitted by him	F1 TO F54	
16	Statement of Witness Baby Abraham Payli Joki Cristian Sr Manager " Federal Bank " and other documents submitted by him	G1 TO G77	
17	Letters written by Shree B.B. Shroff of Bulsar People's Bank to the RBI,	H1 TO H6	

	dated with reference number PDO (AH) /BD/673/03002/03.		
18	Information report requested by the GPO officer in Valsad from the Director General Manager, RBI Ahmedabad, dated 13.09.2002	I1 TO I6	
19	Report written by RBI Manager S.P. Mishra to Bulsar People's Bank.	1+3	
20	Letter written to the GPO Valsad officer by RBI via courier and fax, with reference number PDO (PH) No. BD1997 dated 03.12.003-2003, regarding the government security transfer.	3	
21	Letter written by RBI Assistant Manager J.K. Das to the GPO Valsad officer	2	
22	Letter written by the RBI Assistant Manager in Nagpur to the police	2	

	officer in Valsad, dated 9th October 2002		
23	Letter written by GPO officer Vijay Singh Gautam to RBI Ahmedabad regarding the security transfer	3	
24	Various documents related to the transfer of government securities from the RBI.	J1 TO J15	
25	Letter from Janata Sahakari Bank, Pune, dated 6th September 2002	1	
26	Letter from Federal Bank dated 3rd September 2002	1	
27	Letter from HDFC Bank dated 7th September 2002	1	
28	Letter from UTI Bank dated 3rd September 2002 and the documents related to the transaction made by Home Trade	28.1 TO 28.11	

29	Copy of gov securities certificate	1	
30	Adjustment letter of home trade company dated 15.05.2001	1	
31	Contract note with duly signed by home trade	3	
32	Letter of home trade dated 31-07-2001 & Certificates of Government of India By-0057 of mumbai, By-00579, AD 0004	4	
33	Certificate issued by Valsad peopl's Bank to Home Trade.	2	
34	Correspondence between Home Trade and Valsad Bank dated 21st May 2001, including contract notes, certificates, transfer records, and xerox copies of all related documents.	K1 TO K278	

35	Application submitted to the Judicial Valsad Court to obtain a transfer warrant for the accused.	2	
36	Remand application submitted to the Judicial Valsad Court for the accused.	2	
37	Remand Order copy	1	
38	Remand of accused Kantilal	4	
39	Remand application submitted to the Judicial Valsad Court for Ajay Hiraram Agarwal, along with a copy of the court's order.	8	
40	Statement of Falguni ben w/o Bhart bhai vasnat bhai mevavaala	1	
41	Statement of Shankarlal trivedi	1	
42	Statement Kishan Singh	1	

43	Letter from Mumbai Jail dated 17th August 2001 and the transfer warrant letter for accused Ketan Sheth.	1	
44	Transfer warrant for accused Sanjay Agarwal from Mumbai Jail	1	
45	Copies of the remand warrants for accused Ketan and Sanjay.	5	
46	Copy of the letter and warrant for handing over accused Sanjay to Mumbai Jail.	2	
47	Copy of the offense registered by the police station and the VHF message sent to the GPO officer	1	
48	Report from Valsad People's Bank submitted to the PI on 9th July 2002.	1	
49	Copy of the report provided by MJ Parmar, PI, to Valsad People's Bank on 19th June 2002.	1	

50	Report written by the manager of Valsad Bank to PI MJ Parmar.	1	
51	Report written by the manager of Valsad Bank to PI MJ Parmar.	1	
52	E-form sent by the Mob PI.	1	
53	Copy of the letter written by the PI Bharuch to the justice for investigating the accused	1	
54	Copy of the transfer order for accused Sanjay and Ketan issued by the Judicial Magistrate, Valsad.	2	
55	Letter written by the GPO officer in Valsad to Mumbai Police Commissioner, Crime Branch, P.B. Savant.	1	
56	Copy of the judgement related to Mumbai Misapplication 340/02 from the Public Prosecutor, Mumbai, dated August 2002	2	

57	Report provided to the UTI Bank manager.		
58	Report submitted by PI MJ Parmar to HDFC Bank, Federal Bank, and other banks at multiple places.	4	
59	Letter written by the A.P.P. Valsad to T.K.A. dated 30th August 2002 to be present in the court.	1	
60	Report written by MJ Parmar to the Judicial Magistrate, Valsad, requesting a time extension for the investigation.	1	
61	Copy of the treatment provided to accused Ketan by the Civil Hospital, Valsad.	1	
62	Report submitted by PI Parmar to Global Bank, Mumbai, dated 29th August 2002.	2	

63	Record of the treatment provided to accused Ketan during remand by the Civil Court, Valsad.	1	
64	Record of the treatment provided to accused Ketan during remand by the Civil Court, Valsad.	1	
65	Copy of the case diary from PI Valsad along with the report submitted to the higher authorities.	1	
66	Medical report regarding the treatment provided to the accuseds.	1	
67	Report submitted by PI Desai from LCB Valsad side To DB Desh Pande, Inspector of CID Crime Nagpur Unit Bombay for Information.	1	
68	A VHF message was sent to assign the investigation of the crime to Shri Rathod.	1	

69	PI Parmar submitted a report to the UTI Bank manager. O/c	1	
70	A report was made before the Magistrate regarding issuing a transfer warrant for the accused.	1	
71	A copy of the VHF message was sent By the Special Squad and PI Circle Valsad to go to Mumbai for investigation.	1	
72	A report was submitted to the Magistrate in Valsad for a transfer warrant for the accused, Ketan Sheth.	2	
73	A report was submitted to Session Court 45 Mumbai for a transfer warrant.	2	
74	PI Parmar submitted a report to the Superintendent in Mumbai.	1	

75	Report of PI Parmar to increase time to judicial magistrate court valsad.	1	
76	Copy of the VHF message regarding the arrest of accused Ketan Shah, by all the police stations in the district	1	
77	Report submitted by PI Parmar to PI Valsad regarding the facial features of the accused.	1	
78	Report requesting assistance from ADV Bharuch submitted by PI Parmar.	1	
79	Affidavit filed in court against the accused Sanjay Agarwal.	5	
80	Copies of applications 340/02 and 372/02 submitted by accused Ketan Sheth in the Mumbai Sessions Court.	4	
81	Report submitted to the respected Chairman Arth road karagruh Mumbai regarding the execution of the	1	

	transfer warrant for accused Sanjay Agarwal.		
82	Letter regarding MCA No. 372 for Sanjay Agarwal from the Mumbai Court.	1	
83	Copy of the transfer warrant for accused Sanjay Agarwal dated 30th September 2002.	1	
84	"Report from PI Parmar to PI Valsad regarding the registration of the accused in Mehrajan Sadan, dated 11th September 2002	1	
85	Report submitted to PI Valsad regarding the denial of visitation rights to the accused.	1	
86	Report of the investigation meeting conducted with the accused by PSI CRM patel Navsari police station.	1	

87	Report by PSI Navsari requesting the FIR and statements from PI Valsad.	1	
88	VHF message requesting permission to take accused Sanjay Agarwal to Mumbai for investigation.	1	
89	Order granting permission to investigate with the accused present.	3	
90	Written opinion of the respected District Police Officer regarding Letter from RBI Ahmedabad	1	
91	Report by the District Police Officer Valsad regarding the RBI New Delhi government security transfer.	91.1 TO 91.18	
92	Medical record of accused Sanjay Agarwal.	2	
93	Report submitted to PI Valsad for keeping the accused in custody	2	

94	Report dated 22nd September 2002 regarding handing over the accused to Mumbai Central Jail.	5	
95	Letter from the Additional Prosecutor Valsad regarding attendance in bail application 109/02.		
96	Report submitted for permission to conduct an investigation out of state.	2	
97	Report by PSI Patel regarding the document submission to the UTI Bank manager.	3	
98	Report by PSI Patel regarding document submission to the Federal Bank manager dated 24th October 2002.	1	
99	Report by PSI Patel regarding document submission to the Janta		

	Sahakari Bank manager dated 24th October 2002.		
100	Report by PSI Patel regarding document submission to the HDFC Bank manager dated 25thOctober 2002.	1	
101	Report by PSI Patel regarding document submission to the MSC Bank Mumbai manager dated 25thOctober 2002.	1	
102	Report regarding the execution of the transfer warrant for the accused dated 30th October 2002.	1	
103	Statement of accused Ketan Sheth and other related statements.	15	
104	Statement of accused Sanjay Agarwal Marwadi and other related statements."	7	
105	Copy of the chargesheet.	4	

Date: 10-11-2002

Sign/illegible

(BM Patel)

PSI

Local crime investigation branch

Valsad

To,

The Police Inspector,

Valsad City Police Station

**Subject: Submission of Original Complaint for Further
Investigation in G.R. No. 119/2002**

Respected Sir,

I, Ravji Bhai Hasjibhai Patel, A.S.I., Badge No. 528, submit the following report regarding G.R. No. 119/2002, registered under Sections 406, 409, 420, 421, 422, 423, 120-B, and 34 of the IPC.

On 06/06/2002 at 18:30 hours, as per your orders, I met with the complainant, Mr. Chetanbhai Ramanlal Desai, who is associated with Seth Bhagwandas Brijbhukhshan Das Shroff People's Co-operative Bank Ltd., where he

works as the Manager in Mota Bazar, Valsad. Mr. Desai submitted a written complaint detailing his allegations, which spans pages 1 to 19.

The offenses have been duly registered, and I am forwarding the original complaint herewith for further investigation. Kindly take over the case for continued inquiry as required.

Date: 06/06/2002

Yours faithfully,

(Signature)

illegible

Valsad City Police Station

Valsad Police Station

Crime Register No.: I-19/2002

IPC Sections: 406, 409, 420, 421, 422, 423, 120-B, and
34

Date of Registration: 06/06/2002

Complainant:

Shri Chetanbhai Ramanlal Desai

Manager, Seth Bhagwandas Brijbhukshan Das Shroff
People's Co-operative Bank Ltd., Samriddhi, Mota Bazar,
Valsad

Date and Time of Offenses:

From 15/05/2001 to 19/03/2002

Place of Offense:

Valsad, Seth Bhagwandas Brijbhukshan Das Shroff
People's Co-operative Bank Ltd.

Defendants:

1. Nand Kishore Shankarlal Trivedi - Resident of Chira Bazaar, Mumbai
2. Ketan Kantilal Seth - Resident of Gulmohar Cross Road, Mumbai
3. Sanjay Hariram Aggarwal - Resident of Gulmohar Cross Road, Mumbai
4. Suboda Bhandari - Resident of Navi Mumbai
5. Hiten Bhupendra Shah - Resident of Shantikunj, Mumbai
6. Heeren Gada - Resident of Mumbai
7. Shanshak Gopal Rande - Resident of Dadar, Mumbai
8. Vijay Himmatlal Modi - Resident of Borivali, Mumbai
9. Satish Dinkarlal Modi - Resident of Tardeo, Mumbai
10. Khelan James Mactamank Meelat - Resident of USA
11. Russell Bakmya Wager - Resident of USA
12. Mike alias Manoj Ambelal Shah - Resident of Bungalow, Mumbai

13. Dhananjay Aggarwal - Resident of Mumbai
14. Silpa Hiten Shah - Resident of Shantikunj, Mumbai
15. Jagruti Ketan Seth - Resident of Gulmohar Cross Road, Mumbai
16. Kanti Mewawala - Resident of Marine Drive, Mumbai
17. Kanan Khat Mashkariya - Resident of Mumbai
18. Niraj A. Surti - Resident of Bharuch
19. Kriti Niraj Surti - Resident of Bharuch

These individuals are charged in connection with the offenses under IPC Sections 406, 409, 420, 421, 422, 423, 120-B, and 34.

Brief Particulars of the Offence

On the dates, times, and places as previously noted, the accused individuals—under the banner of Home Trade Ltd., a company engaged in share and stock broking—allegedly organized a highly coordinated conspiracy to defraud Seth Bhagwandas Brijbhukhshan Das Shroff People's Co-operative Bank Ltd., Valsad. The complainant, Shri Chetanbhai Ramanlal Desai, serving as the bank's manager, has reported that the accused,

in collusion with each other, carried out banking transactions purportedly on behalf of the bank.

In this alleged scheme, the accused received substantial deposits from the bank intended for investment in government security certificates. However, instead of providing these certificates to the bank, they created a fraudulent trust, using deposited funds to generate unauthorized financial benefits for themselves. Through this scheme, they reportedly embezzled the bank's funds, resulting in a significant financial loss of Rs. 28,75,21,758.33.

A written complaint was filed by the bank, accusing the defendants of breach of trust, conspiracy, embezzlement, and cheating under Sections 406, 409, 420, 421, 422, 423, 120-B, and 34 of the IPC. As per CRPC Section 157, higher authorities were informed of this matter via VHF message, and further investigation was commenced. P.O. Inspector Shri G.A. Shaikh has been deputed to lead the inquiry.

Signed,

R.H.S., Police Sub-Inspector, Valsad

List of A TO L as mentioned in FIR

SR NO	Details	Mark
1	Transactions during 15-05-2001 to 02-06-2001	A
2	Transactions during 07-08-2001 to 05-09-2001	B
3	Transactions of 06-11-2001	C
4	Transactions of 10-12-2001	D
5	Transactions of 25-02-2002	E
6	Transactions of 18-03-2002	F
7	Summary of Transactions for Purchase, Sale, Payments, and Outstanding Deliveries of Government Securities of the Complainant Bank with Home Trade Ltd. for the year 2001	G

8	Details of Cheques Issued to Home Trade Ltd. by the Bank from 15-05-2001 to 10-12-2001	H
9	Details of Government Securities Issued by the Bank to Home Trade Ltd.	I
10	Details of Securities Delivered to the Bank by Home Trade Ltd.	J
11	Details of Funds Received from Home Trade Ltd. during the Years 2001 and 2002	K
12	Details of Transactions Conducted with Home Trade Ltd. during 2001 and 2002	L

Date:

06-06-2002

Place: Valsaad

For

Sheth

BB

Balsar People's Bank

Before the Police Inspector of Valsad City Police Station.

Date: 06/06/2002

Plaintiff:

Chetanbhai Ramanlal Desai

Manager of:

- Seth Bhagwandas Bijbhukhandas Shroff Balsar People's Co-operative Bank Ltd.

- Age: 49, Occupation: Job, Resident: Smruddhi, Mota Bazar, Valsad, District Valsad.

Against:

Accused:

1. Shri Nandkishore Shankarlal Trivedi

- Age: 45

- Occupation: Trade

- Address: Devbhuvan, 2nd Floor, Room No. 32, Ghazdar Mahallo (Street), Chirabazar, Mumbai - 2.

2. Shri Ketan Kantilal Seth

- Age: 40

- Occupation: Trade

- Address: 193, Lalit Kutir (CHS), 3rd Floor,
Gulmahor Cross Road, Road No. 9, (JVPD), Mumbai - 400
049.

3. Shri Sanjay Hariram Aggarwal

- Age: 35
- Occupation: Trade
- Address: Juhu, Shalimar CHS Ltd., Seventh Floor,
Gulmahor Cross Road No. 10, Juhu, Mumbai - 400 049.

4. Shri Subodh Bhandari

- Age: 46
- Occupation: Trade
- Address: 704-B, Govind Complex, Sector No. 14,
Vashi, Navi Mumbai - 400 705.

5. Mr. Hiten Bhupendra Shah

- Age: Mature
- Occupation: Trade
- Address: 102, Gandhi Niwas, Ashok Nagar Road,
Vakola, Santacruz, Mumbai - 400 055.

6. Shri Hiren Gada

- Age: Mature
- Occupation: Trade in Mumbai
- Address: Current residential address is not known.

7. Shri Sashank Gopal Ranade

- Age: 40
- Occupation: Trade
- Address: 3/1, Radhakrishna Niwas, Ground Floor, Dagadi Wadi, S.K. Bole Road, Dadar (C.W.J.), Mumbai - 400 028.

8. Vijay Himmatlal Modi

- Age: 46
- Occupation: Trade
- Address: A-203, Amita Co-op Housing Society Ltd., Kulupavadi Road, Borivalli (East), Mumbai - 400 066.

9. Shri Salil Dinkarlal Gandhi

- Age: 43
- Occupation: Trade

- Address: 11/13, Gold Coin Co-op Housing Society Ltd., TardeV, Mumbai - 400 034.

10. Alan James McMillan

- Age: 41

- Occupation: Trade

- Address: 785, Chesty Street, Monteneau, CA. 94041, USA.

11. Russell Bankcam Wager

- Age: Mature

- Occupation: Trade

- Address: Timber Hill Terrace, Ion Field, MA. 1940, USA.

12. Mr. Mike alias Manoj Ambelal Shah

- Age: 58

- Occupation: Trade

- Address: Bellary Road, R.M.V. Extension, Bangalore - 5060080.

13. Shri Dhanannajay Aggarwal

- Age: Mature
- Occupation: Trade in Mumbai
- Address: Current residential address is not known.

14. Mrs. Shilpa Hiten Shah

- Age: Mature
- Occupation: Trade
- Address: 102, Gandhi Niwas, Ashok Nagar Road, Vakola, Shantacruz, Mumbai - 400 055.

15. Mrs. Jaguri Ketan Sheth

- Age: Mature
- Occupation: Trade
- Address: 193, Lalit Kutir, (CHS), Gulmahor, Cross Road No. 9, (JVPD), Mumbai - 400 049.

16. Shri. Kanan Mewawala

- Age: 28
- Occupation: Trade
- Address: JayantMahal, 5th Floor, Opposite Wankhede Stadium, Marine Lines, Mumbai.

17. Shri Ketan R. Marakaria

- Age: 35
- Occupation: Trade
- Address: Current residential address is not known.

18. Shri Niraj A. Surti

- Age: 34
- Occupation: Trade
- Address: Surya flats, 1st Floor, Surya Shopping Complex, Bharuch, District Bharuch.

19. Mrs. Kriti Neeraj Surti

- Age: Mature
- Occupation: Trade
- Address: Surya Flats, 1st Floor, Surya Shopping Complex, Bharuch, District Bharuch.

Besides this, all the accused found in the investigation shall be charged

Complaint:

The complaint is filed under Sections 406, 409, 420, 421, 422, 423, 120(b), and 34 of the Indian Penal Code (IPC).

Facts of the Case:

1. I, the plaintiff, Seth Bhagwandas Brijbhukhandas Shroff, am a manager at Valsad for B.B. Shroff Balsar People's Co-operative Bank Ltd. Our bank has been in operation for the last 77 years, earning a reputable standing in the district of Valsad.
2. Our bank functions under the Banking Regulation Act of 1949, adhering to guidelines and circulars issued by the Reserve Bank of India (RBI) periodically.
3. As per the provisions of the Banking Regulation Act of 1949, our bank is mandated to invest at least 25% of its time and demand liabilities in government securities and other approved securities to maintain the Statutory Liquidity Reserve Fund (SLR) limit.
4. The RBI has issued circulars instructing banks to invest in government securities and to periodically increase this investment. Accordingly, our bank has made investments in two or more government securities as required.

5. As the manager of B.B. Shroff Balsar People's Co-operative Bank Ltd., all the transactions related to this complaint were carried out in my presence and under my supervision, based on resolutions passed by the bank's Investment Committee and Management Committee.

6. The Management Committee of our bank, through Resolution No. 9 dated 29-05-2002, authorized me to initiate legal action against the accused. On the basis of this resolution, I, Seth B.B. Shroff, am filing this legal complaint on behalf of B.B. Shroff Balsar People's Co-operative Bank Ltd., Valsad.

7 Details of the Accused:

1. The primary accused in this case are Home Trade Ltd. and Ways India Ltd. Home Trade Ltd. operates as a share and stock broker, as well as a dealer, and is a member of the National Stock Exchange of India. It has offices at Vashi, Navi Mumbai, Mittal Court 'A' at Nariman Point, Mumbai, and Raheja Center, Free Press Journal Marg, Mumbai.

2. Ways India Ltd. is a share and stock broker and merchant dealer operating in association with Home

Trade Ltd. It has its office at Tower No. 3, Malleswaram International Infotech Park, Vashi, Navi Mumbai. The contact numbers for these offices are 7812444 and 7812550.

8 Additional companies associated with the accused include the following entities located at 103, Liberty Apartment, 80-A Sarojini Road, Behind McDonald's, Vile Parle (West), Mumbai-400056, with a contact number of 6194712:

- Geeltage Management Services Limited
- Geeltage Investment Banking Services Limited
- Geeltage Forex Limited
- Geeltage Equities Limited
- Geeltage Credit Capital Limited
- Ketan Sheth & Co.

Additional Accused and Associate Companies:

Apart from the previously mentioned accused, there are also associate companies linked to Nirga Gujab involved in this case, which include:

1. Euro Discover Technology Entrepreneurs Limited,
Address: 5, Shook of Edinburgh Avenue, Port Louis,
Mauritius.

2. Puro Discover Technologies Limited.
3. Euro Offshore Invest Ltd.
4. Delaghousy Securities Pvt. Ltd.
5. Euro Allied Ltd.

It has been found that the accused in this case have fraudulently embezzled the funds and security certificates (CDKs) of the plaintiff bank. They transferred these funds to the above-mentioned associate companies and the personal accounts of the directors of these associate and sister concerns.

9) Details of the Accused:

1. The accused persons numbered 1 to 5, 7 to 12, 14 to 16, and 18, 19 are implicated in the above-mentioned complaint. The residential addresses of accused numbers 6, 13, and 17 are currently unknown to the complainant.
2. Accused No. 3, Sanjay Hariram Aggarwal, who serves as the Chairman of Home Trade Ltd., has defrauded the plaintiff bank by issuing false and bogus contract notes, thereby embezzling the bank's money. All the accused have meticulously planned and executed a conspiracy to commit these crimes in a step-by-step

manner, outlining each individual's role in the fraudulent activities.

3. As part of the conspiracy, the accused misappropriated the funds and certificates of government securities sold from the plaintiff bank. Despite obtaining new securities or funds through checks from the bank, they neither returned the money nor provided new securities to the plaintiff bank, thus betraying the bank's trust.

4. Accused No. 6, Shri Heeren Gada, serves as the Vice President of Home Trade Ltd. He is also involved in embezzling funds by defrauding the complainant's bank.

5. Accused No. 4, Shri Subodh Bhandari, who functions as a director of Home Trade Ltd., deceived the plaintiff bank by issuing false contract notes and subsequently embezzling the bank's funds.

6. Accused No. 1, Nandkishore Shankarlal Trivedi, presented himself as a director of Euro Asian Securities Ltd. and Home Trade Ltd. He repeatedly visited the plaintiff bank, where he defrauded it of its funds and government securities through fraudulent means.

7. Accused No. 2, Ketan Kantilal Sheth, identified himself as a director of Ketan Sheth & Company, Euro Asian Securities Ltd., and Home Trade Ltd. He played a significant role in defrauding the plaintiff bank of its financial securities and bonds through repeated visits and fraudulent actions.

8. Accused numbers 5, 7 to 13 are currently serving as directors of Home Trade Ltd. They are accused of disposing of the fraudulently obtained money and certificates from the plaintiff bank while playing their respective roles in the conspiracy.

9. Accused No. 16, Shri Kanan Mewawala, serves as a manager at Home Trade Ltd. He, along with accused Nos. 1 to 4, holds extensive private information about the financial dealings of the plaintiff bank. He is also aware of the specifics of how the bank's funds and government securities were misappropriated by the other accused, and he has actively participated in the conspiracy.

All the accused in this case have been found to possess detailed knowledge of the fraudulent transactions and have played a critical role in misappropriating the

funds of the plaintiff bank. Through their coordinated actions, they have embezzled money and securities, betraying the trust of the bank.

Accused No. 17, Ketan R. Mascaria, serves as an officer of Home Trade Ltd. He is aware of the details regarding the sale or transfer of government securities by the other accused. He played a significant role in the above transactions as part of the scheme and also holds a portion of the funds from the above-mentioned Bank.

10) Accused Nos. 1 to 17 were initially conducting business as brokers and merchants under the name of Ketan Sheth & Co. Later, they operated under the name Euro Asian Securities Limited. In March 2000, Euro Asian Securities Limited was rebranded as Home Trade Ltd. Hence, Euro Asian Securities Ltd. and Home Trade Ltd. are essentially the same company. Accused Nos. 18 and 19 were previously associated with Ketan Sheth & Co. and later with Euro Asian Securities Ltd. They are not currently associated with Home Trade Ltd. However, Accused No. 18, linked with Growth Avenues Research and Management Consultants Tower, worked as a government securities broker at Ring Road, Surat. Accused No. 19

was affiliated with Euro Asian Securities Ltd. and Home Trade Ltd., acting as a sub broker. Accused 1 to 17 were working as Sub brokers. Accused 18 and 19 maintain business relationships with the accused from 1 to 17.

11) Accused No. 18, Neeraj A. Surti, approached the plaintiff bank in November 1996 and introduced himself to the bank's board of directors. He claimed to be working as a broker for government securities investments under the name Growth Avenue Research and Management Consultancy. He offered advice and guidance on suitable government securities and bonds for the bank's investments. Following his recommendations, the bank made investment transactions based on the quotations he provided for the following securities:

- 10.50% Government of India (G.O.I) 2005 with a face value of Rs. 1 crore.

- 11.75% G.O.I 2001 with a face value of Rs. 1 crore.

- 12.50% G.O.I 2004 with a face value of Rs. 1 crore.

The bank paid the required amount for these securities, and certificates were issued accordingly. From the plaintiff bank, when it was reported that the government securities certificates purchased by

accused 18 were sent late, accused 18 said, I am a small broker but had a connection with Ketan Sheth, I will bring him.

5. In December 1997, Accused No. 2, Mr. Ketan Kantilal Sheth, and Accused No. 3, Mr. Sanjay Hariram Agarwal, accompanied by Accused No. 18, visited the bank. They introduced themselves to the board members that he is my Boss, stating that they are authorized brokers for government securities and deals in sale and purchase in Ketan Sheth & Co.. They assured the bank that the delivery of the certificates would be prompt upon receiving the payment for the securities. The responsibility was taken by accused 2 and 3.

After that, Accused Nos. 2, 3, and 18, leveraging the trust and confidence placed in them by the bank, facilitated the purchase of the following securities on behalf of the bank:

- 10.85% Government of India (G.O.I) 2001 with a face value of Rs. 1 crore.

- 11.25% G.O.I 2005 with a face value of Rs. 50,00,000.

Additionally, they arranged the sale of 10.50% G.O.I 2005 securities with a face value of Rs. 1 crore at the prevailing market price, sold by the bank.

From the outset, the intention of the accused was malicious, as they devised a detailed scheme to defraud the appellant bank and misappropriate its funds. As a part of this scheme, they initially conducted transactions under the name Sheth & Company, thereby gaining the trust of the bank. Subsequently, in January 1999, Accused Nos. 1, 2, 3, 4, 16, 18, and 19 visited the bank along with other associates, claiming that they had commenced operations under the name Euro Securities. They represented that their company was a licensed broker approved by the National Stock Exchange and that they could provide government securities and bonds to banks at competitive rates as registered brokers and merchants. They also assured the bank that they could help in selling any securities the bank held at favourable prices. Using this well-orchestrated scheme, the accused entered into transactions with the bank with the clear intention of cheating and

embezzling funds. As a result, the bank purchased the following securities based on their recommendations:

- 11.19% G.O.I 2005 with a face value of Rs. 1 crore.
- 11.98% G.O.I 2004 with a face value of Rs. 2 crore.
- 11.75% G.O.I 2001 with a face value of Rs. 1 crore.
- 6.50% G.O.I 2000 with a face value of Rs. 1 crore.

In return, the accused provided the bank with certificates of government securities, thereby further securing the trust of the bank under false pretenses.

12) Thereafter, in the year 2000, accused numbers 1 to 4 came to our bank at Valsad. Accused number 2 informed the plaintiff and the board of directors of the bank that the name of the Euro Asian Securities Company had been changed. The company would henceforth be known as Euro Asian Security, now operating as Home Trade Ltd. Accused number 3, Mr. Sanjay Harilal Aggarwal, was announced to be the chairman of the company, while accused number 2 would act as the Chief Executive Officer. Accused number 1, Nandkishore Trivedi, and accused number 4, Subodh Bhandari, were to serve as directors of Home Trade Ltd. Accused number 2 also assured the plaintiff that Home Trade Ltd. had

trustworthy directors who would work together as a team to achieve the company's goals. He further mentioned that internationally known figures, accused number 10, Allan James Macmillan, and accused number 11, Russell Bakkem, would serve as directors of the company without any hesitation. To create hype for the company's promotional campaign, well-known celebrities such as Mr. Shahrukh Khan, Mr. Hrithik Roshan, Mr. Sachin Tendulkar, and Ms. Priyanka Chopra would also be involved in promoting Home Trade Ltd.

By presenting this optimistic picture of Home Trade Ltd., accused numbers 1 to 4 convinced the plaintiff bank to engage in transactions with the company from March 2000. The Plaintiff bank started investment for SLR. They assured the plaintiff bank that Home Trade Ltd. was a member of the National Stock Exchange and possessed all the required qualifications to trade in government securities and bonds as mandated by the Statutory Liquidity Ratio (SLR).

Additionally, the accused offered attractive investment rates for government securities, specifically quoting 10.80% GOI 2008, 10.50% GOI 2014,

and 11.25% GOI 2005 for sale. Based on these offers, the plaintiff bank made purchases of Rs. 2 crores at 10.80% GOI 2008 and Rs. 50 lakhs at 11.25% GOI.

Unreadable lines

In the year 2001, the Reserve Bank of India issued a notification advising District Co-operative Banks, State Co-operative Banks, and Urban Co-operative Banks to invest their funds in government securities upon maturity. This notification was circulated to all Citizen Rahkari Banks and other financial institutions. Following the circulation of this notification, accused number 2 contacted the plaintiff bank and requested the purchase and sale of government securities over the telephone. During this period, the interest rates offered by the banks had decreased, causing the plaintiff bank to suffer losses due to reduced interest income. In light of these circumstances, the plaintiff bank was encouraged to invest in government securities with the potential for higher returns, as suggested by

Home Trade Ltd., which also provided their updated price list for these securities.

14) Transaction Summary

1. Date: 15th May 2001

The complainant's bank engaged in a transaction with the accused, Home Trade Ltd., to purchase government securities. Under contract number 6573, they acquired 10.70% Government of India (GOI) 2020 securities worth ₹3 crores. The total consideration for this transaction amounted to ₹3,04,39,000. The bank made this payment on behalf of the complainant.

2. Contract Number 6575

The accused sold 10.85% GOI 2001 securities worth ₹1 crore to Toptrade Ltd. with a consideration amount of ₹1,04,72,486.11. However, an outstanding amount of ₹1,99,99,513.89 remained. The payment was made via UTI Bank check no. 33051, dated 16th May 2001. Additionally, on 22nd May 2001, under contract number 6577, the complainant's bank purchased 10.00% GOI 2020 securities worth ₹2 crores for a total of ₹2,03,04,277.78, which was duly paid to Home Trade Ltd. through UTI Bank GAC no. 33052 on the same date.

3. Total Purchase Summary

The complainant's bank purchased a total of ₹5 crores worth of 10.70% GOI 2020 securities from the accused's Home Trade Ltd., paying a total consideration of ₹5,07,43,277.78. The payment was made, and the security certificates AD - 4 valued at ₹5 crores were delivered to the complainant's bank.

4. Additional Purchase on 31st May 2001

On 31st May 2001, the complainant's bank purchased 10.25% GOI 2021 securities worth ₹1 crore from Home Trade Ltd. for a consideration amount of ₹1,00,27,847.22. The payment was made via UTI Bank check no. 33053, and security certificates AD-6 and AD-7, valued at ₹1 crore, were delivered to the complainant's bank.

5. Transaction on 2nd June 2001

Under contract note number 6593, the complainant's bank acquired 10.25% GOI 2021 securities with a face value of ₹5.5 crores from the accused Home Trade Ltd. for a consideration amount of ₹5.51,68,819.44. The complainant's bank also conducted the following transactions:

- Sold 10.80% GOI 2008 securities worth ₹2,17,80,000 under contract number 6587.

- Sold 11.98% GOI 2004 securities worth ₹2 crores for a consideration amount of 2,22,09,66.67 under contract number 6589.

- Sold 11.19% GOI 2005 securities worth ₹1 crore for a consideration amount of 1,10,91,916.67 under contract number 6591.

All the government security certificates, listed under AD-15, AD-16, AD-17, and AD-13 to AD-16 delivered to Accused. In addition, the plaintiff bank paid a total amount of ₹87,836.10 to Home Trade Limited through UTI Bank cheque number 33055. Thus, the total amount paid to Home Trade Limited for the sale of securities and through cheque payments amounts to ₹5,51,68,819.44.

In return, The accused's Home Trade Ltd. delivered a 10.25% GOI 2021 certificate worth ₹50 lakhs to the complainant's bank under certificate no. AD-8. Furthermore, they did not provide a ₹5 crore government security certificate under the same 10.25% GOI 2021 series to the complainant's account via Home Trade Ltd.

The complainant's bank was to receive a consideration amount of ₹5,01,57,472.22 for these securities, as detailed in Group 'A' of the attached documents.

Sequence of Events During the Transaction

During the Transaction on 15th May 2001, the plaintiff contacted Subodh Bhandari, the accused no. 4, via telephone, requesting him to appear before the Board of Directors at Valsad due to certain outstanding dues related to previous transactions with the bank. In response, Subodh Bhandari informed the plaintiff bank that he would send Ketan Seth to meet with the bank within a week to clear and settle the outstanding accounts. This communication was later confirmed through a fax and a follow-up email, which the bank received on 16th May 2001.

As per the communication, Ketan Seth, accused no. 2 and director of Home Trade Ltd., along with Neeraj Surti, attended a meeting with the bank's Board of Directors. During the meeting, Ketan Seth, acting on behalf of Home Trade Ltd. and Euro Asian Securities, addressed the pending issues related to the previous transaction. He proposed that the bank invest in the

10.25% GOI 2021 government securities through Home Trade Ltd. He also suggested selling 10.80% GOI 2008, 11.98% GOI 2004, and 11.19% GOI 2005 securities, considering the prevailing market prices.

Based on Ketan Seth's recommendations, the plaintiff's bank, as per the deal dated 31st May 2001, 02-06-2001, proceeded with the transaction involving 10.25% GOI securities totaling ₹6,50,00,000. These securities were acquired through Home Trade Ltd., and the payment was duly made. Additionally, the bank sold some of its own government securities to Home Trade Ltd. Subsequently, Ketan Seth took responsibility for collecting the original certificates of ownership and the bank's transfer letter to deliver them to his team.

Following the instructions received over the telephone, the plaintiff's bank submitted government security certificates worth ₹5 crores in the name of the bank's ownership to Home Trade Ltd.

15) On 25th May 2001, accused no. 2, Ketan Seth, once again appeared before the Board of Directors at the bank's Valsad office. During the meeting, he informed the board that Home Trade Ltd. had appointed several

new directors, including Mr. Vijay Himmatlal Gandhi, Salil Dinkarlal Gandhi, and Shapank Gopal Rande, who would work alongside the company as additional directors. He emphasized that these new appointments, effective from 15th May 2001, would contribute significantly to the growth of Home Trade Ltd., ensuring that the bank would receive enhanced services in the future. He highlighted the close working relationship between these individuals and the company.

Besides that, The Accused no. 2, Ketan Seth, elaborated further by stating that Home Trade Ltd. has several sister concerns, including:

- Ways India Ltd. and Offira Ltd. (associated with Home Trade Ltd.)

- Giltage Management Services, Giltage Investment Banking Services Ltd., Giltage ForexLtd., Giltage Equivalderivatives Ltd., Giltage Credit Capital Ltd.

- Ketan Seth & Co., Euro Discover Technology Ventures Ltd. (based in Mauritius), Euro Offshore Investment Ltd., and Dalhousie Securities Pvt. Ltd.

He clarified that these companies, along with others such as Euro Allied Ltd., were closely linked as sister

concerns, with their main management and operations handled by the accused parties.

Accused no. 2, Ketan Seth, disclosed that the overall management and control of these sister concerns were primarily handled by accused no. 1, Nandkishore Trivedi; accused no. 3, Sanjay Aggarwal; accused no. 4, Subodh Bhandari; accused no. 13, Dhananjay Agarwal; and himself, Ketan Seth. He assured the bank that this cohesive control would enhance the operations and expansion of Home Trade Ltd. and its affiliated entities.

16) The plaintiff bank decided to invest in Government Securities S.L.R. On 7th August 2001, under contract no. 6637, the bank purchased 10.25% GOI 2012 Government Securities worth ₹3 crores via Home Trade Ltd. The total consideration for this transaction was ₹3,15,55,833.33, and the plaintiff bank paid an amount of ₹3,15,55,897.73 via UTI Bank's check no. 33056 to Home Trade Ltd.

After that on 16th August 2001, as per contract no. 6685, the plaintiff bank acquired 10.03% GOI 2019 Government Securities valued at ₹3,03,16,941.67 from

Home Trade Ltd. The bank also sold a 12.50% GOI 2004 Government Security with a face value of ₹1 crore to Home Trade Ltd., under contract no. 6677, for ₹1,17,10,416.67. Also Paid ₹1,86,06,525.00 using UTI check no. 33057.

After that on 5th September 2001, the plaintiff bank, under contract no. 6741, purchased 9.81% GOI 2013 Government Securities worth ₹1 crore from Home Trade Ltd. The total payment of ₹1,04,92,050.00 was made via UTI Bank check no. 33058 to Home Trade Ltd.

4. Pending Government Securities

Following the above transactions, a total of ₹12 crores worth of government securities was due from Home Trade Ltd. to the plaintiff bank. The consideration amount for these certificates totaled ₹12,25,18,297.22, as presented by Group-B

17) Despite multiple requests made via letter and telephone, Home Trade Ltd. failed to deliver the security certificates worth ₹12 crores to the plaintiff bank. The defendants neither provided the securities nor refunded the consideration amount of ₹12,25,18,297.22. They claimed that the securities

worth ₹12 crores were unavailable in the market and would be delivered at a later date. Accused no. 1 and 2 further stated that the bank could either accept the market price for these securities or receive 9.85% GOI 2015 Government Securities in return.

The plaintiff bank decided to proceed with the 9.85% GOI 2015 Government Securities. Under contracts no. 6849, 6847, 6851, and 6853, the bank paid ₹13,35,99,094.44 as the market price to the accused. Additionally, under contract no. 6855, Home Trade Ltd. received ₹16,13,156.94 against a ₹12,50,00,000 Government Security purchase. The total consideration price amounted to ₹13,19,85,937.50, as detailed in the Group-C.

On 6th November 2001, the plaintiff bank had to collect 9.85% GOI 2015 Government Security Certificates worth ₹12,50,00,000 from Home Trade Ltd. or a consideration amount of ₹13,19,85,937.50.

After that, On 2nd December 2001, the plaintiff bank purchased 7.50% GOI 2010 Government Securities worth ₹3,50,00,000 under contract no. 6228 from Home Trade Ltd. The total consideration amount for this purchase

was ₹3,55,32,291.67. Against this transaction, the plaintiff bank sold the following bonds under contracts no. 6921, 6923, and 6925:

- 15.50% SNL 2006 bond worth ₹1 crore
- 15.75% KSEB 2003 bond worth ₹1 crore
- 15.75% KBJNL 2005 bond worth ₹1 crore

The total value of these bonds amounted to ₹3,28,65,890.42. Additionally, the plaintiff bank paid ₹26,66,401.25 to Home Trade Ltd. via UTI check no. 33060.

By December 2001, the plaintiff bank had to collect a total of ₹16 crores from the accused or The bank was to receive the Government Security Certificates or a refund of ₹16,75,18,229.17 from Home Trade Ltd. The details of these transactions are documented in Group 'D'.

19) After that, On 25th February 2002, the plaintiff bank entered into the following transactions with Home Trade Ltd.:

- Under contract no. 7167, the bank purchased 9.81% GOI 2013 Government Securities with a face value of ₹3 crores at a cost of ₹3,45,40,500.00.
- Under contract no. 7165, the bank acquired 8.07% GOI 2017 Government Securities worth ₹9 crores, with a consideration amount of ₹9,06,17,625.00.
- Simultaneously, under contract no. 7155, the bank sold 12.10% GOI 2008 Government Securities with a face value of ₹1 crore to Home Trade Ltd. for a total of ₹1,25,37,805.56.
- Additionally, under contract no. 7157, the bank sold 10.50% GOI 2014 Government Securities worth ₹2 crores for a total amount of ₹2,43,70,833.33.
- The bank also sold a 10.25% GOI 2021 Government Security Certificate worth ₹1,50,00,000 for a consideration of ₹1,81,51,250.
- Lastly, under contract no. 7159, the bank sold 10.70% GOI 2020 Government Securities with a face value of ₹3 crores for a total of ₹3,73,68,833.33.

Earlier, Home Trade Ltd. was unable to deliver the 7.50% GOI 2010 Government Security Certificates worth ₹3,50,00,000 as per contract no. 7151. As a result,

they refunded ₹3,61,98,750, which was lower than the agreed consideration amount. This made the total amount refunded ₹15,35,40,027.78 for certificates with a face value of ₹13 crores. The certificates involved included numbers AD-13, AD-168 to 171, AD-6 to 8, and AD-308. Home Trade Ltd. subsequently paid a difference of ₹2,83,81,902.78 to the plaintiff bank through HDFC Bank to settle this discrepancy.

Home Trade Ltd. failed to deliver the 7.50% GOI 2010 Government Security Certificates worth ₹3,50,00,000, even though the plaintiff bank had already deposited the consideration price. As of 25th January 2002, the bank had to collect a total of ₹24,50,00,000 with the accused to obtain the above-mentioned Government Security Certificates. However, the accused did not deliver the certificates or pay the outstanding consideration amount of ₹25,71,44,062.50 to the plaintiff bank. Details of this transaction are outlined in the Group-E.

20) The plaintiff bank engaged in the following government security transactions with Home Trade Ltd.:

- The bank was to receive a 12.50 crore Government Security Certificate of 9.85% GOI 2015.

- Additionally, it was supposed to obtain a 9.81% GOI 2013 Government Security worth ₹3 crores and an 8.07% GOI 2017 Government Security worth ₹9 crores.

- These transactions were part of contract numbers 6855, 7167, and 7165.

Despite repeated requests by the plaintiff bank, Home Trade Ltd. failed to deliver the agreed securities. On 15th March 2002, the bank was prepared to file a complaint with SEBI against the accused. To give the accused one last chance to rectify the situation, the bank sent a letter via fax to accused No. 2 on 022-7812548, Mr. Ketan Sheth.

On 16th March 2002, accused individuals Mr. Ketan Sheth (Accused No. 2), Nandkishore Trivedi (Accused No. 1), and Kanan Mewawala (Accused No. 16) attended an informal meeting with the board of directors of the plaintiff bank. During the meeting:

- The bank raised concerns about the non-delivery of the ₹24,50,00,000 worth of government security certificates.

- The accused claimed they had already sent the certificates to the Reserve Bank of India (RBI) for transfer to the plaintiff bank's name and assured that the bank would receive them directly from RBI, but they failed to provide any evidence supporting this claim.

- Accused Nos. 1 and 2 further stated they could sell the 9.81% GOI 2013 Government Securities worth ₹3 crores and the 9.85% GOI 2015 securities worth ₹12.50 crores at market value. They promised a substantial profit and assured reinvestment in new government securities.

During the meeting, Accused No. 1 provided written confirmation to the board of directors. Accused Nos. 1, 2, and 16 were present and acknowledged the statement, with Accused No. 1 signing as a guarantor.

After that On 18th March 2002, the plaintiff bank completed the following transactions through contract note 7443:

- Purchased 8.07% GOI 2017 Government Securities with a face value of ₹18,50,00,000 for a total of ₹19,69,04,133.33.

- Against this purchase, Home Trade Ltd. provided contract note 7441 for a 9.81% GOI 2013 Government Security worth ₹3 crores at a consideration of ₹3,68,91,075.

- Additionally, as per contract no. 7439, the plaintiff bank acquired a 9.95% GOI 2015 Government Security with a face value of ₹12,50,00,000 for a cost of ₹16,02,32,812.50.

The accused provided a cheque to the plaintiff bank representing the difference amount of ₹2,19,754.17, but failed to fulfill the delivery obligations for the securities. The plaintiff bank had already deposited:

- ₹3,45,40,500 for the 9.81% GOI 2013 Government Security worth ₹3 crores.

- ₹13,19,85,937.50 for the 9.85% GOI 2015 Government Security worth ₹12,50,00,000.

According to contract no. 7165 and 7443, the bank had made the following deposits:

- For 8.07% GOI 2017 Government Securities worth ₹9 crores, a consideration of ₹9,06,17,625 was pending.

- For an 8.07% GOI 2017 Government Security with a face value of ₹18,50,00,000, an amount of ₹19,69,04,133.33 was owed.

The total amount due from the accused to the plaintiff bank for the 8.07% GOI 2017 Government Securities stood at ₹27,50,00,000. or amount due was ₹28,75,21,758.33. The accused failed to deliver these securities and are thereby accused of embezzlement. Detailed information regarding these transactions is presented in Group-F.

21) All the accused in this case are of sound mind. Together, they conspired to embezzle funds from the bank by defrauding various co-operative banks. Each accused played a specific role in this conspiracy. They established bogus and benami (false name) companies to divert the embezzled funds and transfer the money into these entities. As a result, large sums were moved into these fraudulent companies and sister concerns as part of the conspiracy. The accused intentionally misled the plaintiff bank to gain illegal financial benefits, causing significant financial loss to the bank from the beginning.

9/2

22) From 1st June 2001 to 19th March 2002, the plaintiff bank invested in government securities with the accused. Despite purchasing the government security certificates, the accused did not transfer them to the plaintiff bank's name as required.

23) Between 15th May 2001 and 19th March 2002, during the financial year 2001-2002, the plaintiff bank conducted significant financial transactions with Home Trade Ltd., as detailed below:

- Payments to Home Trade Ltd.:

The plaintiff bank paid a total of ₹11,37,07,284.57 to Home Trade Ltd. through eight different cheques for the purchase of government securities from 15-05-2001 to 10-12-2001 Period. This is detailed in Mark-H.

- Government Securities and Bonds to be Received:

The plaintiff bank was entitled to receive government securities and bonds worth ₹22,74,71,054.32 from Home Trade Ltd., as represented by Marks 'T' and 'J'.

- Certificates Issued by Home Trade Ltd.:

From the funds paid by the plaintiff bank for new government securities, Home Trade Ltd. issued certificates worth ₹6,57,86,472.22. This is indicated in Mark 'K'.

- Deposits Made by Home Trade Ltd.:

Home Trade Ltd. deposited ₹3,02,14,813.89 with the plaintiff bank, represented by Mark 'L'.

- Total Financial Summary:

The total amount involved in these transactions was ₹34,11,78,338.89. Out of this amount, the accused returned securities and checks worth ₹9,60,01,286.11 to the plaintiff bank. However, the remaining amount of ₹24,51,70,052.78 has not been returned by the accused, nor have they provided the required security certificates.

Failure to Provide Security Certificates

Since 1st June 2001, despite multiple financial transactions for the purchase of securities, the accused have not fulfilled their obligation to provide the plaintiff bank with the necessary security certificates. They have repeatedly used the excuse that the certificates were unavailable or not transferable.

As a part of their scheme, they claimed that the previously purchased securities were sold at market value and that new securities were to be purchased at the current market price.

Outstanding Amounts and Unfulfilled Commitments

The consideration price for the new securities was calculated to be ₹32,45,77,026.39, while the value of the previously purchased securities was ₹36,69,21,731.94. To this day, the accused have not returned the plaintiff bank's investment of ₹28,75,21,758.33 or the 8.07% GOI 2017 securities worth ₹27,50,00,000.

Repeated Demands Ignored

Despite the plaintiff bank's repeated demands, the accused have failed to provide the required security certificates or return the invested amounts.

Home Trade Ltd. withdrew the amount from the plaintiff bank using checks. They issued certificates of ownership for government securities, but the accused failed to deliver these certificates before the sale of the securities. The market value of these securities

was not provided prior to the certificate issuance. Details of these transactions, including the account statements and purchase prices, have been recorded in the ledger book and are marked from 'A' to 'F', with a summary presented separately according to mark 'G'.

As of March 2002, the accused did not deliver the required government security certificates to the plaintiff bank, causing a significant breach of trust.

S R	Dat e	Contra ct No.	Name of Securi ty	Face Amount	Value	Consideratio n Amount
1	30- 01-	7165	8.07% GOI	9,00,00,000		9,06,17,625. 00
2	200 2	7143	2017	18,50,00,000		19,69,04,133
			8.07% GOI	Total:27,50,00, 000		.33
	13- 03- 200 2		2017			Total: 28,75,21,758 .33

The accused meticulously planned this entire operation, conspiring to withhold the security certificates worth ₹27,50,00,000.00 from the plaintiff bank. Additionally, they embezzled ₹28,75,21,758.33, committing severe offenses by deceiving, cheating, and misappropriating funds. It is highly probable that they used fraudulent trade numbers and bogus contract notes in these illegal transactions.

24) On 16th March 2002, accused nos. 1, 2, and 16 visited the plaintiff bank, promising to deliver the pending securities and provided a payment schedule for these securities dated 9th May 2002. On 18th March 2002, they further assured the bank that the securities were ready for sale and that they would provide alternative securities in their place.

Despite these assurances, even after the arrests of accused nos. 2 and 3, they continued to make false promises to settle the payments within 15 days. However, they failed to act accordingly, leading to the filing of a formal complaint.

25) The evidence in the present case includes the following individuals:

1. Manager of the Bank (Plaintiff) - Valsad
2. Bank Accountant, Mr. F. M. Thakor - Valsad
3. Chairman of the Bank, Mr. Dharmin C. Desai - Valsad
4. Managing Director, Mr. Deepakbhai T. Desai - Valsad
5. Managing Director, Mr. Amratlal N. Patel - Valsad
6. Members of the Investment Committee of the Bank and other evidences who will come out during the investigation.

Place:

Valsad

Date: 06-06-2002

Date: 20/07/2002

Statement by:

Chetanbhai Ramanlal Desai

Age: 40

Occupation: General Manager

Bank: Seth Bhagwandas Brijbhukshan Das Shroff People's
Co-operative Bank Ltd., Valsad

Residence: Valsad

Statement Details:

I, Chetanbhai Ramanlal Desai, have been working as the General Manager at Seth Bhagwandas Brijbhukshan Das Shroff People's Co-operative Bank Ltd., Valsad for the past 15 years. On 06/06/2002, I lodged a complaint at Valsad City Police Station against the following individuals:

1. Nand Kishore Shankarlal Trivedi

2. Ketan Kantilal Seth

3. Sanjay Hariram Aggarwal

4. Suloda Bhandari

...along with a total of 15 individuals associated with Home Trade Ltd., for their involvement in the bank's financial loss of Rs. 28.75 crore.

The complaint is based on the failure of Home Trade Ltd. to deliver government securities, despite the bank's substantial investment with them. Home Trade Ltd., a member of the National Stock Exchange (NSE), provided stamped agreements to the bank for the securities. However, these securities were never delivered. Payments for these transactions were made via bank cheques, and all relevant certificates in possession of Home Trade have been submitted, with Xerox copies of these certificates enclosed.

The bank has also submitted copies of the transaction agreements, a list of cheques, and bank statements

showing the amounts paid. All transactions with Home Trade Ltd. were handled through Ketan Kantilal Seth as its representative, and the necessary answers to the bank's inquiries were given in line with the agreements.

On 15/03/2002, the bank sent a letter via fax to Home Trade Ltd., warning that if Mr. Ketanbhai Seth did not deliver the securities by the following morning, the matter would be escalated to SEBI. This issue was subsequently discussed at a Board of Directors meeting on 16/03/2002 at 11:00 AM, where both Mr. Ketanbhai Seth, Mr. Nandkishore Trivedi, and Ms. Kanane Mewawala were present. During this meeting, a personal interest was noted in relation to a secondary offer that was discussed.

Following the meeting, Nandkishore Trivedi, in his capacity as Educational Director and Secretary of Home Trade Ltd., provided a letter dated 16/03/2002 to the Board. This letter outlined a proposal to deliver new

securities in exchange for the undelivered ones and included an acknowledgment of the pending delivery. Mr. Trivedi also provided an undertaking to transfer the Subsidiary General Ledger (SGL) in the bank's name as per the first proposal. Additionally, a post-dated cheque was provided to the bank as security, should Home Trade Ltd. fail to deliver. A Xerox copy of this post-dated cheque is enclosed.

Further, I submit copies of the Register of Companies documents related to Home Trade Ltd., obtained from Pune, along with the Board of Directors list for Home Trade Ltd.

At the Board of Directors meeting on 16/03/2002, Mr. Ketan Seth, Mr. Nandkishore Trivedi, and Ms. Kanan Mewawala were present, as well as the following board members:

1. Dharmin Desai - Chairman
2. Deepakkumar Desai - Managing Director
3. Kirtibhai Desai

4. Kiran alias Hemantbhai Desai
5. Mansukhlal Shethia
6. Patitosh Bhatt
7. Jignesh Mehta
8. Kailashnath Pandey
9. Shashikant Shethia
10. Prashant Desai
11. Nilesh Modi

Each member present at the meeting signed in acknowledgment of the discussed matters. I have also submitted the relevant letter documenting this meeting.

All decisions regarding government securities transactions, purchases, and sales, as well as various investments of the bank, were approved through resolutions passed by the Board of Directors. Additionally, I am submitting copies of the resolutions of the Investment Committee and RBI circulars sent to banks regarding the cooperative banks' investment limit increase to 10%.

These are the facts as I have stated.

Signed,

Chetanbhai Ramanlal Desai

General Manager,

Seth Bhagwandas Brijbhukshan Das Shroff People's Co-
operative Bank Ltd., Valsad

Counter-Signed,

M.J. Parmar

Police Inspector, Special Crime Branch, Valsad

Date: 15/09/2002

Statement by:

Chetanbhai Ramanlal Desai

Position: Manager

Bank: Seth Bhagwandas Brijbhushandas Shroff Balsar
People's Co-operative Bank Ltd., Valsad

Residence: Valsad

Statement Details:

I, Chetanbhai Ramanlal Desai, am the manager of Seth Bhagwandas Brijbhushandas Shroff Balsar People's Co-operative Bank Ltd. in Valsad. I previously submitted a written complaint on 06/06/2002 to Valsad City Police Station, which you recorded in my statement on 20/07/2002. I confirm that all details you read back to me are accurate and true.

Between March 2001 and 2002, our bank invested Rs. 11 crore with Home Trade Ltd., located in Mumbai, by purchasing government security bonds and issuing cheques for payment. Upon the expiration of the

investment term, we demanded the security bonds, which Home Trade Ltd. failed to deliver. On 16/03/2002, they provided a letter promising to deposit the security bonds in the bank's SGL (Subsidiary General Ledger) account. They issued four post-dated cheques to cover the amount owed to the bank:

1. Cheque No. 984087 dated 27/04/2002 for Rs. 5,36,43,250.00
2. Cheque No. 984086 dated 04/02/2002 for Rs. 5,37,21,708.33
3. Cheque No. 984085 dated 08/05/2002 for Rs. 7,52,73,158.33
4. Cheque No. 984084 dated 11/05/2002 for Rs. 11,29,80,350.00

These cheques were drawn from HDFC Bank, Nariman Point, Mumbai (Account No. 00104003170113202) and were sent for collection. However, all four cheques were returned unpaid, and no funds were received by the bank.

Our legal counsel, Mr. Sampi J., pursued recovery efforts by contacting Home Trade Ltd. and relevant officials, but Home Trade Ltd. has not repaid any amount to the bank. Consequently, in accordance with Section 138 of the Negotiable Instruments Act, we filed a criminal case (No. 1174/02) in the court of Chief Judicial Magistrate, Valsad, which is currently ongoing.

These are the facts as I have stated.

Signature:

M.J. Parmar

Police Inspector, Special Crime Branch

Valsad

Date: 20/11/2002

Statement by:

Chetanbhai Ramanlal Khede Desai

Age: 49

Occupation: Business Job

Residence: Reh Samriddhi, Mota Bazar, Valsad, T.G.
Valsad

Statement Details:

I, Chetanbhai Ramanlal Khede Desai, hereby confirm that I have previously submitted documents in person, which have been fully provided for your review. I affirm that the facts stated in my previous submissions are accurate.

Today, I wish to present additional evidence pertaining to the original documentary banks that are pending special inquiry in the ongoing court case.

I assert that all my statements are correct and true,
as documented by me.

Signature:

(M.J. Parmar)

Police Sub Inspector

Local Crime Branch, Valsad

Resolution No. 6

In the Managing Committee meeting held on 11-5-2001, the following resolution was passed regarding investment in government securities.

Director Mr. Deepakbhai Desai, who attended on 9-5-2001, proposed the withdrawal of Fixed Deposit Receipts from the Valsad District Central Co-operative Bank Ltd. as they mature. It was decided to deposit Rs. 4 to Rs. 5 crore in government securities. This resolution has been ratified, authorizing the Investment Sub-Committee to invest up to Rs. 5 crore in government securities which are considered advantageous to the bank.

The matured receipts allow for the Investment Sub-Committee to obtain quotations from time to time for government securities investments. Current options include the following government bonds:

- 11.60% G.O.I. 2020
- 10.70% G.O.I. 2020

The sub-committee has approved the sale of the 10.85% G.O.I. 2001 security of Rs. 1 crore and the reinvestment of Rs. 1 crore in government securities.

Additionally, the committee granted authority to open an S.G.L. (Statutory General Ledger) account with UTI for investment in government securities, along with a corresponding current account in the bank's name. This account will enable the bank to manage its investment transactions effectively.

Date: 25/05/2001

Work & Resolution No.: 50

Subject: Resolution of the Managing Committee Meeting

According to the resolution passed by the Investment Committee on 15/05/2001, it was proposed to allocate funds for the purchase of 10.70% Government of India (G.O.I.) 2020 bonds. 100.75 Rs per bond, amounting to a total investment of Rs. 3 crores.

Resolution:

It is hereby resolved that the Investment Committee's decision to allocate 10.70% G.O.I. 2020 bonds, 100.75 Rs per bond at a for an investment of Rs. 3 crores is ratified.

Resolution No.: 51

Dated: 25th May 2001

The Managing Committee has ratified the resolution made by the Investment Committee on the 21st of May 2001, and subsequently affirmed on the 23rd of May 2001, regarding the investment in Government of India bonds.

Resolved that an investment of Rs. 2 crores in 10.70% Government of India 2020 Bonds is confirmed, at a rate of 100.60 per bond.

Resolution No. 12

In the Managing Committee meeting dated 12-6-2001, the following resolution was passed:

According to the Investment Committee resolution dated 29-5-2001, an investment of Rs. 1 crore was made in the 10.25% G.O.I. 2021 bond at a bond price of Rs. 100 and 25 paise. This investment of Rs. 1 crore is hereby ratified.

It is unanimously resolved to ratify the investment decision made on 29-5-2001.

Resolution No. 13

In the Managing Committee meeting dated 12-6-2001, the following resolution was passed based on the Investment Committee meeting dated 1-6-2001:

The sale and ratification of the following securities were approved:

1. 10.80% G.O.I. 2008 bond, with an investment of Rs. 2 crore, sold at a bond price of Rs. 105 per bond.
2. 11.98% G.O.I. 2004 bond, with an investment of Rs. 2 crore, sold at a bond price of Rs. 108 and 25 paise per bond.
3. 11.19% G.O.I. 2005 bond, with an investment of Rs. 1 crore, sold at a bond price of Rs. 107 and 50 paise per bond.

From the proceeds of the above sales, an investment was made in the 10.25% G.O.I. 2021 bond at a price of Rs. 100 and 25 paise per bond, totaling Rs. 5,50,00,000 (Rupees Five Crore Fifty Lakhs). This investment is hereby confirmed and ratified unanimously.

After confirming the above resolution, Director Mr. Mansukhbhai Shethia suggested that any income tax liability arising from the profits of the above sale should be addressed in consultation with the bank's Chartered Accountants, and appropriate actions should be taken as advised.

Work & Resolution No. 4

In the Managing Committee meeting dated 10-8-2001, the following resolution was passed:

On 7-8-2001, the Investment Sub-Committee approved an investment in the 10.25% G.O.I. 2012 bond at a price of Rs. 103 and 25 paise per bond, totaling Rs. 3,15,55,833 and 33 paise (Rupees Three Crore Fifteen Lakh Fifty-Five Thousand Eight Hundred Thirty-Three and Thirty-Three Paise).

This investment is hereby confirmed, ratified, and unanimously approved

Resolution No. 49

In the Managing Committee meeting dated 8-9-2001, the following resolution was passed:

On 16-8-2001, the Investment Sub-Committee approved an investment in the 10.03% G.O.I. 2019 bond at a price of Rs. 100.75 paise per bond, with a total investment amount of Rs. 3 crore (Rupees Three Crore).

This investment is hereby ratified, confirmed, and unanimously approved.

Work & Resolution No. 72

In the Managing Committee meeting dated 8-9-2001, the following resolution was passed:

As per the Investment Sub-Committee decision on 5-9-2001, an investment was made in the 9.81% G.O.I. 2013 bond at a price of Rs. 102.25 per bond, with a total investment amount of Rs. 1 crore (Rupees One Crore).

This investment is hereby ratified, confirmed, and unanimously approved.

Resolution No. 56

In the Managing Committee meeting dated 8-11-2001, the following resolution was passed:

The Investment Sub-Committee meeting held on 6-11-2001 approved the investment of government securities through home trade, including G.O.I. 2015 bonds with an interest rate of 9.85%. An investment of Rs. 12,50,00,000 (Rupees Twelve Crore Fifty Lakhs) was made at a price of Rs. 104 and 85 paise per bond. This investment is hereby ratified and unanimously approved.

Sr. No.	Security	Interest Rate	Investment Amount	Profit Realized
1	G.O.I. 2012	10.25%	Rs. 3 crore	Rs. 12,15,000
2	G.O.I. 2021	10.25%	Rs. 5 crore	Rs. 34,75,000

3	G.O.I.	10.03%	Rs. 3 crore	Rs.
	2019			18,30,000
4	G.O.I.	9.81%	Rs. 1 crore	Rs.
	2013			5,95,000
Total			Rs. 12 crore	Rs.
				71,15,000

The authority is granted to sell these securities and re-invest them at a profit if required.

Resolution No. 11 of the Managing Committee Meeting
held on 14-12-2001

Work Order No. 11

Date: 07-12-2001

The Investment Sub-Committee executed the sale of bonds from the following public sector units through Home Trade at an in against 7.50% GOI, with a per-bond price of Rs. 101/- for an aggregate of Rs. 3,50,00,000/-. This action is hereby ratified as per the details below:

Details of Investments and Sale Proceeds

S R N O	Bond	Interes	Face	Value	Sale	Price
	Details	t Rate	(Rs.)		(Rs.)	

1	Sardar Sarovar Nigam Ltd. Bond 2005- 2006	15.50%	1,00,00,000/ -	1,12,47,808.2 2
2	Kerala State Electricit y Ltd. Bond 2002	15.75%	1,00,00,000/ -	1,11,21,643.8 4
3	Krishna Bhagya Jal Nigam Bond 2002	15.75%	1,00,00,000/ -	1,04,96,438.3 6
	Total Sale Proceeds			Rs. 3,28,65,890.4 2

The sale of these bonds, amounting to Rs. 3,50,00,000/-
, is approved and ratified as per the details provided.

**Resolution No. 22 of the Managing Committee Meeting
held on 30-01-2002**

Work Order No. 22

The Investment Committee on 25-01-2002 authorized the following investments in government securities, conducted through Home Trade and G.O.I. bonds 2017-8.07% with 9 crors per bond 100.35 Paisa, and Rs 3 crores G.O.I. 2013-9.81% per bond 113.50 paisa. These transactions are hereby presented for ratification:

Investment Details

Sr	Security	Maturit	Interes	Investmen	Sale Price
.	Details	y	t Rate	t Amount	(Rs.)
No					
.					
1	12.10%	2008	12.10%	Rs.	1 Rs.
	G.O.I.			Crore	14,38,000
	2008				

2	10.50%	2014	10.50%	Rs.	2	Rs.
	G.O.I.			Crore		39,80,000
	2014					
3	10.70%	2020	10.70%	Rs.	3	Rs.
	G.O.I.			Crore		62,70,000
	2020					
4	10.70%	2020	10.70%	Rs.	2	Rs.
	G.O.I.			Crore		45,10,000
	2020					
5	10.25%	2021	10.25%	Rs.	1.5	Rs.
	G.O.I.			Crore		28,57,500
	2021					
6	7.50%	2010	7.50%	Rs.	3.5	Rs.
	G.O.I.			Crore		2,80,000
	2010					
Total				Rs.	13	Rs.
Investmen				Crore		1,90,35,50
t Amount						0

The committee hereby ratifies and approves the above
investments and sales as presented.

946

**Resolution No. 16 of the Managing Committee Meeting
held on 19-04-2002**

Work Order No. 16

Investments in Government Securities as mentioned below made from our Bank Dated 4 4 2002 Committee in the following details Investment made by Reserve Bank of India in Central Government Securities as Director Leader in SGL Account by UTI Bank Limited Valsad and for that. Ratifying the resolution to deposit the necessary funds in UTI Bank Valsad.

Details of Investments

Sr. No.	Security Details	Interest Rate	Investment Amount	Bond Price (Rs.)
1	6.85% G.O.I. 2012	6.85%	Rs. 1,00,00,000	Rs. 100
2	6.65% G.O.I. 2009	6.65%	Rs. 1,00,00,000	Rs. 100

Resolution No. 16

The committee hereby ratifies and approves the investments in government securities made through UTI, acting as the Direct Leader. The funds required for these investments have been duly deposited in Bank Ltd., Valsad, through S.G.L. It has been approved and ratified.

Details of Investments

Sr. No.	Security Details	Interest Rate	Investment Amount	Bond Price (Rs.)
1	6.85% G.O.I. 2012	6.85%	Rs. 1,00,00,000	Rs. 100
2	6.65% G.O.I. 2009	6.65%	Rs. 1,00,00,000	Rs. 100

Date: 9-5-2001

Resolution No.: 1

Job No.: 1

Subject: Deliberation and Decision on Investment in Government Securities

Resolution Details:

It was resolved that deposits from the Valsad District Central Co-operative Bank Ltd., maturing next month and amounting to Rs. 4 to Rs. 5 crore, should be invested in government securities as they mature. Specifically, maturing deposits invested at 11.60% in G.O.I. 2020 and 10.25% in G.O.I. 2012 should be reviewed. Additionally, UTI securities at 10.85% (G.O.I. 2001) worth Rs. 1 crore have been sold. It is resolved that the bond investments should be either suspended or approved based on current deliberations.

Resolution Approval:

This resolution (Resolution No. 6) from the meeting held on 11-5-2001 was unanimously approved and ratified.

Resolution No. 1 of the Investment Committee Meeting
held on 15-05-2001

Job No. 1

Subject: Investment in Government Securities as per
Authorization

Following the decision of the Investment Sub-Committee on 09-05-2001 and the authorization granted in Resolution No. 6 of the Board of Directors on 11-05-2001, the Investment Committee has reviewed options for investing in government securities, specifically:

1. G.O.I. 2012
2. G.O.I. 2020 - 10.30%

After evaluating offers and conducting detailed price negotiations with three parties, we received quotations from Bank Valsad, State Camp Mumbai, and Home Trade Mumbai. the committee resolved to purchase the following government securities:

Investment Details

- Securities: 10.85% G.O.I. 2001
- Price Quoted by Home Trade: Rs. 101.50 per bond
- Investment Amount: Rs. 1 Crore
- Additional Security: 10.70% G.O.I. 2020, with a total investment of Rs. 3 Crores

The committee resolved to:

Invest ₹3 crore in the 10.70% GOI securities for 2020, and considering the amount from the securities sold by the bank, Also issue a cheque in the name of Home Trade (UTI Bank, Mumbai) for the difference amount.

This has been approved.

The resolution was approved and sanctioned through Resolution No. 50 in the meeting held on 25-5-2001.

**Resolution No. 1 of the Investment Committee Meeting
held on 21-05-2001**

Job No. 1

**Subject: Deliberation and Decision on Investment in
Government Securities**

The Investment Committee resolved to invest in the 10.70% G.O.I. 2020 securities. An investment of Rs. 2 crore will be made through Home Trade at a price of Rs. 100.60 per bond via Home Trade. This investment decision will be submitted for ratification at the next Board of Directors meeting.

This resolution was approved and unanimously ratified via resolution No. 51 on 25-05-2001.

**Resolution No. 1 of the Investment Committee Meeting
held on 29-05-2001**

Job No. 1

**Subject: Discussion on Profitable Investment in
Government Securities and Decision on Selling Bonds**

The Investment Committee conducted a detailed review of profitable government securities and Public Sector Undertaking (PSU) bonds to consider for sale. After examining the quotations, the committee resolved as follows:

1. Purchase of 10.25% G.O.I. 2021 Bonds at Rs. 100.25 per bond, with an investment amount of Rs. 1 crore, through Home Trade.
2. Obtain and review quotations for the following government securities, with a decision to consider their sale in the next Investment Committee meeting:
 - 10.80% G.O.I. 2008 Bonds valued at Rs. 2 crore
 - 11.98% G.O.I. 2004 Bonds valued at Rs. 2 crore
 - 11.19% G.O.I. 2005 Bonds valued at Rs. 1 crore

The total principal amount under review for these securities is Rs. 5 crore.

This resolution was reviewed and unanimously ratified via Resolution No. 12 in the meeting held on 12-06-2001.

**Resolution No. 1 of the Investment Committee Meeting
held on 01-06-2001**

**Subject: Discussion on Investment in Profitable
Government Securities and Decision on Selling Bonds**

The Investment Committee reviewed options for profitable government securities and Public Sector Undertaking (PSU) bonds and resolved as follows:

1. Purchase of 10.25% G.O.I. 2021 Bonds at a rate of Rs. 100.25 per bond, with a total investment amount of Rs. 1 crore, through Home Trade.

2. After obtaining quotations from Home Trade for government securities and PSU bonds, the committee will evaluate the following securities for potential sale at the next Investment Committee meeting:

- 11.80% G.O.I. 2008 Bonds, valued at Rs. 2 crore
- 10.98% G.O.I. 2004 Bonds, valued at Rs. 2 crore
- 11.19% G.O.I. 2005 Bonds, valued at Rs. 1 crore

The total principal amount under consideration is Rs. 5 crore.

This decision was reviewed and unanimously ratified via Resolution No. 12 in the meeting held on 12-06-2001.

**Resolution No. 1 of the Investment Committee Meeting
held on 07-08-2001**

Subject: Investment in Government Securities

Job No. 1

The Investment Committee resolved to invest in 10.25% G.O.I. 2012 Bonds at a rate of Rs. 103.25 per bond, with a total investment amount of Rs. 3 crore through Home Trade. This investment decision will be submitted for ratification at the next Board of Directors meeting.

This resolution was reviewed and unanimously ratified via Resolution No. 4 in the meeting held on 10-08-2001.

**Resolution No. 1 of the Investment Committee Meeting
held on 16-08-2001**

Job No. 1

**Subject: Decision on Sale of Government Securities and
PSU Bonds**

The Investment Committee discussed and resolved to sell certain government securities and PSU bonds identified as profitable. The details are as follows:

1. Based on Resolution No. 49 from the meeting dated 25-05-2001, 12.50% G.O.I. 2004 Bonds will be sold at a price of Rs. 112.80 per bond, with a total value of Rs. 1 crore.

2. Additionally, Valsad District Central Co-operative Bank Ltd. bonds, valued at Rs. 2 crore, will be sold at Rs. 100.75 per bond, maturing in 2019.

The proceeds from these sales are designated for immediate reinvestment.

This resolution was reviewed and unanimously ratified
Via Resolution No. 49 in the meeting held on 08-09-
2001.

Resolution No. 1 of the Investment Committee
Meeting held on 05-09-2001

Job No. 1

Subject: Investment in Government Securities

The Investment Committee resolved to invest in 9.81% G.O.I. 2013 Bonds at a price of Rs. 102.25 per bond, with a total investment amount of Rs. 1 crore. This investment decision will be submitted for ratification at the next Board of Directors meeting.

This resolution was reviewed and unanimously ratified via Resolution No. 72 in the meeting held on 08-09-2001.

Date of the Investment Committee: 6-11-2001

Resolution No.: 1

Job No.: 1

Subject: Decision regarding the sale of investments in the following government securities withheld by the bank and the reinvestment in other government securities.

Government Securities for Sale:

1. 19.25% G.O.I. 2021 - ₹5 Crore
2. 10.03% G.O.I. 2017
3. 8.81% G.O.I. 2013 - ₹1 Crore
4. 10.25% G.O.I. 2013 - ₹1 Crore

Resolution No. 1:

It is resolved that the deposits of the following government securities made by the respective banks be sold at the stated prices:

Name of the Security	Amount	Profit Realized
10.25% G.O.I. 2012	₹3 Crore	₹12,15,000
10.25% G.O.I. 2021	₹5 Crore	₹34,75,000
10.03% G.O.I. 2018	₹3 Crore	₹18,30,000
8.81% G.O.I. 2013	₹1 Crore	₹5,95,000

The total amount collected from the above securities is ₹12,50,00,000. Out of this amount, ₹71,15,000 is to be reinvested in:

- Investment: 9.85% G.O.I. 2015 - Bonds
- Amount: ₹12,50,00,000

Resolution passed to invest through home trade at a price of ₹104.85 per unit.

This resolution is to be ratified in the next board meeting.

8-11-2002 Resolution No. 56 of the meeting was unanimously approved.

Date: 7-12-2001

Resolution No.: 1

Job No.: 1

Subject: Decision on the sale of the following bonds for government securities.

Bonds for Sale:

1. Sardar Sarovar Narmada Nigam Bond

- Interest Rate: 15.50%

- Maturity: 2005-2006

- Amount: ₹1 Crore

2. Kerala State Electricity Bond

- Interest Rate: 15.75%

- Maturity: 2002

- Amount: ₹1 Crore

3. Krishna Bhagya Jal Nigam Ltd. Bond

- Interest Rate: 15.75%
- Maturity: 2002
- Amount: ₹1 Crore

Resolution No. 1:

Resolved that the following bonds PSU , with a total value of ₹3 Crore, shall be sold through home trade at the price per bond stated against each:

Name of the Bond	Maturity Year - Percentage	Amount (₹)	Price per Bond (₹)
Sardar Sarovar Nigam Ltd. Bond	2005-2006 - 15.50%	1 crore	1.12,47,808=22

Kerala State Electricity Bond	2002 - 15.75%	1 crore	1.11,21,643.84
Krishna Bhagya Jal Nigam Ltd. Bond	2002 - 15.75%	1 crore	1,04,96,438.36

The total collected amount from the above bonds and ₹3 Crore 50 Lakhs, which shall be reinvested in 7.50% G.O.I. 2010 bonds at a price of ₹100 per bond to cease the home trade.

This resolution was unanimously approved at the Managing Committee meeting dated 14-12-2001 via resolution 11.

Date: 25-1-2002

Resolution No.: 1

Job No.: 1

Subject: Discussion and Decision Regarding Withdrawal
of Government Securities.

Government Securities Under Consideration:

1. 12.10% G.O.I. 2008

- Amount: ₹1 Crore

2. 10.50% G.O.I. 2014

- Amount: ₹2 Crore

3. 10.70% G.O.I. 2020

- Amount: ₹3 Crore

4. 10.70% G.O.I. 2020

- Amount: ₹1 Crore

5. 10.25% G.O.I. 2021

- Amount: ₹1.50 Crore

6. 7.50% G.O.I. 2018

- Amount: ₹3.50 Crore

Total Investment in Government Securities: ₹13 Crore

Resolution No. 1:

Resolved that, considering the current market prices of the investments made by the bank in various government securities, and after necessary negotiations with other brokers, it appears profitable to sell the following government securities at the stated market prices per bond. The Chairman, Director, and Manager are hereby empowered to carry out the necessary ancillary proceedings for this sale.

S R N O	Security details	Total Investmen t	Per Bond	Profit
1	12.10% G.O.I. 2008	1 Crore	124.0 0	14,38,000

2	10.50% G.O.I. 2014	2 Crore	119.2 0	39,80,000
3	10.70% G.O.I. 2020	3 Crore	121.6 5	62,70,000
4	10.70% G.O.I. 2020	2 Crore	121.6 5	42,10,000
5	10.25% G.O.I. 2021	1.5 Crore	119.3 0	28,57,500
6	7.50% G.O.I. 2010	3.5 Crore	101.8 0	2,80,000
	Total	13 Crore		₹1,90,35,50 0

Total Realised Profit: ₹1,90,35,500

The sale will be conducted through home trade in securities. Among the proceeds from the sale of the above investments, the following investments will be made:

1. 8.07% G.O.I. 2017

- Amount: ₹9 Crore
- Price per Bond: ₹100.35

2. 9.81% G.O.I. 2013

- Amount: ₹3 Crore
- Price per Bond: ₹113.50

This resolution was unanimously ratified on 30-01-2002
Via Resolution No. 22.

Date: 4-4-2002

Resolution No.: 1

Job No.: 11

Subject: Investment Decision in Central Government Securities through SGL Account with UTI Bank Ltd., Valsad.

Details of Securities for Investment:

1. G.O.I. 2009

- Interest Rate: 6.85%

- Amount: ₹1 Crore

2. G.O.I. 2012

- Interest Rate: 6.85%

- Amount: ₹1 Crore

Resolution No. 1:

It was decided that the Reserve Bank of India will facilitate the investment in central government securities through UTI Bank Ltd., Valsad, using the SGL (Subsidiary General Ledger) account. The required funds will be deposited in UTI Bank, Valsad, for this purpose.

The securities for investment are as follows:

Details of Securities for Investment:**1. G.O.I. 2009**

- Interest Rate: 6.85%
- Amount: ₹1 Crore

2. G.O.I. 2012

- Interest Rate: 6.85%
- Amount: ₹1 Crore

The above investments made through the SGL account require ratification in the next board meeting.

Ratification: via Resolution No. 16 of the meeting dated 19-4-2002 ratified the above investments unanimously.

Date: 1-5-2002

Resolution No.: 1

Job No.: 1

Subject: Decision on Investment in 10-Year Government Security through SGL Account with UTI Bank Ltd., Valsad.

Details of Investment:

According to the calendar of securities issued by the Reserve Bank of India to the Government of India, non-competitive bidding for ₹2,000 crore in 10-year securities is scheduled from 1-5-2002 to 6-5-2002. The bank has decided to invest ₹1 crore in the 7.40% G.O.I. 2012 security through the SGL (Subsidiary General Ledger) account with UTI Bank Ltd., Valsad.

Work and Resolution No. 1:

It is resolved that, in alignment with the securities calendar issued by the Reserve Bank of India from 1-5-2002 to 6-5-2002, ₹6,000 crore is available for non-competitive bidding in a 10-year government security. The bank will invest ₹1 crore in this security, specifically the 7.40% G.O.I. 2012.

The investment process will be conducted through the SGL account with UTI Bank Ltd., Valsad. The required amount will be deposited in the UTI Bank Valsad account for this purpose.

The investment in the 7.40% G.O.I. 2012 government security through the SGL account has been ratified..

Panchnama

1.Dhansukhlal Ratilal Modi, age: 56, Occupation:

Business, Address: Mota Bazaar Valsad

2.Vinod Bhai Babu Bhai Maali, Age: 48, Occupation:

Business, Address: Mota Bazaar Valsad

In accordance with instructions, the Valsad Special Squad, Police E.S.M.J., Valsad, proceeded to Big Bazaar, Valsad, upon request we became present in Mr. Bhagwandas Brijbhushandas Shroff of Balsar People's Co-operative Bank. This was in reference to Case No. G.R. No. 119/02, involving IPC Sections 406, 409, 420, 422, 423, 34, and 120-B.

We were directed to draft a panchnama documenting the site for payment and commission purposes. The premises is described as follows:

- The entrance faces west.
- The ground floor contains the bank office and employee office.

- The first floor has the staff area, manager's cabin, and director's cabin.

- The second floor houses the boardroom, chairman's cabin, and the Managing Director's (MD) cabin, where board meetings are held.

A board meeting took place on 16.03.2002, attended in person by Mr. Nandkishore Trivedi, Mr. Ketan Sheth, and Ms. Kanan Mewawala.

The panchnama was recorded in the presence of these witnesses on 20.07.2002, between 17:15 and 17:45.

Signature:

(M.J. Parmar)

Police Sub Inspector, L.C.B., Valsad

Panchnama

1. Mansukhlal Annad Ji shethiya, Jain Age: 58,
Occupation: Business, Address: Mahavir Society
Mullavadi Valsad
2. Ishwar Bhai Chhotu Bhai Aahir, Age: 32, Occupation:
JOB, Jujwa Mill Valsad

As part of the ongoing investigation under Valsad City Police Station, G.R. No. 119/2002, Sections 585, 468, 467, 423, 422, 421, 409, 406, 120-G, and 34 of the IPC, we conducted an investigation into Crime No. Bhu45. The accused, Mr. Sanjay Hariram Aggarwal (age 37, resident of Vasi, New Mumbai), was detained in collaboration with Mumbai CID.

During the investigation, we were informed by Mumbai CID officials that Mr. Sanjay Hariram Aggarwal, arrested in connection with the aforementioned crime, was to be investigated in relation to his association with the company Home Trade Ltd. The company, located at International Infotech Park, Tower 3, 5th Floor,

Vashi, New Mumbai, and at Customs House in Crime Fort, was subject to a thorough inspection.

Under the supervision of Mr. K.V. Saude, DySP CID Nagpur, along with his team, we conducted a rapid investigation in the presence of the accused, Mr. Sanjay Hariram Aggarwal. No materials or documentary evidence relevant to the crime were found within the company premises. Consequently, no items were seized during this inspection.

The investigation was conducted swiftly, without causing any damage or committing any act against religious sentiments.

The panchnama has been reviewed and confirmed to be accurate by the witnesses, who have read, understood, and signed below.

Date: 24.09.2002

Time: 16:00 to 19:20 hrs

Signature:

(M.J. Parmar)

Police Sub Inspector, L.C.B., Valsad

Panchnama

1. Prakash Chandr Premji Bhai, Bhanushali, Age:42,
Occupation: Business, Address: Ramwadi Bhuneshwari
apartment, 1st floor Valsad
2. Suresh Bhai Thakor Bhai Tailor, Age: 35,
Occupation: Business, Address: Ganjkhana Navkaar
Apartment, 1st floor Valsad

As per instructions, Following the request from Police Sub-Inspector L.D. We attended here for Panchnama at the Superintendent of Police's office, in the old special squad office on the first floor.

Upon briefing the witnesses, it was explained that this panchnama relates to Case No. G.R. No. 119/02, involving IPC Sections 406, 420, 421, 409, 467, 422, 423, 120, and 34. The accused, Mr. Ketan Rameshbhai, aged 30, residing at 191, Block 5313, Gitanjali Apartment, Pantnagar, Ghatkopar East, Mumbai-75, was identified as the individual who countersigned various documents related to Home Trade, such as contract notes and bills.

In the presence of the accused, who identified himself as Ketan Rameshbhai Mashkaria, resident of Mumbai, we examined and verified documents related to the crime, which are listed as follows:

1. Security 10.70% G.O.I. 2020 with Face Value of Rs. 5,00,00,000/- and 10.25% G.O.I. 2021 with Face Value of Rs. 6,50,00,000/- (Total Rs. 11,50,00,000/-). Document dated 20.07.2001.
2. Security with Face Value of Rs. 1,50,00,000/- delivered under 10.25% G.O.I. 2021, dated 05.09.2001.
3. Contract notes as per Rule 3.5, Doc Nos. 6847, 6851, 6853, 6577, 6855, and 849.
4. Extension letter dated 06.11.2001.
5. Bill of Gillette Management Service, issued by Home Trade, Euro/Pune/15259, dated 21.12.2001.
6. Transfer letter dated 21.05.2001.
7. Authorization letter for delivery, with Face Value of Rs. 9,50,00,000/-, dated 25.01.2002.

These documents were identified and confirmed as bearing the accused's countersignature in his capacity as an officer of Home Trade Ltd., Data Market, and Money Market Operations. As part of the investigation, six blank sheets were signed by the accused, with six signatures per sheet, totaling 36 signatures. These sheets were marked from A1 to A5 and securely sealed in our presence, with an official seal affixed to the cover for verification.

The witnesses, having read and understood this panchnama, confirmed its accuracy and signed below.

Date: 25.06.2003 Time: 13:00 to 13:45 hrs

Witnesses:

1. Prakash P. Bhanushali
2. Sureshbhai T. Patel

Signature:

(Po. Sub. Ins.)

Women's Cell / L.C.B.

Office of the Superintendent of Police, Valsad

Panchnama

1.Nilesh Bhai Manu Bhai Desai Age: 46, Occupation:
JOB, Vajeefdar steet, Kaalat, Valsaad.

2.Kanaiya Bhai Keshav Ji Bhanushali, Age: 38,
Occupation: Job, Raamwadi Vrundawan apartment,
Room No - 8 Valsad.

Today, on the instructions of the Valsad City Police, we, the Panchas (Witnesses), were called to the office of Seth Bhagwandas Brijbhushandas, Valsad People's Co-Op Bank Limited, Mota Bazar, Valsad, where we appeared in the chamber of the manager.

Upon our arrival, the police briefed us that this panchnama is related to Valsad City Police Station G.R. No. 119/2002, registered under IPC Sections 406, 420, 421, etc. The investigation pertains to the accused, Mr. Ketanbhai Madaria, who is alleged to have countersigned certain documents, including sample contract note No. 6577, which needs to be seized for evidence.

In the manager's chamber, we observed a man seated above the manager's desk, who introduced himself as Chetanbhai Ramanbhai Desai. He claimed to be the manager of the bank. We were shown various contract notes related to this case, some of which bear the countersignature of the accused, Ketan Rameshbhai Madaria, and authorized signature of Sanjay Agarwal.

The contract note presented by Manager Chetanbhai is a Regulation 3.5 contract note marked with the Home Trade logo on the land side and is computer-generated. Below this, there is an authorized signature that reads "Authority Signatory/Direct" in English, signed by Sanjay Agarwal. Additionally, a blue ink signature with the initials "KRM" appears alongside a countersignature. This document has been marked with a "B" in ball pen.

For further verification, this document has been enclosed and sealed in the presence of the Panchas.

The contents of the above panchnama were read and explained to the Panchas, who confirmed its accuracy and signed below.

Date: 30.06.2003

Time: 11:00 to 11:30 hrs

Witnesses:

1. Nilesh
2. Kanaiya Keshavji Bhanushali

Signature:

(P.S.E. Valsad City Police Station)

Panchnama

1. Ranabhai Rambhai Gavli, Age: 47, Occupation: Business, Address: Abracha Dharmpur road, Suresh Metal Ni saame, Manibaug,

2. Balwant bhai Jheenabhai, Age: 52, Occupation: Agriculture, Address: Bodlaai Valsaad.

Today, under the direction of Valsad City Police, we, the Panchas (Witnesses), were called to Valsad City Police Station, where we appeared as requested.

The police informed us that this punchnama pertains to Case No. 119/02, registered under IPC Sections 406, 420, 421, 422, 423, 409, 467, 120-B, and 34. This investigation involves the accused, Mr. Nandkishore Shankarlal Trivedi, a resident of Mumbai, whose specimen signatures are required as part of the evidence.

Upon our request, the accused, Mr. Nandkishore Shankarlal Trivedi, confirmed his identity and stated that he is from Mumbai. He willingly provided his specimen signatures by signing on six blank sheets of paper, each marked with lines for guidance. These six

sheets, marked A1 to A5, contain his signatures in blue ink using a ballpoint pen. These specimen signatures are to match the signature on documents related to Home Trade, which were presented to Valsad People's Bank on 16.03.02.

The Panchas verified and signed on these sheets marked A1 to A5, after which the signed papers were enclosed in a khaki cover, sealed, and seized by Valsad City Police.

The details recorded in this panchnama have been read and understood by the Panchas, who attest to its accuracy and have signed below.

Date: 24.10.2003

Time: 11:15 to 11:45 hrs

Witnesses:

1. R. R. (Full Name)
2. Balwantbhai Jinabhai Patel

Signature:

(P.O. Sub. Inspector, Valsad City Police Station)

Panchnama

1. Fatehsing Morarbhai Tahkor, Age: 56, Occupation:
JOB, Address: Aradhna Society Plot No 22 Tishal
Road Valsad.

2. Divyesh Shahikant Kapadia Age: 46, Occupation:
JOB, Address: 103 Sangeeta Apartment, Paankji
Tekra Valsad.

Today, under the direction of the Valsad City Police,
the Panchas (Witnesses) named above were called to
Valsad People's Co-operative Bank, Valsad, where they
appeared as requested.

The police informed us that this panchnama pertains to
Case No. 119/02, registered under IPC Sections 406,
409, 420, 421, 422, 423, 120-G, and 34. The case
involves the accused, Mr. Nandkishore Shankarlal
Trivedi, who submitted a proposal letter on 16.03.02
at the Valsad People's Co-operative Bank, bearing his
original signature. The letter, written and signed by
Mr. Trivedi, is to be sent for examination by a

signature expert, and therefore, the original document needs to be taken into police custody.

Present with us is the complainant, Mr. Chetanbhai Ramanlal Desai, Manager of Valsad People's Co-operative Bank. From the bank's records, he has provided the original proposal letter dated 16.03.02, addressed to the Chairman, Mr. V.P. Shroff, of Valsad People's Co-operative Bank. The letter discusses pending delivery and government securities, along with a bank guarantee, written in English by Mr. Nandkishore Trivedi in his own handwriting, with his signature at the bottom. The letter is written with a brown ballpoint pen on lined paper.

The letter has been marked as "B" by the police for identification. Additionally, we Panchas signed a slip of paper marking the document "B-1" with a red pen for further verification, along with the specimen signature. This document has been sealed in a plain cover with a wax seal by the Valsad City Police.

The contents of this panchnama have been witnessed, read, and confirmed as accurate by us, the undersigned Panchas.

Date: 24.10.2003

Time: 13:00 to 13:30 hrs

Witnesses:

1. [Signature of Panch No. 1]
2. [Signature of Panch No. 2]

Signature:

(P.O. Sub. Inspector, Valsad City Police Station)

Statement**Date: 20.07.2002**

My name is Fatesing Morarbhai Thakor, aged 55, residing at Aradhana Society, Valsad. I am employed as an accountant at Seth Bhagwandas Bridge Bhushan Das Shroff, Valsad People's Co-operative Bank, where I have been working for the past 32 years, and in my current role as an accountant for the past two years. Our bank manager, Mr. Chetan R. Desai, supervises my work, and I perform all duties as per his instructions.

On 06.06.2002, our manager, Mr. Chetan R. Desai, reported to the Valsad City Police about a complaint involving (1) Nandkishore Shankarlal Trivedi, residing in Mumbai; (2) Ketan Kantilal Seth, also from Mumbai; (3) Sanjay Hariram Aggarwal, from Mumbai; (4) Suloda Bhandari, from Mumbai, along with approximately 15 others. I confirm that the names provided are accurate and truthful.

This complaint pertains to Home Trade Ltd., a shares and stock brokerage firm in Mumbai, associated with the

National Stock Exchange, with an office located in Vashi, Navi Mumbai. The accused named in the complaint, including Mr. Tata Nariman, allegedly procured government securities on behalf of our bank under false pretenses, misusing the name of Ulan Seth. Through these transactions, Mr. Shroff Bhagwandas Bhushandas Shroff of Emoti Bank, in collusion with the Valsad People's Bank, allegedly misappropriated bond certificates.

The total misappropriated amount from the government securities certificate holdings in our bank as of March 2002 stands at approximately Rs. 28,75,21,758.33. These certificates were intended for sale, but the funds were never transferred to the bank, resulting in betrayal and embezzlement against our institution. Consequently, a formal complaint has been filed.

During the board meeting of the bank held on 16.03.2002, I witnessed the presence of Nandkishore Trivedi, Ketan Seth, and Ms. Kanan Mewawala at the bank.

This statement is written by me and accurately represents the facts as I know them.

Signature:

(M.J. Parmar)

Police Inspector, Special Branch, Valsad

Statement**Date: 20.07.2002**

My name is Dharmin Chandrakant Desai, aged 35, occupation: lawyer. I reside and work at Halar Road, beside Medicat, Valsad.

I state that I am a practicing lawyer and have also been elected as Chairman of Valsad People's Co-operative Bank, Shroff Bhagwandas Bhushandas Shroff, for the past two years.

Today, I was shown a cover letter by Chetan R. Desai, the manager of the above-mentioned bank, dated 06.06.2002. This letter pertains to a complaint against the following individuals: (1) Nandkishore Trivedi, (2) Sanjay Aggarwal, (3) Ketan Sheth, (4) Subodh Bhandari, along with approximately 15 other accused persons. I confirm that the names in the complaint are accurate.

I specifically mention that the accused Ketan Sheth initiated a company called Home Trade, through which government bonds were allegedly purchased on behalf of

our bank up until March 2002. However, the government security certificates were never delivered to our bank. This resulted in a financial fraud of Rs. 28,75,21,758.33, as the securities purchased on behalf of the bank were neither received nor accounted for.

I attended the board meeting on 16.03.2002, where I witnessed the presence of Nandkishore Trivedi, Ketan Sheth, and Ms. Kanan Mewawala, among others. The following individuals were also present at the board meeting:

1. Deepak Kumar Desai, Managing Director
2. Amritlal Patel, Managing Director
3. Kirtikumar Desai
4. Kiran alias Hemant Desai
5. Mansukhlal Shethia
6. Paritosh Bhatt
7. Jignesh Mehta
8. Kailashnath Pandey
9. Shashikant Shethia

10. Prashant Desai

11. Nilesh Modi

This statement is true and correct as written by me.

Signature:

(M.J. Parmar)

Police Inspector, Special Branch

Statement**Date: 20.07.2002**

My name is Kiran alias Hemantbhai Ramanlal Desai, aged 51, occupation: trade and agriculture. I reside at 11, Chhaya Buddha Society, Halar Road, Valsad.

I state that I live at the address mentioned above. I have been serving as a director at Valsad Bhagwandas Mulladas Shroff People's Bank for the past five years.

Today, I was shown a complaint filed by Chetan R. Desai, the manager of the aforementioned bank, dated 06.06.2002. This complaint is against the accused persons (1) Nandkishore Trivedi, (2) Sanjay Aggarwal, (3) Ketan Sheth, (4) Subodh Bhandari, and approximately 15 others. I confirm that the names in the complaint are accurate.

Specifically, the complaint states that the accused individuals, in association with Home Trade Company, purchased bonds on behalf of our bank under the guise of trust. However, they failed to deliver the

government security certificates for the bonds purchased, resulting in financial fraud. As a result, our bank suffered a loss amounting to Rs. 28,75,21,758.33. This fraudulent act led to the complaint being filed by our bank manager on the grounds of betrayal and deception.

The last board meeting was held on 16.03.2002. I confirm that among the accused, Mr. Nandkishore Trivedi, Mr. Ketan Sheth, and Ms. Kanan Mewawala of Home Trade Company were present at this meeting. Other attendees included:

1. Dipakkumar Desai, Director
2. Amritlal Patel, Managing Director
3. Kirtikumar Desai
4. Dhawan Chandrakant Desai
5. Mansukhlal Shethia
6. Paritosh Bhatt
7. Jignesh Mehta
8. Kailashnath Pandey

9. Shashikant Shethia

10. Prashant Desai

11. Nilesh Modi

This statement is true and accurate as recorded.

Signature:

(M.J. Parmar)

Police Inspector, Special Branch, Valsad

I, Nileshebhai Ramanlal Kite Modi, residing and conducting business in photography at Palihill 4, Valsad, am writing this statement. I have been serving as a Director of the People's Bank in Valsad, located near Shroff Bhagwandas Bridge, for the past year.

Today, I was shown a complaint by the bank's manager, Mr. Chetan R. Desai, filed on 06.06.2002. The complaint accuses Mr. Nand Kishore Trivedi, Mr. Sanjay Aggarwal, Mr. Ketan Seth, Mr. Subodh Bhandari, and 15 other individuals. The details I have read from this complaint are accurate to the best of my knowledge.

Specifically, I wish to highlight that the accused, Mr. Ketan Seth, allegedly established a company named Home Trade by March 2002, during which they conducted transactions with our bank. However, they failed to deliver the government security certificates as promised. This omission involved an amount of Rs. 28,75,758.33, representing government security funds entrusted to them by our bank. Consequently, our bank

manager filed a complaint citing fraud and breach of trust.

Monthly board meetings are conducted by our bank. During the meeting held on 16.03.2002, both Mr. Nandkishore Trivedi and Mr. Ketan Seth, along with Mr. Kanan Mewawala of Home Trade Company, were present. I was also present at this meeting, as were other members of the board, including:

1. Mr. Deepak Kumar Desai, Managing Director
2. Mr. Amritlal Patel, Managing Director
3. Mr. Keerthikumar Desai
4. Mr. Kiran alias Hemant Desai
5. Mr. Mansukhlal Shethia
6. Mr. Paritosh Bhatt
7. Mr. Jignesh Mehta
8. Mr. Kailashnath Pandey
9. Mr. Shashikant Shethia
10. Mr. Prashant Desai
11. Myself, Nilesch Modi

All details related to the aforementioned issue will be provided by Bank Manager Mr. Chetan R. Desai. I confirm that the facts stated herein are true and accurate.

Signature:

M.J. Parmar

Police Inspector, Special Score

Valsad

I, Dipaben T.K., residing at 2B, 605 Dheerajveli East, Goregaon, Mumbai - 63 (Tel: 8408012, Office Tel: 6194212), am writing to provide information regarding my employment and related matters.

I have been residing at my work address and, for the past year, have been working as an accountant at Mileage Management Company, owned by Mr. Ketanbhai Sheth.

I am submitting this statement concerning a complaint filed by B.B. Shroff People's Co-operative Bank in Valsad against Home Trade Ltd., involving transactions between Home Trade and Giltage Company regarding government securities. As per my understanding, Home Trade Ltd. conducted transactions totaling Rs. 9,50,00,000/- related to government securities, including:

1. A sum of Rs. 9,50,00,000/- as per Bill No. 2135 dated 11.12.2001, with 15.75% interest on Krishna Bhagyo Jal Nigam Ltd. securities.

2. Additional transactions, including Rs. 1,00,00,000/- as the last holder with B.B. Shroff People's Bank, Valsad, and several certificates from Giltage Company including Nos. 1265, 6467, and 6518, all with Giltage as the last holder.

Additionally, two other bills (Bill Nos. 2714 and 2672) were processed, though I am not certain of the last holder for these. Our company, Giltage, purchased government securities from Home Trade Ltd. worth Rs. 9,50,00,000/-, with payment completed via Check No. 948619 dated 11.12.2001. Certified copies and necessary documents, including the Giltage Company Memorandum, have been submitted.

Mr. Ketan Sheth, reappointed as Director, and details of his role with Home Trade are documented in the ROC

(Registrar of Companies), with certified copies submitted for verification.

Giltage has additional government securities bills, including:

- Bill No. 2134 for Rs. 1,00,00,000/- at 15.75% interest from KSEB.
- Other bills detailing securities of Rs. 1,00,00,000/- to Rs. 50,00,000/- at varied rates from 12.10% to 10.50%.

All payments were made to Home Trade through Janata Sahakari Bank, as confirmed by Checks Nos. 948698 dated 27.12.2001 and 969904 dated 31.01.2002. Giltage Company paid Home Trade in full through these transactions.

The certified copies of these transactions have been reviewed by our auditor, with additional records filed with both S.D. and CBI Nagpur from our Giltage Company.

I confirm that the facts stated herein are accurate and true to the best of my knowledge.

Signature: Police Sub Inspector L.C.B. Valsad

Date: 24.10.2002

I, K.S. Vaidh Murti, a Brahmin by background, residing at Age: 53, currently serve as Vice President of UTI Bank Ltd., located on P.M. Road, Fort, Mumbai (Tel: 7846902). I have been working in the banking sector for eight years and have held the position of Vice President for several years.

This statement is to provide details concerning a complaint against Home Trade Ltd. Their account (Account No. 25504) has been active in our bank since 20.08.2001. On 08.09.2001, B.B. Shroff People's Co-operative Bank, Valsad, deposited Rs. 1,04,92,050.00 (Rupees One Crore Four Lakh Ninety-Two Thousand Fifty) into Home Trade's account. Following this, Home Trade withdrew funds as follows:

1. On 08.09.2001, Rs. 33,00,000/- (Rupees Thirty-Three Lakh) was withdrawn in cash via Check No. 22921.

2. A pay order was issued on 08.09.2001 for Rs. 70,00,000/- (Rupees Seventy Lakh) in favor of Home Trade through Check No. 2922.

3. A deposit of Rs. 3,500/- was made into our bank account to maintain the required margin.

4. On 19.09.2001, Check No. 22923 for Rs. 1,85,000/- (Rupees One Lakh Eighty-Five Thousand) was issued for clearing, though the recipient's details are currently unknown.

Additionally, on 10.12.2001, B.B. Shroff People's Co-operative Bank issued a check for Rs. 26,66,401.25, deposited into Home Trade's account on 11.12.2001. Subsequently:

1. Rs. 1,50,000/- was withdrawn in cash using Check No. 32343.

2. Rs. 25,00,000/- was issued via Check No. 32342 for clearing, though the payee details are not known at this time.

Account No. 25504 for Home Trade was managed by Agarwal and Subodh Bhandari, who were appointed for bank administration. I am providing two copies of the Home Trade Company Director forms along with a photocopy of the original bank statement covering the period from 01.06.2001 to 19.04.2001.

The checks from B.B. Shroff People's Co-operative Bank as well as those issued by Home Trade are currently stored in our bank's godown in Nala Sopara. I will arrange for their submission.

I confirm that the facts stated in this statement are accurate and truthful as written by me.

Signature in Person:

Police Sub Inspector

L.C.B., Valsad

Ujp, Mumbai

I, Sivayogi Vasav Raj Khete Phulchand, residing at 19, Thilak Dham, Cama Road, Andheri West, Mumbai (Tel: 04988484, Mobile: 98206063224), am currently employed as an Assistant Manager at HDFC Bank's Corporate Office in Kamala Mills, Lower Parel, Mumbai. I have been working on the II Floor of this office for the past one and a half years.

I am providing this statement in response to an inquiry regarding a complaint filed by B.B. Shroff People's Co-operative Bank, Valsad, against the "Home Trade" Company. Although I have been asked to provide details and documentation concerning this matter, the relevant records are not presently available in my office. I will ensure they are sent to Valsad in due course.

I affirm that the information provided here is true and accurate to the best of my knowledge.

Signature in Person:

Police Sub Inspector

L.C.B., Valsad

Date: 24.10.2002

To Whom It May Concern,

I, Shrikant Someshwar Deshpande, residing at Gurudeep Apartment, Cooperation Nagar, Pune, Flat No. 1 (Tel: 0-022-2654452; Pune: 020-4225192), currently work as an Assistant Manager at Janata Sahakari Bank Ltd., Bombay Samachar Marg / Fort Branch, Mumbai. I have been in this position for the past four months, and have worked with the bank for a total of 22 years.

This statement is provided in relation to the inquiry regarding a complaint filed against Home Trade Ltd. The credit account in question, Account No. 2364, was initially opened on 26.02.1998 under the name Loyx Brokerage Ltd. On 21.08.1998, we received a letter stating that the company name had been changed to "Euro-Asian Security Ltd." with a resolution from the Board of Directors confirming this change. Later, on 25.11.1999, the company notified us again, indicating that the name had been changed to "Home Trade Ltd.,"

and provided another resolution to this effect. Sanjay Aggarwal and N.S. Trivedi were appointed to operate this account, and I am providing certified copies of the related documentation herewith.

The statement of Account No. 2364 from 01.08.2001 to 28.09.2001 shows that on 20.08.2001, a check for Rs. 1,86,06,525.00 (Cheque No. 33057) was deposited into the account, issued by Valsad People's Co-operative Bank. On the same day, the following transactions took place through Home Trade Ltd.'s account:

1. Cheque No. 939304 - Rs. 5,00,000/- issued.
2. Cheque No. 939401 - Rs. 2,79,618.50 issued.
3. Cheque No. 939315 - Rs. 9,00,000/- to Podar Trading Co.
4. Cheque No. 939317 - Rs. 4,68,000/- to Hooghly Trading 2468.
5. Cheque No. 939420 - Rs. 8,30,000/- to Inter Safe Consulting.
6. Cheque No. 939313 - Rs. 34,00,000/- to Hooghly Trading 2468.

7. Cheque No. 939314 - Rs. 14,00,000/- to Pacific Fin 2470.
8. Cheque No. 939316 - Rs. 10,16,720.95 as a pay order.
9. Cheque No. 939400 - Rs. 5,00,000/- to Pradayani Infotex Pvt. Ltd.
10. Cheque No. 939412 - Rs. 14,946.75 to Parimal Aral Shah & Co.
11. Cheque No. 939383 - Rs. 49,348/- to Shobha Subramaniam.
12. Cheque No. 939352 - Rs. 2,43,432.56 to Digital Ebar Techno.
13. Cheque No. 939361 - Rs. 35,113.00 to Arun Kejriwal.

These transactions led to a negative balance of Rs. 8,28,77,409/- in Account No. 2364, indicating the amount owed by Home Trade Ltd. to the bank. Original copies of the checks will be presented in court.

I confirm that the information provided in this statement is accurate and truthful.

Signature in Person:

Police Sub Inspector

L.C.B., Valsad

Date: 24.10.2002

To Whom It May Concern,

I, Baby Abraham Payley, residing at Federal Bank Inc. Lab Staff Quarters, Nirman Park, Andheri East, Mumbai (Tel: 022-8302254), am currently employed as a Senior Manager at Federal Bank, Corporate Banking Branch, Tamarin Line Home, Moti Street, Fort (Tel: 022-2642116, 2642109, 26421010). I have been working with Federal Bank since 1976 and have held the position of Senior Manager since 1997.

This statement pertains to the complaint filed against Home Trade Ltd. The account in question was opened as an overdraft account on 09.01.2001. The administration of the account was entrusted to Sanjay Aggarwal, N.S. Trivedi, Ketan Sheth, and Subodh Bhandari. I am submitting certified copies of relevant documents, including the Board of Directors' resolutions dated 28.03.2001, 12.04.2001, and 02.01.2001, for your reference.

Account No. 5012 for Home Trade Ltd. was credited with a deposit of Rs. 1,99,66,513.89 on 16.05.2001 via a check issued by B.B. Shroff from Valsad People's Co-operative Bank Ltd. Subsequent transactions from this account included:

1. Rs. 35,00,000/- on 16.05.2001 to Giltage Management Services Ltd.
2. Rs. 45,00,000/- on 16.05.2001 to Giltage Management Ltd.
3. Rs. 65,00,000/- on 17.05.2001 to Giltage Investment Banking Ltd.
4. Rs. 50,00,000/- on 16.05.2001 to e.Space Technologies Pvt. Ltd.
5. Rs. 3,00,000/- on 18.05.2001 (self withdrawal).

All transactions were signed on behalf of Home Trade Ltd. by Subodh Bhandari. I am providing certified copies of these checks and the amounts cleared from our bank.

Due to ongoing investigations involving multiple police cases against Home Trade Ltd., I cannot provide the original documents at this time. However, I assure that I will present the originals in court if required.

As of today, this statement is accurate and truthful.

Signature in Person:

Police Sub Inspector

L.C.B., Valsad

Date: 25.02.2003

To Whom It May Concern,

I, Somaiyaben, spouse of Ajay Kumar Dixit, residing at Age: 32, am currently employed at the National Stock Exchange (NSE) in Kurla Bandra Complex, Mumbai. I have been working as a Manager in the Membership Department of NSE for the past five years.

In reference to Crime No. 119/02 as per the previous authority letter from Valsad Police, I am providing a photocopy of the Home Trade membership documentation with NSE, along with a copy of the NSE rule book for your records.

This statement is accurate and true to the best of my knowledge.

Signature in Person: `

Police Sub Inspector

L.C.B., Valsad