

C.C. No. 395/PW/2023

Exh. 146

P.W. No. 1 on S.A. :

Name : Chetan Ramanlal Desai

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

5. Then Ketan Seth had some dealings with our bank. He purchased bank's old securities and delivered some securities of Government. Ketan Seth informed the bank that he will be dealing with the bank through Home Trade limited and in the name of Home Trade Limited. However Home Trade Limited failed to deliver the Government securities amounting to Rs. 24.50 Crores. As the delivery was not done, the bank had informed Ketan Seth about the same over telephone, because only Ketan Seth was in connection with the bank in respect of Government securities. He had also visited our bank personally for four times.

6. On 15 March 2002, we sent a letter by fax to Ketan Seth and also had contact with him over telephone by our director asking him to come to bank with pending Government securities. We also informed that the bank will file police case if does not come to the bank. On 18 March 2002, Mr. Ketan Seth, Mr. N. S. Trivedi, Mr. Subodh Bandari and Mrs. Kanan Mevawala came to our bank. They had a meeting with the board of directors of the bank to resolve the matter. Mr. N. S. Trivedi and Mr. Subodh

Bhandari stated that they are the directors of Home Trade Limited and Kanand Mevawala was stated to be manager. They gave a suggestion to the bank that they will purchase the Government securities which they have not delivered to the bank. These securities were amounting to Rs. 24.5 Crores. They stated that they are ready to give Government securities of Rs. 27.5 Crores against the Government securities which were not delivered to the bank.

7. They also gave a schedule showing how they will deliver these Government securities to the bank. They also asked for 15 days to deliver these Government securities to the bank. They asked this period to deliver Government securities by Subsidiary General Ledger Account. A SGL account is where the amount is paid upfront and the securities are there after sold from one account to another. Our bank is having such SGL account with UTI Bank. They however did not fulfill their commitment. Thereafter they gave four post dated cheques to the bank on the ground of non delivery of Government securities. However these cheques were issued without having any balance in the account of Home Trade Limited. These cheques returned unpaid with a memo and remark refer to drawer. There was no practice with banks at that time to give a reason of insufficient funds in such memo.

8. The commitment letter was given to the board of director of bank on 18 March 2002. It was drafted and signed by Mr. N. S. Trivedi. The investigating officer has taken this original

- 6 -

letter from the bank in his custody.

Witness submitted that he is not feeling well and requires one date. Hence the examination in chief is deferred till next date.

R. O. & A. C.

Sd/-

(Abhijit R. Solapure)
Addl. C. J. M., 47th Court,
Esplanade, Mumbai.

Date : 11.12.2025

