IN THE COURT OF IV ADDITIONAL CHIEF METROPOLITAN MAGISTRATE, BANGALORE.

CC No. 20115/2013

CW : 1 PW:1

Name : Lakshman Kumar

Father's name : Shankarappa

Age : 46 years

Occupation : General Manager, Stumpp Schueule and Somappa Springs Pvt. Ltd.

Residence : Bannerghatta Road, Bangalore

Duly sworn on : 22.04.2019.

EXAMINATION IN CHIEF BY SR. APP:

I am working in Stumpp Schueule and Somappa Springs Pvt. Ltd. since 1997. In 2011 I was working in Bommasandra plant as a plant head. Our company manufacture suspension springs for two wheeler and four wheeler. Accused no.1 was appointed as a purchase officer and he was purchasing raw material for manufacture of springs for our company. In between the year 2009 to 12, we found some discrepancies of raw materials which raw material was not at all inverted in our company. But accused had showed that it was purchased as per purchase order and he has already got the original invoices from supplier and he has accounted. But physically raw materials was not inverted to the company. Our accounts officer Ashok Nayak has verified in our SAP and found the mismatch of materials. Based on that audit report we physically verified at our gate entry and found there was discrepancy of physically inwarding and SAP inwarding. There was discrepancy of raw materials to the tune of 77 tons which is worth value of Rs.66 Lakhs. Based on that audit report and physical verification, we asked accused no.1 but he was not able to answer. Hence our management told to file the complaint before police. Hence I filed the complaint, witness identified the complaint and the same is marked as Ex.P.1 and the signature of the witness is marked as Ex.P.1(a). I know the contents of Ex.P.1.

Further chief examination: Deferred.

(Typed to my dictation in the open Court)

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WITNESS RECALLED AND DULY SWORN ON 17.07.2019
FURTHER EXAMINATION IN CHIEF BY SR. APP:

After lodging the complaint as per Ex.P.1, I submitted the following documents to the investigation officer. Appointment letter of the accused is produced which is the attested copy issued by the company, witness says that subsequently there was fire in the building and the original is destroyed and cannot be traced and produced. Hence attested copy of the appointment letter is marked as Ex.P.2 (4 sheets) subject to objections of the counsel for the accused. As per Ex.P.2, the accused was entrusted with the work of operator 3 and later he was promoted as purchase officer. Based on subsequent progress of his employment, we have promoted him as purchase officer and he was entrusted with the work of purchase of raw materials from the suppliers as and when required by the company. The accused was required to purchase raw materials from 2-3 business sources like Mukund, Usha Martin. Accordingly every month based on the order company has asked accused to purchase raw materials from different suppliers. The materials were procured by the accused and we used to issue purchase order to the supplier. Based on the purchase order, the supplier was supplying to the company. The material supplied used to be entered in the gate entry, after gate entry it is to go to the store and it was reentered in the store with bill number, quantity. The accused had to refer the purchase order and see how much quantity is inwarded for that particular month and he has to enter it into SAP. Only after the accused entered in the SAP, we can release work order for the purpose of manufacturing. After manufacturing, we supply the finished product to the customers by making invoice.

When we verified in the SAP, there was a mismatch of materials. The accused used to say that the materials are inwarded, however physically the materials are not inwarded. We enquired with the accused and he did not give proper reply. Hence the company decided to give a complaint to the police.

Along with Ex.P.2, I have submitted the following documents. Attested copy of salary slip of the accused is marked as Ex.P.3. Another appointment letter of the accused of the year 2003 is marked as Ex.P.4 (3 sheets). Along with Ex.P.4, we enclosed the salary slip of accused and is marked as Ex.P.5. According to Ex.P.5, accused worked upto July 2012. Ex.P.3 to 5 are marked subject to objections raised by the counsel for the accused. The auditor report is given by one Ashok Nayak.

Further chief examination: Deferred.

(Typed to my dictation in the open Court)

ROI & AC

IV ACMM

WITNESS RECALLED AND DULY SWORN ON 16.10.2019
FURTHER EXAMINATION IN CHIEF BY SR. APP:

Witness identifies the audit report and the said document is marked as Ex.P.6 (2 sheets) subject to objections of the counsel for the accused. True copies of invoices dated 15.10.2009 are identified and marked as Ex.P.7 and signature of the witness is marked as Ex.P.7(a) and invoice dated 19.01.2010 is marked as Ex.P.8 and signature of the witness is marked as Ex.P.8(a), invoice dated 15.02.2010 is marked as Ex.P.9 and signature of the witness is marked as Ex.P.9(a), invoice dated 29.03.2010 is marked as Ex.P.10 and signature of the witness is marked as Ex.P.10(a), invoice dated 21.03.2011 is marked as Ex.P.11 and signature of the witness is marked as Ex.P.11(a), invoice dated 31.05.2011 is marked as Ex.P.12 and signature of the witness is marked as Ex.P.12(a), invoice dated 31.03.2011 is marked as Ex.P.13 and signature of the witness is marked as Ex.P.13(a), invoice dated 16.05.2011 is marked as Ex.P.14 and signature of the witness is marked as Ex.P.14(a), invoice dated 04.05.2011 is marked as Ex.P.15 and signature of the witness is marked as

Ex.P.15(a). Along with Ex.P.7 to 15 submitted a covering letter dated 28.02.2013 and the same is marked as Ex.P.16. Ex.P.7 to 15 are the invoices related to Usha Martin Ltd.

Invoices related to Mukund Ltd. are identified by the witness, invoice dated 06.12.2011 five in number are marked as Ex.P.17 to Ex.P.21 and signatures of the witness is marked as Ex.P.17(a) to Ex.P.21(a), invoice dated 29.06.2011 is marked as Ex.P.22 and signature of the witness is marked as Ex.P.22(a), invoice dated 12.10.2011 is marked as Ex.P.23 and signature of the witness is marked as Ex.P.23(a), two invoices dated 18.01.2012 are marked as Ex.P.24 and Ex.P.25 and signatures of the witness are marked as Ex.P.24(a) and Ex.P.25(a), invoice dated 19.04.2012 is marked as Ex.P.26 and signature of the witness is marked as Ex.P.26(a), two invoices dated 16.06.2012 are marked as Ex.P.27 and Ex.P.28 and signatures of the witness are marked as Ex.P.27(a) and Ex.P.28(a). Gate entry ledger book is identified by the witness, since it is a xerox copy, it is not exhibited. One of the document is downloaded from SAP system, the said document is marked as Ex.P.29 and signature of the witness is marked as Ex.P.29(a). Another gate entry material inward register is marked as Ex.P.30 to 36 and signatures are marked as Ex.P.30(a) to Ex.P.36(a).

Another original appointment letter of accused no.1 dated 01.08.2009 is marked as Ex.P.37, it bears the signature of the accused no.1. The full name of accused is Kiran Ghanti. Ex.P.37 contains 5 sheets. Salary slip of accused no.1 is marked as Ex.P.38. I have given my further statement to the I.O. Due to fire accident in our Koramangala branch, some of the originals of above said marked exhibits have been destroyed in fire. Witness has produced the said document pertaining to the fire accident and true copy of the said document is marked as Ex.P.39 (14 sheets). Ex.P.7 to Ex.P.39 are marked as exhibits subject to objections raised by the counsel for accused.

Materials are not physically inwarded in to the company, but the materials in between the transport routes have diverted the materials to third party by the accused during the period of 2009 to 2011. The accused no.1 and his driver accused no.2 have jointly misutilized their job and colluded with each other and have cheated our company and committed criminal breach of trust to the tune of Rs.66 Lakhs of 77 tons raw materials.

Cross examination: Counsel for accused prays time for cross examination, hence deferred.

(Typed to my dictation in the open Court)

ROI & AC

IV ACMM