

WITNESS CALLED AND DULY SWORN ON 21.06.2024.**FURTHER CROSS EXAMINATION BY SRI.N.K., ADVOCATE FOR THE DEFENDANT NO.8:-**

16. It is False to suggest that, the Defendant No.8 influence plaintiff to make investment in the Defendant No.1 Company. We don't have any grievance with the Defendant no.8 in respect of the MOU dated 28-12-2007. I have grievance with the Defendant no.8 arising out of MOU dated 28-12-2007. We have mentioned the grievance in the para no.32 of the Plaint against Defendant no.8 in respect of MOU.

Question: In respect of implementation of which clause or part of MOU dtd.28.12.2007 are you aggrieved with against defendant no.8 ?

Answer: Point no.1 of MOU.

Question: What is the role assigned to defendant no.8 in the implementation of MOU at Ex.P.2 ?

Answer: The Defendant no.8 has to incorporate the suggestions made in the DDR report in 31.12.2007 and 31.03.2008 balance sheet.

Question: What is the specific grievance against the Defendant no.8 with regard to the implementation of the MOU dtd.28.12.2007 after its execution ?

Answer: Defendant no.8 implemented the MOU specific making a provision for the Annual Maintenance Contract revenue reorganization as per accounting policy 9, secondly implement the inventory valuation method recommended by accounting standard no.2.

It is False to suggest that, the plaintiff has no grievance against defendant no.8 after execution of MOU dtd.28.12.2007.

Question: Is it correct to say, the MOU dated 28-12-2007 the Plaintiff desired to have a much closer and more intrinsic relationship with the defendant No.1 than the earlier business participation agreement and the distributorship agreement both dated 29-09-2006 ?

Answer: Objective was good while signing the MOU.

Question: Is it correct to say that, the MOU dated 28-12-2007 was a de novo agreement between the Plaintiff and the defendant no.1 ?

Answer: It is true.

Question: Is it correct to say that, plaintiff have cancelled the business participation agreement and the distributorship agreement both dated 29-09-2006, as the MOU dated 28-12-2007 was more favourable to you ?

Answer: Yes.

Question: Can you say, why did the Plaintiff continue and enhance the relationship through the MOU dtd.28.12.2007 with Defendant No.1 despite the allegation of fraud levelled by it against the Defendant No.1 based on your alleged DDR report ?

Answer: Because of the Defendant no.1 company and Directors come forward and accepted the DDR recommendation and could not able to continue with the earlier agreement dtd.29.09.2006 proposed to sign the MOU to implement all the DDR recommendation. Point no.1, 2, 5, 6, 8, 10 of MOU made us to continue the relationship with defendant no.1.

17. At the time of signing the MOU we have waived off our allegations of fraud against the Defendants, assuming that they will implement the MOU in toto.

Question: Is it correct to say that, the Plaintiff has ignored and neglected to take serious note of one important qualification in the Audit Report of the Audited Financial Statement for the year ended 31.03.2007, by the Defendant no.8, which states that the defendant No.1 Company has not furnished to him the two Agreements, namely, Business Partnership Agreement and the Distributorship Agreement, both dated 29-09-2006, based on which the first payment of Rs.2,00,00,000/- was made by the Plaintiff to the Defendant No.1.

Answer: False. We are not aware of that.

18. We have not produced the Audit report of 31.03.2007.

Question: Is this Audit report of 31.03.2007 is it relevant for this case ?

Answer: I am not aware of this.

At no point of time, I have gone through the Audit report of 31.03.2007. It is False to suggest that, all my statements regarding Audit report 31.03.2007 are fiction. I have gone through the Audit report of 31.03.2008. We have produced the Audit report of 31.03.2008 before this Court at Ex.P.18.

Question: Why you have not produced Audit report for the year ending 31.03.2007 before this Court ?

Answer: During that period, plaintiff was only Investor in the company based on the earlier two cancelled agreements.

I am not aware of that, whether the plaintiff has noticed the sl.no.6 in the Auditor report contained in Ex.P.5.

FURTHER CROSS EXAMINATION: DEFERRED.

(Typed to my dictation in open court.)

R.O.I & A.C.,

sd/-

(SUMANGALA S. BASAVANNOUR)
LXXXII ADDL. CITY CIVIL & SESSIONS JUDGE,
BENGALURU.