DEPOSITION OF WITNESS

(Chapter XXIII code of Criminal Procedure)

In the Court of XI Additional Special Judge for CBI Cases

(CBI Cases Relating to Banks and Financial Institutions)

Chennai - 600 001.

Calendar Case	: C.C. No.6/2006
Deposition of witness for	: PW2 (LW5)
Name	: Shri P.Subramanian

Solemnly affirmed in accordance with the provisions of Oaths Act, 1969 (Central Act 44 of 1969) on the 27th day of December 2024.

A1,A5,A6 present. A3 company rep.by A5 and A6. A4, A8, A9 Charge abated. A7 Split up in C.C.7/2018. A2 absent. Petition U/s.317 Cr.P.C. filed and allowed.

Cross examination by A1:

I was questioned by CBI for many times. The CBI recorded only one statement from me. I was allocated with duties in Chennai Retail Finance Unit to look after technical apparaisal part of individual housing loans. This was an oral instruction and no return order was issued for this allotment. Regional Chief has given such oral direction who has power to issue such oral instructions. In some cases Regional Chief had given instruction in writing. December 2001 to August 2002 is the period comprised this four cases. There are around 275 files relating to these loan transactions. I am not aware of as to whether Hudco made a profits in these 275 loan transactions.

CBI examined me on 27/10/2004, 25/02/2005 and 16/4/2005 and recorded the statement on these dates separately, Is it correct?

I have to see the records since I am not able to recollect. Hudco Niwas has manual guidelines for processing of loan. The guideline dated 16/6/2000 was updated with subsequent guideline on August 14th 2002. All the above files were dealt with the guidelines before updating on (16/6/2000). Concept of reputed builder was defined more comprehensively in updated guidelines. The flats sold by Tamilnadu Housing Board for which, the hudco finances, the registered sale deed will be given to Hudco only after some years of finance. In such cases the finance has been cleared by Hudco based by allotment letter given by Housing Board. I dont remember whether allotment letter contain the break up regarding the cost of the plots. As per the manual, it is stated that the loan amount will not exceed 85% of the cost of housing unit including incidental cost like stamp duty and registration etc. What are the components which will be covered in the word "etc" ? The word "etc" was not strictly followed and we will go through the components mentioned specifically.

If it is suggested to me, that the word 'etc' denotes any other component of cost which Hudco may in its discretion considered to sanction, it has to be clarified from the higher authority. Higher authority means the officers who prepared the manual. Financing the Plots are the commercial activities with private financiers.

The manual did not give discretionary power to any of the officials of the Hudco including Regional Chief. I dont remember whether the manual gives discretionary power to any of the official including Regional Chief. It is not correct to say that because discretionary power had been given to the official, the same will be verified in the Audit. In order to find out whether the person is a reputed builder, discretion given to the Regional Chief, yes it is correct.

(At the request of the learned counsel for A1, Further Cross adjourned.)