DEPOSITION OF WITNESS

(Chapter XXIII code of Criminal Procedure)

<u>In the Court of XI Additional Special Judge for CBI Cases</u>

<u>(CBI Cases Relating to Banks and Financial Institutions)</u>

<u>Chennai - 600 001.</u>

Calendar Case : C.C. No.6 of 2006

Deposition of witness for : PW-22

Name of the witness : Mr. P.Sundararajan

Solemnly affirmed in accordance with the provisions of Oaths Act, 1969 (Central Act 44 of 1969) on the 7th day of July 2026.

(A1, A5 present. A2 and A6 absent. Petition u/s.317 CRPC filed and allowed).

<u>Cross examination by A1:</u>

1. **Question:** During your posting at Chennai Niwas Office in the year 2001 & 2002, were you reporting to Branch Manager Approver Muralidharan?

Answer: Yes

2. **Question:** During that period, whether your Annual Performance Appraisal Report (APAR) was written and reported by the Branch Manager of Chennai Niwas?

Answer: Yes

3. **Question:** On transfer to Coimbatore Niwas Office, during the year 2002 (May) & 2003 were you functioning as Branch Head/Manager of the Coimbatore Niwas Office?

Answer: Yes

4. **Question:** Were you also later functioning as the **Branch Head** of the **Chennai Niwas Office**, at the level of **Deputy General Manager**?

   Answer: Yes

5. **Question:** Does the, Branch Manager approver Muralidharan allocate day to day duty to you and others in Niwas Office?

   Answer: Yes

6. **Question:** Do you routinely get guidance from the Branch Manager for processing the applications?

   Answer: Yes

7. **Question:** Whether all the loan applications for Niwas individual housing loan as well as plot loan were invariably received in Niwas Office?

   Answer: Yes

8. **Question:** Please see the date of receipt of application in the list of plot loan in **Ex.-D-1 of CC-6/2006** (Crl. MP 24/2010 in CC-06/2006 Additional Doc. No.I). Whether the very first batch of loan for purchase of plots from Private Developers were received and sanctioned under loan No.2262, 2263 &2264 for purchase of plot from M/s. Winvilla Real Estates & Financial Services?

   Answer: Yes

9. **Question:** Please refer to the official receipt entry of the loan application for the very first batch of 3 loan sanctioned for purchase plots from Winvilla developers under loan file numbers 2262, 2263 & 2264 found in **Ex. D-11 of CC-11/2006** (Crl.MP 24/2010 Additional Document No. XXIV in CC-06/2006). Have you received on 24.12.2001 all the 3 loan applications of the very first batch of loan for purchase plot from the very first private developer i.e. Winvilla Real Estates and Financial Services along with processing fee and other relevant supporting documents?

   Answer: Yes

10. **Question:** Please refer to the "Credit Appraisal cum Sanction Note for RC" of the very first batch of loan sanctioned for purchase plots from Winvilla developers under loan file numbers 2263 & 2264 found in **Ex. D-11 of CC-11/2006** (Crl.MP 24/2010 Additional Document No. XXIV in CC-06/2006). Have you done the technical appraisal and recommended the loan for sanction of the very first batch of loan for purchase plot from the very first private developer i.e. Winvilla Real Estates and Financial Services?

Answer: Yes

11. **Question:** Have you recorded any apprehensions on any of the technical issues relating to cost in any of the "Credit appraisal cum sanction note for RC" recommended for sanction to Arulkumar, RC?

Answer: No

12. **Question:** Having worked earlier in the **Chennai Regional office**, have you carried out several inspections of **project loans** dealt by the **Regional Office**?

Answer: Yes

13. **Question:** In respect of **project loan** inspection dealt by the Regional Office, whether all the inspection reports were invariably submitted by the concerned inspection officer to the Regional Chief Arulkumar through an office cover note?

Answer: Yes

14. **Question:** In respect of **project loan inspection**, whether Regional Chief, Arulkumar, invariably signs the office note and often records his views and observation on the site inspection report and mark the note down to the concerned officers with direction for further necessary action?

Answer: Yes

15. **Question:** Later while posted in the **Chennai Niwas office**, have you carried out several inspections of **individual home** loan dealt by **Niwas office**?

Answer: Yes

16. **Question:** In the **decentralized Niwas office set up**, during the relevant time in the year 2002, was there a system of submission of the Technical Inspection Report (TIR) document of Niwas loan to RC Arulkumar?

    Answer: No. But inspection report is invariably placed in the concerned loan file.

17. **Question:** Having worked as technical officer in Chennai Niwas and later as Branch Manager in Coimbatore Niwas office, are you aware of the various provisions in the detailed Niwas Guidelines?

    Answer: Yes

18. **Question:** Please refer to **page 9 clause 1.1.** of the HUDCO Niwas guidelines in **LD-2 (Ex.P-1) of CC-09/2006.** Is there an exclusive clause to define **"Eligibility for loan and how it is determined"?**

    Answer: Yes

19. **Question:** Please refer to HUDCO Niwas guidelines **page 9 item 1** – **"**Eligibility for loan and how it is determined**", in LD-2 (Ex. P-1) of CC-09/2006**. Does the guideline simply refer to "**cost**"? i.e. "the loan amount will not exceed **85% of the cost** of the unit including incidental costs like stamp duty and registration **etc.**"?

    Answer: Yes

20. **Question:** Please refer to LCR (Loan to Cost Ratio) stipulated under clause 2.7.3 in page 30 of the Guidelines in **LD-2 (Ex. P-1) of CC-09/2006**. Whether maximum loan is limited to 85% of the total property cost, which includes **purchase price**, stamp duty charges and registration expenditure?

    Answer: Yes

21. **Question:** During the relevant time in the year 2002, whether registration for sale of flats/apartments promoted by Builders in Tamil Nadu is mostly on the **cost of the un-divided share of land**?

    Answer: Yes

22. **Question:** Whether sale agreement between the buyer and seller are drawn based on the "purchase price" or "sale price" agreed between the buyer and seller?

    Answer: Yes

23. **Question:** Whether Chennai HUDCO Niwas had processed and sanctioned a number of individual housing loan **for purchase of flats/apartments from Builders/ Flat Promoters**, based on Purchase Price as in Sale Agreement and other supporting documents?

    Answer: Yes

24. **Question:** In respect of loan for individual house construction on plot already registered and owned by the applicant, is there a second/further registration in TN for the construction cost?

    Answer: No

25. **Question:** In such cases whether the cost for the loan eligibility is based on estimate or construction agreement with the contractor?

    Answer: Yes

26. **Question:** Now please go through the entire Niwas guideline in **LD-2/Ex. P-1 of CC-09/2006**. Does the Guidelines anywhere specifically state that the loan should not be more than 85% of the **Sale Deed value**?

    Answer: No

27. **Question:** Is it common in the real estate industry in TN that registration of Sale Deed takes place mostly as per guideline value published by the Government?

    Answer: Yes

28. **Question:** Whether the Guideline value is reset in Tamil Nadu in the past after a long gap of nearly 5 years or more?

    Answer: Yes

29. **Question:** Is it common in the real estate industry that there will be wide variation between the actual selling price/market value and the guideline value based on which the sale deed is registered?

    Answer: Yes

30. **Question:** Whether both approver Muralidharan and approver Subramanian are at the same rank of Senior Manager and addressed as SM and SM(S) respectively?

    Answer: Yes

31. **Question:** In Chennai Niwas, including approver Muralidharan and approver Subramanian, whether there were 7 technical officers attached to Chennai Niwas office?

    Answer: Yes

32. **Question:** Except approver Subramanian who was at the same rank of Senior Manager, whether all the other technical, Finance and Law officers were lower in rank and were reporting to approver Muralidharan being the Branch Head?

    Answer: Yes

33. **Question:** Please refer to Regional Office circular No. HUDCO/CHRO/CIRCULAR/2002 dated 22.02.2002 (**LD-3 of CC-6/2006**) circulated to all employees. As per this circular whether Regional Chief holds 10 different weekly meetings from Monday to Friday with **functional nodal officers** along with **identified selected officers**?

    Answer: Yes. The above said circular dated 22.02.2002 is now marked as Ex.D24 (one sheet).

34. **Question:** Whether SM (Senior Manager) is the officer listed/slotted for review on Niwas activities at 5 PM on Mondays?

    Answer: Yes

35. **Question:** Whether your name is listed anywhere for review with Regional Chief Arulkumar?

    Answer: No

36. **Question:** In respect of project loan funding to Private builders and flat promoters, in addition to site inspection by HUDCO officer, whether HUDCO had been obtaining valuation report from a panel valuer **at every stage** of loan instalment disbursement linked with physical progress?

    Answer: Yes

37. **Question:** Does the value of the property **keep changing** at every stage according to physical progress on construction and development works **on the day of valuation**?

    Answer: Yes

38. **Question:** Whether "estimate" covers the construction and other works **already completed** as well as works proposed to be implemented/developed/constructed afterwards as per building plan?

    Answer: Yes

39. **Question:** Whereas "valuation" covers the value of **the property or structure as it stands physically** on the **specific date** of valuation?

    Answer: Yes

40. **Question:** Did Arulkumar, RC while according approval in black and white on the note of 5.03.2002 in **Ex. P-3**/LD-11 of CC-6/2006, directed to consider the **least of the market price as per valuation** and sale price as per sale agreement?

    Answer: Yes

41. **Question:** Is there any direction of Arulkumar, RC in **Ex. P-3**/LD-11 of CC-6/2006 to add future development works or other miscellaneous expenses to assess the value?

    Answer: No

42. **Question:** While posted to Coimbatore Niwas Office were you the Branch Manager at the level of Dy. Manager?

    Answer: Yes

43. **Question:** As stipulated in the Niwas Guideline, do the Coimbatore Niwas team of officers prepare and send only the 4 page "Credit Appraisal cum Sanction note for RC" **by fax** from Coimbatore Niwas Office to the sanctioning authority i.e., Regional Chief Arulkumar stationed at Chennai?

    Answer: Yes

44. **Question:** Whether the sanctioning authority, Arulkumar Regional Chief had been according sanction in the “Credit Appraisal cum Sanction note for RC” and communicate the same by return fax?

    Answer: Yes

45. **Question:** Were you earlier was also Branch Manager/Head of the **Chennai Niwas** at the level of Deputy General Manager?

    Answer: Yes

46. **Question:** Please refer to **Ex. D-7 of CC-6/2006** (Additional Document No. VI of Crl MP-24/2010 in CC 06/2006)**.** Out of 271 plot loans sanctioned by Chennai Niwas, as per **November 2012 data**, whether nearly 224 loans are foreclosed, 7 are regular in repayment and the balance default is only 40 loans?

    Answer: Yes

47. **Question:** Whether present level of default out of 271 plot loan sanctions had now come down to about 10 numbers, mostly pertaining to deceased or absconding customers?

    Answer: Yes

48. **Question:** Are you aware that **out of total 55** plot loan borrowers included as accused in 4 charge sheets (CC-6/2006 Siddhi Developers – 2, 9/2006 Kothari constructions – 9, CC-10/2006 Winvilla Promoters – 2 and Sindhu Developers – 42), **52 loans are foreclosed** and out of the **balance 3 loans/accused**, Charges are **abated for 2 a**ccused in CC-10/2006 – Winvilla and charges **separated for 1** accused from CC-6/2006 – Siddhi as the accused is absconding?

    Answer: Yes

49. **Question:** Are you aware that out of total 5 plot loan cases filed by the CBI before this court, one of the identical plot loan court case No. CC-8/2006 pertaining to J.P. Real Estates had been closed already after discharging all the accused including A1 Arulkumar?

    Answer: Yes

a) **Question:** Please refer to **Ex. D- 7 of CC-6/2006** (Additional Document No. VI in Crl. MP 24/2010 of CC-6/2006) the overall status of plot loans. Out of overall 271 plot loans of 5 plot promoters, whether 23 plot loans were sanctioned for the plots promoted and sold by the J.P. Real Estates?

Answer: Yes

b) **Question:** Please see the note dated 5.03.2002 (**Ex.P-3/LD-11 of CC-6/2006**) approved by RC Arulkumar. Is this note covers all the 5 plot loan cases i.e., Siddhi Developers, J.P. Real Estates, Kothari Constructions, Winvilla Real Estates and Sindhu Developers?

Answer: Yes

c) **Question:** How many plot loans of J.P. Real Estates you have processed in 2001-2002 when the plot loans sanctions were in operation?

Answer: Not sure, How many plots I have inspected.

d) **Question:** Have you inspected the layout of J.P. Real Estate before processing the plot loan applications in respect of J.P. Real Estates?

Answer: Not Sure.

e) **Question:** During 2001-2002, when loan applications for purchase of plots from all the 5 developers i.e., Siddhi Developers, J.P. Real Estates, Kothari Constructions, Winvilla Real Estates and Sindhu Developers were processed, was it done by the same set of Technical officers, Finance officers and Law officers in Chennai Niwas Office?

Answer: Yes

50. **Question:** Whether penal interest is levied only when there is delay or default in repayment?

Answer: Yes

51. **Question:** While foreclosing the loan after getting into default in repayment, whether HUDCO collects penal interest over and above the principal amount and normal interest due on the loan account?

Answer: Yes

52. **Question:** Such collection of penal interest at the time of foreclosure of loan after default, results in additional income/profit to HUDCO?

    Answer: Yes

53. **Question:** Please refer to **Ex. D-13 of CC-11/2006** (Additional Document No. VII of Crl MP-24/2010 in CC-06/2006)**.** Did HUDCO Niwas made **hefty additional profit amounting to Rs. 2.12** crores i.e. 35.33% **over and above** normal operational profit out of the **sanction** of the plot loan **totally amounting to Rs.6.00 crores** by way of collection of **additional penal interest alone** in respect of plot loan operation from 5 of the plot developers?

    Answer: Yes

54. **Question:** Before posted to Chennai Niwas Office, were you dealing with project loans at the Chennai Regional Office?

    Answer: Yes

55. **Question:** Whenever any direction is given orally by Arulkumar, RC, during discussion with any of the official, whether the concerned officer is expected to put up appropriate proposal in writing and gets the same formally approved from RC?

    Answer: Any deviation in guideline needs proper vetting by competent authority only in those cases formal not is put up to RC.

56. **Question:** Does RC Arulkumar anytime evade giving firm decision and direction on any issue referred to him by the officers under him?

    Answer: No

57. **Question:** Who gave the files of Siddhi Developers and Promoters to you for processing?

    Answer: Generally files are placed on desk for processing after data entry. Sometimes files marked to officers for processing. Officers also receive application from applicants after counseling.

58. **Question:** Did both approver Branch Manager Muralidharan and approver Subramanian, SM(S) ask you to inspect the site of Siddhi Developers and Promoters?

    Answer: Yes

59. **Question:** Whether loan for purchase plots have been sanctioned in **two** layouts developed by Siddhi Developers and Promoters i.e., in Buvanalakshmi Nagar and Buvanalakshmi Nagar Extension?

    Answer: Yes

60. **Question:** Please refer to your Technical Inspection Report (TIR) dated 28.02.2002 for Buvanalakshmi Nagar in **Ex. P-50/LD-10**. Weather your TIR in LD-10/ **Ex.P-50** is only for the specific Buvanalakshmi Nagar layout?

    Answer: Yes

61. **Question:** Whether inspection in **Ex. P-50/LD-10** was carried out jointly by you and Approver Subramanian, Senior Manager?

    Answer: Yes

62. **Question:** Whether approver Subramanian had signed the TIR along with you?

    Answer: No

63. **Question:** Is there an indication in the TIR in **Ex. P-50/LD-10** of your joint inspection along with Approver Subramanian, Senior Manager?

    Answer: No

64. **Question:** As per hierarchy in Niwas office, do you invariably submit all your personal applications, office notes and reports directly to the Branch Manager Muralidharan?

    Answer: Yes

65. **Question:** Please peruse your TIR document dated 18.03.2002 in **Ex. P-50/LD-10**. Whom did you submit this TIR?

    Answer: It was placed in the Niwas customer file.

66. **Question:** Please refer to invoice issued by Siddhi Developers and Promoters no. 119 for Balan (A-7) found in **page-42 of** file LD-21**/Ex.P-44,** invoice no. 125 for Moorthy (A-8) in **page-17 of** file LD-22**/Ex.P-45** and invoice for Hema found in **page-17 of** file LD-23**/Ex.P-22.** Whether the sale invoice has the break-up of cost of plot such as value of plot, stamp paper, registration fee, miscellaneous expenses, huge amount towards Development charges including survey, layout processing, plan charges, legal brokerage, fixing stones, fencing, planting trees, cost of space for road, park & public purposes and incidental charges and charges for installation of Electricity, Telephone, Water connection?

    Answer: Yes

67. **Question:** Whether all the 3 loan files in the charge sheet documents contains Sale invoice document issued by Siddhi Developers and Promoters?

    Answer: Yes

68. **Question:** Please peruse the **date of receipt of application** and **date of sanction** of loan in the list of loans sanctioned in **Ex. D-1 of CC-06/2006 (**Additional Document No. I in Crl M.P. No. 24/2010 of CC-6/2006*)*. In respect of Siddhi Developers and Promoters plots. Prior to your technical inspection of the site on 28.02.2002, whether at least 15 applications were received and in that about 10 loans have been sanctioned?

    Answer: Yes

69. **Question:** Whether Sale invoice issued by Siddhi Developers and Promoters was part of the document submitted by the applicant along with the loan application of the above 15 loans received in Niwas office (10 were sanctioned in that) much earlier to your inspection date of 28.02.2002?

    Answer: Yes

70. **Question:** Please see the loan application in page 6 of the file of Murthy in **LD22/Ex. P-15** processed by you. Whether this application was received on 25.02.2002 i.e., prior to your technical inspection on 28.02.2002?

    Answer: Yes

71. **Question:** Please refer to the application receipt date for example for Murthy under Sl. No. 84 and for Hema under Sl. No. 81 in the list of plot loan sanctioned in Additional Document in **Ex. D-1 of CC-06/2006 (**Additional Document No. I in Crl M.P. No. 24/2010 of CC-6/2006**).** Whether loan applications were received for Murthi on 25.02.20002 and for Hema on 18.02.2002, which are prior to the date of your TIR dated 28.02.2002?

    Answer: Yes

72. **Question:** Please refer to the Legal Technical Appraisal Sheet and Loan disbursement Memo in the loan files in **Ex. P-44** (LD-21), **Ex. P-45** (LD-22) **and Ex. P-22** (LD-23). Whether all the loan disbursement in each of the Niwas loan files are entirely processed at the Niwas office level and recommended and authorized/approved by either approver Branch Manager Muralidharan or approver Senior Manager (S) Subramanian?

    Answer:Yes

73. **Question:** Please peruse the papers in the loan files in **Ex. P-44** (LD-21), **Ex. P-45** (LD-22) **and Ex. P-22** (LD-23). Other than one signature of Arulkumar, seen on the four page "Credit Appraisal cum Sanction Note for RC" certified and recommended to the Regional Chief by the team of Niwas technical, law and Finance Officers, whether all the pre-sanction and post-sanction activities including loan disbursement were dealt at Niwas Office level?

    Answer: Yes

74. **Question:** After **your site inspection,** did you process along with the Niwas team few of the plot loans and recommend for sanction?

    Answer: Yes

75. **Question:** Did you along with the Niwas team process few of the plot loans and recommend for sanction after receipt of **valuation report**?

    Answer: Yes

76. **Question:** Did you along with the Niwas team process few of the plot loans and recommend for sanction after the issue of **note dated 5.03.2002**?

    Answer: Yes

77. **Question:** Please refer to **item 5i** of the "**credit appraisal cum sanction note for RC"** for loan No. 2481 for Moorthy (A-6) of Siddhi developers CC-06/2006 in **LD22/Ex. P-15**. Whether recommendation is for sanction of loan of Rs.1.13 lakhs for purchase of **plot No.10 in Buvanalakshmi Nagar layout**?

    Answer: Yes

78. **Question:** Have you inspected the **Buvanalakshmi Nagar layout** on 28.02.2002 itself as per TIR in **LD-10/Ex. P-50**?

    Answer: Yes

79. **Question:** While recommending the loan for sanction for Murthy later on 10.04.2002, did any of the Niwas team record any apprehension on cost or any other remark while certifying verification of the compliances under item 13 of the credit appraisal cum sanction note for RC in **LD22/Ex. P-15**?

    Answer: It is recorded that " cost of plot as per valuation Rs.97.22 per sq.ft.

80. **Question:** Based on the appraisal whether the Technical Member, Law officer, Finance Member of the Niwas Sanctioning Committee as well as branch Head have certified and confirmed under **item 13a verification of documentary evidence for income, cost, employment verification certificate and its authenticity**?

    Answer: Yes

81. **Question:** Also, whether the sanctioning committee had certified and confirmed under **item 13d the reasonableness of cost, incidental and contingency charges?**

    Answer: Yes

82. **Question:** Whether the certificates under **item 13(a) to 13(f)** of the "credit Appraisal cum sanction note for RC" signed by the Technical Member, Law Officer and Finance Member of the Sanctioning committee and Branch Head are prescribed and **intended to guide** the Sanctioning Authorities such as RC's, ED's, DF and CMD to accord sanction?

    Answer: Yes

83. **Question:** Whether cost of the property is the only criteria to consider sanction of the loan?

    Answer: One of the most important criteria for sanction of loan.

84. **Question:** While approving joint note of 05.03.2002 in **LD-11/Ex.P-3 of CC-6/2006,** whether Arulkumar had also directed that **funding should be purely on the ability of the individual based on credit appraisal**?

    Answer: Yes

85. **Question:** Whether employment and income verification are the most critical data (available in employment verification form) to be evaluated and cross verified to establish the ability of the individual to repay the loan and also to mobilize and invest the margin money/his contribution?

    Answer: Yes

86. **Question:** However, once again refer to certificate under **item 13 a** of the credit appraisal cum sanction note for Moorthy in **LD22/Ex. P-15**. Whether the Technical Member, Law Officer and Finance Member of the Niwas Sanctioning committee and Branch Head had **certified verification of documentary evidence** for income, cost, **employment verification certificate and its authenticity?**

    Answer: Yes

87. **Question:** Does the Xerox copy of letter dated 16.02.2002 in **Ex. P-24/LD-13** refer to any specific location – survey No. of the site?

    Answer: No

88. **Question:** Does this letter refer to Buvanalakshmi Nagar or Buvanalakshmi Nagar Extension layouts where plot loans have been sanctioned?

    Answer: Layout at Arungal Village is mentioned, i.e. name of the village is mentioned.

89. **Question:** Does the letter quote any loan quantum or cost per unit area approved for financing?

    Answer: No

90. **Question:** Does the letter simply refer and states “individual housing loan” and “individual housing finance”?

    Answer: Yes

91. **Question:** Does the letter anywhere states “plot loan” or “loan for purchase of plot”?

    Answer: Layout at Arungal village is mentioned therein.

92. **Question:** Whether Arulkumar had issued such identical routine Business promotion letter to 4 plot developers (excluding JP Real Estate CC-8/2006 case closed), out of total 5 plot developers from whom plots were purchased?

    Answer: May be.

93. **Question:** Please refer to your inspection report in **Ex. P-50/LD-10** dated 28.02.2002. Whether Niwas had carried out the first inspection after issue of business promotion letter dated 16.02.2002 in **Ex. P-24/LD-13?**

    Answer: Yes

94. **Question:** Have you referred or quoted this letter anywhere in any of the plot loan files dealt by you?

    Answer: No

95. **Question:** Please refer to **clause 1.15 in page 14** of the Niwas Guideline in **LD-2 (Ex. P-1) of CC-09/2006.** As per Niwas Guideline whether scheme of advance processing is suggested only for flats/houses promoted by Builders?

    Answer: Yes

96. **Question:** Whether formal written request letter is to be sent by the Builder with a DPR for Advance Processing?

    Answer: Yes

97. **Question:** Whether processing fee of Rs. 10,000 is to be paid for Advance Processing?

    Answer:Yes

98. **Question:** Does the “Advance Processing” is to be carried out internally from technical and legal point of view to facilitate faster sanction?

Answer:Yes

99. **Question:** Does such Advance processing approval completely eliminates the need for any further technical/cost evaluation or legal examination?

Answer: No

100. **Question:** Whether the decision to assess the market price of the plot as per joint note of 05.03.2002 in **LD-11/Ex.P-3 of CC-6/2006** was taken after the issue of business promotion letter dated 16.02.2002 in **Ex. P-24/LD-13?**

Answer: Yes

101. **Question:** Please refer to the valuation report dated 4.03.2002 in **LD-12/Ex.P-20**. Whether technical assessment through valuation was carried out after the issue of the business promotion letter dated **16.02.2002 in Ex. P-24/LD-13**?

Answer: Yes

102. **Question:** Your technical inspection as in **Ex. P-50/LD-10 dated 28.02.2002** itself was also after the issue the business promotion letter dated 16.02.2002?

Answer: Yes

103. **Question:** Apart from technical evaluation, are you aware that several legal opinions from the panel advocate had been obtained routinely for each of the loan files as and when received, after the issue of business promotion letter dated 16.02.2002 in Ex. P-24/LD-13**?**

Answer: Yes

104. **Question:** Whether this business promotion letter had eliminated any of the appraisal criteria from technical or legal point of view?

Answer: No. This is just a business promotion letter.

105. **Question:** Whether the business promotion letter dated **16.02.2002 in Ex. P-24/LD-13** contains any disclaimer clause (HUDCO does not certify the technical soundness of the project) stipulated for Advance processing?

Answer: No

106. **Question:** In light of the above please clarify and confirm whether the business promotion letter dated 16.02.2002 in **Ex. P-24/LD-13** issued without a written request letter from the plot developer, without payment of processing fee and without the stipulated disclaimer caution cause could be construed as "Advance Processing"?

Answer: No

<u>Cross examination by A2:</u>

1. It is correct to say that A2 Mrs.Vijayalakshmi was working as a Stenographer in the HUDGO office?

Ans: Yes

2. It is correct to say that in Hudco Nivas Scheme whether A2 Mrs.S.Vijayalakshmi, stenographer, was not sanctioning authority and she has no power in any manner to sanction, approve or release/disburse the loan amount in full or part to the applicants/borrowers.

Ans: Yes

3. It is correct to say that after receiving the loan applications from the customers in the counseling desk, the application will be processed by the senior officials of technical, financial and legal of HUDCO for sanctioning the loan not the stenographer S.Vijayalakshmi A2 and she has no role.

Ans: Yes

4. It is correct to say that while processing the loan applications any senior officials of HUDCO can reject the loan applications, But A2 has no part in this process. She has no power to either sanction nor reject the loan.

Ans: Yes

Cross examination by A5 and A6: Counsels for A5 and A6 present, But did not cross examined PW-22. Hence, closed.

Taken down before me in the open court read over to the witness and acknowledged by him/her to be correct.

A S RAVI

Digitally signed by A S RAVI
Date: 2026.07.07 17:43:20 +0530

07.07.2026

XI Additional Special Judge for CBI Cases.