Calendar Case : **C.C. No.47/2015**

Deposition of witness for : **PW-04**

Name : **Thiru. Sandeepan Das Gupta**

Date : **22.07.2024.**

Solemnly affirmed in accordance with the provisions of Oaths Act, 1969 (Central Act 44 of 1969) on the 22nd day of July 2024.

A1, A2, A4 and A6 present. A3 and A5 Charge abated. Others absent. Petition U/s.317 Cr.P.C. filed and allowed.

<u>Cross Examination of A1:</u>

Before giving complaint, I have perused the documents referred to in the complaint namely various statements of accounts in the name of M/s. Exim Focus, loan documents, processing notes, various vouchers, valuation report and so on. I did not come across the partial compliance certificate for September year 2013. I took charge on 01.06.2014. As soon as I took charge, I had no knowledge about this loan. But in the due course of I came to know about this. I am not aware about the earlier compliance. I am not able to remember as to whether during the April 2014 some amounts were realized and proceeds were credited to M/s.Exim Focus. I did not have any communication as to whether the branch has desisted from exercising the withdrawing power written by subsequent incumbent of the branch. Whether the overall credits availed by the party were within their sanction limits. The sanction limit are different to the 4 accounts. In 3accounts, the outstanding were more than the limit sanctioned. In one account, sanction limit is not availed. Whether Regional Office or Zonal Office has powers to permit overdue bills beyond 360 days. These offices have no such power. Having you come to know that system generated control returns invariably to show, overdrawing limits of Exim Focus due it overdue position beyond 400 days prior to March 2014. I am not aware of it and it was not appearing in the system at the Mylapore Branch. I am not able to explain as to intra-day transaction. In complaint it is stated that one crore from P.C. Account was allowed, did you check the system for the particular transaction who allowed or who confirmed. I was not Branch Manager at that time. Without looking the vouchers I cannot name the person who authorized.

<u>Question</u>:

What is intra-day transaction?

<u>Witness Answer</u>:

There are number of debit and credit transactions happening in a account during the day and last balance is actually treated as balance of that day. It is not reported to controlling returns.

Q: Is their any possibility that system will allow automatically in default exceeding the limit?

A: System does not allow this generally but manually it could be done.

Q: Have you cross checked the system generated control Returns?

A: It was checked but the present transaction did not come in the control return in daily basis.

Q: Whether have you discussed with any authorities in Mid-corporate branch before lodging the complaint?

A: Yes I had discussed.

Q: While discussing so, did you check the system of MC Branch about the overdue bills which are particularly beyond 360 days since August 2013?

A: It was not necessary.

Q: Whether MC Branch had informed about the over dues morethan the 360 days?

A: They simply written to us and advised to debit the account.

Q: Whether specific communication is there?

A: Yes there is a communication.

Q: While discussing with MC Branch, did you ever question why it is crystallized?

A: All the matters occurred before my joining.

Q: Are you aware the Mid-Corporate Branch is using separate customer identification file(CIF)?

A: Yes I was aware of it.

Q: Whether CIF was shared by MC Branch to Mylapore Branch during your tenure?

A: Yes.

Q: While you have aware CIF, did you know or did you see the over dues in the system and reports specifically in your complaint.

A: I have not mentioned about this allegation in my complaint.

Q: Before giving complaint, how many occasions you discuss the matter with Regional Office and MC Branch?

A: A number of times I discussed with Regional Office.

Q: Whether Regional Office informed about the over dues of this account while discussing with you?

A: Yes.

Q: Before giving complaint, did you peruse your bank concurrent Audit Report for the period of six months in respect of these accounts?

A: I perused the Audit Reports covering my tenure.

Q: Did you find any adverse remarks while perusing Audit Report during your tenure?

A: Now, I am not able to recollect.

Q: If any adverse remarks noticed in the Audit Report would you have included the same in your complaint?

A: My complaint has not contained any adverse remarks in the light of Audit Report but my complaint was not lodged based on the Audit Report.

Q: What is the role of Chief Manager, is it his duty to entire process of credit proposal by himself?

A: No. There is a credit department who processes and recommend.

Q: Have you mentioned any other person's name who processed this credit proposal?

A: Credit proposal was sanctioned by Regional Office, and recommended by Branch only.

Q: Is it possible for second assignment for LIC Policy in favour of the Bank if already assigned to LIC?

A: If once loan is taken against LIC Policy, the second assignment is not possible.

Q: The Exim Focus proposal was sanctioned by Regional Office does the responsibility of the Regional Office differ from the Branch Office who sent and recommended the proposal?

A: The Regional Office sanctions the loan based on the recommendation of Branch.

Q: Did your Regional Office scrutinies the proposal recommended by Branch and then sanctioned based on the eligibility of the evaluating by Panel of credit officers and then the loan is sanctioned?

A: Regional Office scrutinized and if something found not in order they raise queries on branch.

Q: Is their any queries by Regional Office in respect of over dues from the Branch?

A: During my tenure, the loan was not sanctioned. So, I am not aware of such queries.

Q: The discretionary power for considering excess at Branch level for scale IV and above whether 10% or 15%?

A: Certainly, there was some discretionary power but the percentage I am not knowing now.

Q: Are you aware that in your branch they maintain reference books or refer books? If so, what is its purpose?

A: Yes. Refer book is used to notify the amount to be debited more than the sanction limit.

Q: Did you see the refer book? If so, did you notice any excess allowed by the branch for this account?

A: Refer book was maintained. But I cannot recollect whether there is any entries on excess given to that account.

Q: Before lodging complaint, did you verify the CIBIL Report?

A: Before lodging complaint, it was not verified.

Q: Whether there is special audit for the loan of 5 crores and above.

A: Yes.

Q: Did you verify loan review mechanism report every quarterly done by special officer and did you send any negative remarks or report to Regional

Office?

A: During my tenure, the loan was NPA so no special audit(LRM) conducted.

Q: Is it correct to say that this account Became NPA during our tenure in the month of July 2014?

A: I joined in June 2014 and in very next month, it became NPA.

Q: Did you see the Audit Report (LRM) submitted for June 2014?

A: I am not able to remember.

Q: In respect of Bajaj Allianz, Ist premium alone was paid and nine more yearly premium to be paid to due course for next nine years, can an assignment be created which are to be paid in due course of time ?A: Assignment can be created.

Q: If so, why you did not create an assignment towards Bajaj Allianz Policy?

A: It was not done.

Q: Whether Bajaj Allianz policy was available or not?

A: I don't recollect now.

(*Witness already answered that the policy was not available; but immediately, it was denied by stating that I don't recollect*).

It is incorrect to say that my complaint was drafted by the Regional Office and without giving any material particulars, especially not mentioning the over dues and made me to lodge a complaint without referring Audit Reports, CIBIL Reports and necessary relevant documents. It is further incorrect to say that I was asked not to mention any superior officer who sanctioned without proper scrutiny. It is incorrect to say that I have selectively omitted to answers and denied as instructed by the Regional Office, Chennai and CBI suggestions.

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

Q: Is it correct to say that you lodged complaint with CBI on 27.11.2014?

A: Yes.

Q: Who authorized you to lodge the complaint?

A: The then Regional Manager.

Q: Whether the said authorization was in oral or written?

A: It was both in oral and written.

Q: Have you stated in your complaint about the authorization?

A: Yes. I have stated.

Q: Whether have you enclosed written authorization along with your complaint so as to substantiate that you were authorized by the Regional Manager to lodge the criminal complaint?

A: I have not enclosed said written authorization.

I was examined by the CBI for many occasions. CBI did not ask me to produce written authorization.

Q: Have you produced the authorization voluntarily with CBI since you were aware of such authorization from Regional Office?

A: No. I have not produced voluntarily. CBI also has not asked for the said authorization.

It is incorrect to say that I have not authorized to lodged the complaint.

<u>Q:</u> Are you aware of the purpose for conducting internal investigation/flash report/detail report in respect of the disputed bank accounts?

A: If any problem arise in an account, the internal investigation is done.

(***The cross examination is partly over and reposted to 28.08.2024 and 29.08.2024***)