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.06 /2006
Deposition of witness for	: PW-3
Name of the witness	: S.Muralidharan

Solemnly affirmed in accordance with the provisions of Oaths Act, 1969 (Central Act 44 of 1969) on the 4th day of August 2025.

(A1, A5 are present. A3 company represented by A5 and A6. A4, A8, A9 charge abated A7 split up in CC.NO.7/2018. Others absent. Petition filed and allowed.)

Cross Examination Continuation by A1 :

Q: Has Mr. Sundarajan, Technical Officer mentioned in his report that valuation has to be obtained?

A: It is mentioned that the value as per valuation report.

Q: Was it prior to the note dated 05.03.2002?

A: I am not able to recollect.

Q: During that period 1999 to 2002, how many officials were reporting to you ?

A: Technically, no one reported to me.

Q: Have you given any written order regarding allocation of duties to the various personals at Niwas Office?

A: I do not recollect. If at all, such an order was issued, only with prior approval of Regional Chief.

Q: Are you aware that regarding vital aspects of your evidence, there is variation among your statement to Police, and confession to the Magistrate and Chief examination in Court?

A: I unable to recollect specifically.

Q: Regarding valuation by Panel Valuer, the deliberations in respect of it, are there file notings?

A: Only oral instructions.

Q: Between 1999 to 2002, how many panel valuers there?

A: I am not able to recollect.

Q: Is it atleast correct to say inspite of Niwas Manual being silent about valuation, HUDCO has approved the list of Panel Valuers ?

A: Yes.

Q: Regarding the so called instructions of Regional Chief to Shankaran, Panel Valuer there is absolutely no documentary evidence, is it correct?

A: There is no written instruction.

Q: I put it to you that you are falsely stating that RC gave written instructions to Shankaran ?

A: I deny.

Q: You are now shown Ex.P3 in CC 6/2006 (marked as Exhibits in other cases), when did Mr. Arulkumar return from Delhi to sign this note?

A: I do not remember.

Q: Was Mr. Arulkumar present in India when the above note was prepared?

A: Yes.

Q: Will the Site Inspection Report by Technical Officer mentioned the price of the plot in their opinion ?

A: Usually it was not mentioned.

Q: Now you are shown Ex.D10, in CC.No.11/2006 additional document no.XXIII in Crmp 24/2010 in CC.No.6/2006, was this sanctioned by ED, prior to note dated 5.03.2002 ?

A: Yes.

Q: Was this loan application for putting it to ED processed by you and placed to Regional Chief for the recommendation of ED?

A: I am not able to recollect.

Q: Are you aware that ED cleared this loan proposal based on 85 percent of the cost indicated in the Sale Agreement ?

A: I am not able to recollect exactly.

Q: Now you are shown Loan Application No.2262, 2263 and 2264 the very first batch of plot loan application pertaining to Win Villa Estate, is it correct to state that the employment verification certificates were given along with the application ?

A: I unable to comment since I did not receive the loan application.

Q: Were you atleast aware that in many applications, employers were not addressed through registered post to get the verification report?

A: I do not know whether it was sent by register post.

Q: Is it duty of the RC, to do this?

A: I do not know.

Q: I put it to you that it is the duty of yourself and P.Subramaniyan, other approver as Branch Incharge/ Senior Manager to do the above function and both of you failed and misled the RC in the processing of the plot loan cases, is it ?

A: I deny. In every case, I signed the dispatch letter seeking confirmation of employment and salary particulars.

Q: Are you aware that no such letters were there nor they were shown to you in chief examination for marking it as exhibits?

A: I do not remember.

Q: You are now shown Ex.D1 in CC.No.6/2006 containing the total list of plot loan in the 5 cases between 1999 to 2002, is it correct to state that prior to 05.03.2002, about 50 plot loan applications including that sanctioned by ED was processed by you for approval ?

A: Yes. 48 loan applications were processed by the HUDCO Niwas Team.

Q: Were those 48 loan applications processed based on 85 percent of the sale agreement basis ?

A: Yes.

Q: In all those loan applications, under column 14, have you or any other officer made any reservations objecting to the method of taking 85 percentage of sale agreement ?

A: No. We only made oral observation to that effect to Regional Chief.

Q: I put it to you that you and the other officials misled RC in not doing your duties properly by mentioning the observation in column 14 of the loan applications, but now falsely deposing that you orally told RC, is it ?

A: I deny.

Q: In all the 5 plot loan cases, how many officials approximately had processed and recommended to RC for sanction ?

A: All the officials have processed and recommended 5 plot loan cases.

Q: As incharge of retail finance unit, have you taken any action on the processing officer for their lapses ?

A: It would not arise since I was never officially made incharge of HUDCO Niwas. I was only functioning under RC.

Q: Were you responsible for the lapses in the 5 plot loan cases or there is no lapse at all on your part ?

A: There is no willful lapse on my part since I had acted upon the instruction of RC.

Q: Have you in your 161 crpc statement dated 26.10.2004 in CC.6/2006 stated thus: "The Branch Manager (Head of the Retail Finance Unit) is responsible for the all activities of the Officers of Retail Finance Unit and he will be reporting to RC" ?

A: I did not give this statement.

Q: Out of 5 plot loan cases, are you aware as far as JP Builders (23 plot loans), all the accused including the RC were discharged in CC 8/2006 by the court and the same was upheld by the Hon'ble High Court ?

A: I do not know.

Q: In the 05.03.2002 note, as the RC also clearly mentioned that the capability of the Borrower is to be ensured, thereby protecting the interest of HUDCO ?

A: Yes.

Q: You are now shown LD 15/2006 in CC 6/2006 dated 30.04.1998, is it correct to state that at the time of this note, Niwas was not at all in existence and plot loan cases was not at all in the contemplation ?

A: Yes.

Q: This document is reference to project note by the builders, is it correct?

A: Yes.

Q: Now you are shown the overall list of plot loan cases of the 5 developers by which it is seen that out of 271 plot loans, only 40 were in default (Additional doc.no.VI in Crlmp.24/2010 in CC.6/2006), is it correct?

A: I am not aware.

Q: In your 161 Crpc statement to the Police, you have stated that you had asked Mr.Irwin to meet Mr.Arulkumar but later before this court and in your confession before the Magistrate, you have improved your version that Mr.Irwin met Arulkumar, is it ?

A: Yes. I have stated so depending upon the question posed to me.

(At the request made by learned counsel of the A1, the further cross examination is adjourned.)

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

VADIVELU T P

Digitally signed by VADIVELU T P

04.08.2025 XI Additional Special Judge for CBI Cases.