Calendar Case : C.C. No.09/2006

Deposition of witness for : PW17

Name : Thiru S.Muralidharan

Date : 21.02.2023

Solemnly affirmed in accordance with the provisions of Oaths Act, 1969 (Central Act 44 of 1969) on the 21st day of February 2023.

A1, A3 Company represented by its Representative -Mr.Jitendra Kumar Kothari, A6 and A11 present. Charge against A4, A15 and A16 abated. Others absent. Petitions filed and allowed.

Chief Continuation:

As per the guidelines of HUDCO Niwas, applicants wanting to purchase Housing plots from Government agencies like TNHB and Development Authorities, can apply for HUDCO Loan. In June-2000, new circular was issued allowing credit assistants to those who purchase plots which are developed by private developers. As per the said guidelines, HUDCO can extend finance upto 85% of the project cost which includes incidental charges like stamp duty and registration expenses. Some where in middle of December-2001 Mr.Irwin from M/s.Winwilla Developers approached us for financial assistants for his prospective purchasers. During discussions Mr.Irwin said that the plots will be registered only for the guideline value whereas he wanted loan for the development thereon also. Since there was no clarity in our guidelines regarding this and has Mr.V.Arul Kumar(A1) was away to Australia I refused to entertain the loan claim and I did not receive any applications eventhough I was empowered to sanction loan upto Rs.2 Lakh. The first set of applications were handed over to HUDCO by Mr.Irwin on 24.12.2001 after his personal meeting with Mr.Arul Kumar who by then returned from Australia. In the middle of January-2002, Mr.Arul Kumar(A1) called for a meeting of all staff of HUDCO Niwas and informed us that he had tied up for receiving applications of similar nature from Kothari Developers also. Subsequently, we started receiving applications from Kothari Developers wherein the loan applied was for 85% of the project cost which included the development and incidental charges also. Since HUDCO Niwas Team of officials including myself was reluctant to process these cases Mr.Arul Kumar (A1) again convened a meeting and advocated to consider loan applications which includes development and incidental charges. He also said that he will obtain a Valuation Report from an empanel Valuer of HUDCO regarding the current value of the project. After few days the Valuation Report from P.M.Sankaran-Empanel Valuer of HUDCO was handed over to us by Mr.Arul Kumar(A1). This Valuation Report related to plots developed by Kothari Developers. On receipt of Valuation Report from Panel Valuer, Mr.Arul Kumar(A1) acknowledged the same in writing and also requested the Valuation Reports of other two developers in the same communication. In the interregnum period Mr.Arul Kumar(A1) forced me to process the loan applications and put up the same to him. Thought I was aware that these loans cannot be processed and sanctioned, I informed it to Vigilance Officer of the Zonal Office. However we processed the applications and placed it before Mr.V.Arul Kumar(A1). There was no clarity in the guidelines of HUDCO Niwas in this regard.

At request of the learned Public Prosecutor continuation of chief adjourned for verifying documents.