

BEFORE THE ADDITIONAL MASTER-II
HIGH COURT, MADRAS
C.S.No.28 OF 2017

Date : 02.09.2026
Time : 02:30 PM

Name : Mr. S. Rajesh (PW2)

PW1 Cross continuation by Learned counsel for the Defendant Mr.Avinash Krishnan Ravi.

Solemnly affirmed:

Q13: In the last hearing you have stated that you have reviewed company records and accounts book for the last 15 years prior to the ones in the suit and do you have agreed to produce the same before this court?

A:Yes, I have brought.

Q14: Have you reviewed these papers before prior to the filing of the proof affidavit?

A:Yes, Copy of the account statement of plaintiff in relation to defendant is marked as **Ex.D1**.

Q15: What is the name of the defendant in this case?

A: Empee Distilleries Ltd.

Q16: (Ex.D1 is shown to the witness) What is the name of the party mentioned in Ex.D1?

A: Empee Breweries Ltd and Empee Distilleries Ltd.

Q17: Are these accounts(Ex.D1) maintained by you electronically?

A:Yes.

Q18:From what software have you printed these accounts (Ex.D1)?

A:SAP Accounting software.

Q19: Were the posting of these entries done by you?

A:No.

Q20:(Ex.D1 is shown to the witness) From these accounts explain how many purchase orders were issued and how many invoices were raised and when they were paid by the defendant?

A: I do not know that information.

Q21: In Q8 and Q9 when I asked you whether invoices prior to the subject matter of the suit invoices were paid within time or not, you said all invoices were paid within 45 days. Now you say you do not know the information about how many purchase orders or invoices are there. Without knowing the information how did you answer Q8 and Q9?

A: I have not verified each invoice and purchase orders when I randomly reviewed, those transactions were paid within 45 days.

Q22: (Ex.D1 is shown to the witness) Please identify the transactions from Ex.D1?

A: I have reviewed the following entries in Ex.D1 for the answer given for

Q21 1. Document No.9900047626 dated 31.03.2008 amount Rs.399,799.

2. Document No.990031161 dated 08.07.2008 amount Rs.163,780.

3. Document No.990039453 dated 30.09.2014 amount Rs.194, 740.

4. Document No.990031162 dated 20.10.2008 amount Rs.194, 042.

5. Document No.990031163 dated 31.01.2009 amount Rs.194, 070.

6. Document No.990039454 dated 07.02.2009 amount Rs.194, 820.

7. Document No.990043649 dated 29.08.2011 amount Rs.129,630.

8. Document No.990043647 dated 03.10.2011 amount Rs.129, 630.

9. Document No.990047823 dated 27.10.2011 amount Rs.129, 630.

10. Document No.990047822 dated 28.10.2011 amount Rs.129,630.

11. Document No.9900030368 dated 15.04.2011 amount Rs.165,703.

12. Document No.9900031981 dated 26.05.2011 amount Rs.140,000.

13. Document No.9900043858 dated 26.05.2011 amount Rs.138,835.

14. Document No.9900031980 dated 26.07.2011 amount Rs.366,828.

15. Document No.9900043860 dated 23.04.2012 amount Rs.288,191.

16. Document No.9900043861 dated 23.04.2012 amount Rs.209, 594.

17. Document No.9900043862 dated 23.04.2012 amount Rs.209,594.

18. Document No.9900031964 dated 05.07.2012 amount Rs.706, 265.

19. Document No.9900043848 dated 13.07.2012 amount Rs.275, 092.

20. Document No.9900043859 dated 13.07.2012 amount Rs.209, 594.

21. Document No.9900031963 dated 29.08.2012 amount Rs.400,000.

22. Document No.9900043844 dated 07.09.2012 amount Rs.196, 494.

23. Document No.9900043840 dated 26.09.2012 amount Rs.196,494.

24. Document No.9900031969 dated 10.11.2012 amount Rs.196, 494.
25. Document No.9900031968 dated 11.11.2012 amount Rs.196, 494.
26. Document No.9900048320 dated 01.12.2000 amount Rs.16,025.60.
27. Document No.9900030785 dated 31.01.2002 amount Rs.11,200.
28. Document No.9900030786 dated 28.02.2002 amount Rs.11,200.
29. Document No.9900047929 dated 31.03.2002 amount Rs.10,972.
30. Document No.9900047927 dated 13.10.2003 amount Rs.50,000.
31. Document No.9900032186 dated 08.11.2003 amount Rs.40,000.
32. Document No.9900032187 dated 12.11.2003 amount Rs.15,664.

Q23: The 32 entries identified by you comprised of the entry of the invoice and the corresponding entry of payment within 45 days. Is it correct?

A: Yes.

Q24: That means that the remaining entries in Ex.D1 comprised of invoices where payment was made after 45 days. Is it correct?

A: I am not sure. I have to check.

Q25: What do you have to check?

A: I have to check the system to verify the remaining invoices where payment was made after 45 days.

Q26:(Ex.D1 is shown to the witness) Are there instances in Ex.D1 where payment has been made after 45 days?

A: Yes.

Q27: Have you claimed any interest for those payments beyond 45 days?

A: No.

Q28:(Ex.D1 is shown to the witness) Are there any entries in Ex.D1 produced by you showing interest accrual during the invoices involved in the subject suit between January 2013 to September 2013?

A:Yes.

Q29: Do you follow the mercantile system of accounting?

A:Yes.

Q30: For delayed payment in 2013 beyond 45 days, the interest entries should be made by 31.03.2014 being the financial year by the end of which the entire invoices subject matter in the suit was payable. Is it correct?

A:Yes.

Q31:(Ex.D1 is shown to the witness) Please identify the interest entry made by Ex.D1?

A: Document No.1200021757 dated 31.03.2016 amount Rs.42,184,317.

Q32:(Ex.P4 is shown to the witness) What is the date of signature mentioned in Ex.P4 ?

A: 18.07.2014.

Q33: (Ex.P5 is shown to the witness) When was the memo of compromise in Ex.P5 ?

A: 08.09.2015.

Q34: In Ex.D1 produced by you, the date of interest entry is after the date of memo of compromise. Is it correct?

A: Yes.

Q35:In Q13, you have stated that you have reviewed these books of accounts prior to filing of your proof affidavit. Is it correct?

A: Yes.

Q36: (proof affidavit is shown to the witness) When is your proof affidavit dated?

A:31.07.2025.

Q37: (Last 3 entries in the last page of Ex.D1 is shown to the witness) Please state the dates mentioned in the Last 3 entries in the last page of Ex.D1?

A:31.03.2026.

Q38: When your proof affidavit dated 31.07.2025, you could not have reviewed a document which has an entry dated 31.03.2026 at the time of filing of your proof affidavit. Therefore, I put it to you that you have made false statement before this court.

A: I deny.

Q39: For how long has your company been maintaining accounts in SAP?

A: From 2002 till date.

Q40: Are all entries in relation to transactions with any customer entered in SAP and accordingly maintained?

A:Yes.

Q41: (Ex.D1 is shown to the witness) Is that how it is maintained for the defendant also and is Ex.D1 an extract of that?

A: Yes.

Q42:(Ex.D1 is shown to the witness) You identify an interest entry dated 31.03.2016 as the entry for the interest accrued in reply to my question at Q31. What is the amount of interest accrued on that date?

A:Rs.4,21,84,317/-

Q43: On what basis have you arrived at this interest?

A: It has arrived based on due date and date of receipt of delayed payment with interest calculated at 18% Per annum.

Q44: Is this simple interest or compound interest?

A: Simple interest.

Q45: Identify the contractual provision or document based on which interest is charged at 18 %?

A: It is a commercial transaction so we have identified it as 18 %.

Q46: So, Is it correct to state that 18% is not mentioned in any document?

A: Yes.

Q47: (Ex.P4 is shown to the witness and attention is drawn to para 14 of Ex.P4) What is the interest percentage you have claimed in Ex.P4?

A: It was mentioned as 15% Per annum. Witness adds: We have calculated 18% Per annum.

Q48: When you arrived at 15% in Ex.P4 what was the basis for that?

A: I do not know.

Q49: Is it correct to state that your company in one case has asked for 15% and in another it is now asking for 18%?

A: Yes.

Q50: Is it correct to state that there is no document for 15% or 18% and both of these have been claimed by you based on your rationale that this is a commercial transactions?

A: Yes.

Q51: Refer your answer to Q26 and Q27 you have stated that in Ex.D1 there are instances where payment has been made beyond the due date of 45 days and no interest is claimed. Is the decision not to claim interest and sue for the same also your commercial decision?

A: No payment made beyond 45 days for invoices which are prior to 2013 invoices which are the subject matter of this suit.

Q52: (Ex.D1 is shown to the witness) For the period between 31.07.2011 to 01.12.2011, there are various entries made by you in Ex.D1. Please explain those entries to state when the invoice was raised based on document date and match it with the payment receipt recorded in your SAP statement in Ex.D1?

A: For the invoice raised for an amount of Rs.1,88,654 on 31.07.2011, we have received an advance of Rs.3,66,828/- on 26.07.2011.

For the 3 invoices raised on 12.09.2011 to 14.09.2011 each for an amount of Rs.1,88,654, we have received partial payment on 12.10.2011 for an amount of Rs.3,78,000/-.

For the invoices raised on 12.10.2011 & 13.10.2011 for an amount of Rs.1,88,654 each we have received Rs.10 Lakhs on 01.12.2011.

Q53: In response to Q22, you have identified the transaction dated 26.07.2011 at Serial number 14 of that answer to state that it was one of the transactions you reviewed to state that payments were made within 45 days. Now you are identifying the same transaction as a transaction for advance paid for future goods to be received which according to you was received based on the invoices dated 31.07.2011 for sum of Rs.1,88,654/- which of these two is correct?

A: Both are correct.

Q54: Please explain?

A: The bill was raised for Rs.1,38,835 on 26.05.2011. We have received Rs.3,66,828/- on 26.07.2011. We raised an other invoice dated 31.07.2011 for a sum of Rs.1,88,654/- We have appropriated these amounts towards both the invoices.

Q55: (Ex.D1 is shown to the witness) On 15.04.2011 there is an entry made for balance adjustment is that correct or is it an invoice?

A: I have to check the system.

Q56: (Ex.P9 is shown to the witness) Is this an extract from your SAP account?

A: No.

Q57: Have you prepared this?

A: No.

Q58: Is this the document(Ex.P9) internally prepared by your company?

A: Yes.

Q59: Your Ex.P9, contains payments dated 25.06.2013. Can you please identify this entry in Ex.D1 as money having been received by you on the said date?

A: I am unable to identify.

Q60: Is it correct to state that Ex.D1 produced by you today does not contain all details of all transaction with the defendant?

A: Yes. During 2014 the company was migrating from old software to new version.

Q61: Are entries prior to your migration shown in Ex.D1?

A: Yes, Only open items are there in Ex.D1.

Q62: When you reviewed Ex.D1 if any payment beyond 45 days was closed in your previous version, it would have not shown you. Is it correct??

A:Yes.

Q63: So, when you say you randomly checked whether the payments are received within 45 days, you only checked with items which remained open from the previous version and you have no knowledge about any previous transaction where payment was made beyond 45 days period. Is it correct?

A:Yes.

Q64: Can you state why entries should be carried over from the previous version to the new version?

A: I do not have any idea.

Q65: Is it correct to state that you had reviewed random open entries as they remained in SAP and made a statement that no payment were paid beyond 45 days since those entries did not remain open in the new version of SAP of which you do not know how entries remained open?

A:Yes.

Time : 04.45 P.M

Taken down in open Court, read over and explained to the witness and the same is admitted by the witness to be correct and signed before me.

ADDITIONAL MASTER-II