

IN THE SPECIAL COURT AT BOMBAY
Constituted under the Special Court [Trial of Offences
Relating to Transactions in Securities] Act, 1992

SPECIAL SUIT NO.2 OF 2004

ICDS Ltd.Plaintiff
V/s.
Hiten P. Dalal & Ors.Defendants

Mr. Piyush Raheja, with Mr. Ganesh Ambekar, i/by Thakore Jariwala & Associates, for the Plaintiff.

Mr. Sunil Kale for Defendant No.1.

Mr. J. Chandran, i/by Leena Adhvaryu & Associates, for the Custodian.

Mr. Somasekhar Sundaresan, with Ms. Sonali Mathur and Ms. Nandita Gopalan, i/by AZB & Partners, for Defendant No.4-Citi Bank.

CORAM : A.K. MENON, J.
JUDGE, SPECIAL COURT
DATE : 16TH JULY, 2021.
[THROUGH VIDEO CONFERENCE]

P.C. :

1. Called for final hearing and disposal.
2. Defendant no.4 has filed its affidavit-of-documents dated 5th July 2004, which is on record. A compilation of documents on behalf of defendant no.4 also dated 5th July 2004 is on record. These have come on record on 6th July 2004. Mr. Ravi Singh, Assistant Vice President of defendant no.4-Citi Bank, appearing as witness on behalf of defendant no.4-Citi Bank, has tendered two

affidavits; one dated 22nd April 2021 and the second dated 8th June, 2021. The second affidavit is filed after having taken inspection of original documents filed in this court in a compilation dated 5th July 2004. The compilation is in line with the affidavit-of-documents filed on behalf of defendant no.4 also of the same date. Mr. Singh, the deponent of the affidavits dated 22nd April 2021 and 8th June 2021, is present in court and has today confirmed the fact that he has affirmed the affidavit dated 8th June 2021 after having taken inspection of the original documents. Affidavits-of-evidence of Mr. Singh are now on record as “Exhibits D-4(1) and D-4(2)”.

3. Mr. Sundaresan has invited my attention to the compilation of documents and points out that the plaintiff, through their Advocates, have admitted document at item no.6, a fact that Mr. Raheja confirms. Mr. Kale appearing on behalf of defendant no.1 has also today admitted documents at items 11, 17, 18 and 27. Mr. Chandran appearing on behalf of the Custodian has admitted documents at items 28 and 29.

4. Item no.6 is the original Bank Receipt No.47 dated 18th July 1991 said to be issued by the 4th defendant-bank. He has invited my attention to the document at item 1 being a letter dated 18th July 1991 issued by one Bimal S. Gandhi addressed to the Manager of defendant no.4-bank. It makes reference to a Contract Note No.8432 dated 18th July 1991 and a Bill No.7332 dated 18th

July 1991, both of which are available in original at items 2 and 3 of the compilation. Item 4 Mr. Sundaresan explains as the Deal Slip dated 18th July 1991 in relation to the Bank Receipt No.47 at item 6. Item 5 is the Cost Memo also issued by the defendant no.4-bank on the same date. All of these documents pertain to the sale of 50,00,000 units of Unit Trust of India (1964 Scheme) of the face-value of Rs.13.33 per unit.

5. Mr. Sundaresan points out that documents at items 7 to 10, both inclusive, are pertaining to the transaction relating to the Bank Receipt bearing reference no.107 dated 19th July 1991. This he has established by making reference to the preceding document. - the subject matter of the bank receipt - towards purchase of 5,00,000 units of the UTI having face-value of Rs.50,00,000/- purchased at the price of Rs.13.3300000 per unit. That transaction is reflected in the letter dated 19th July 1991. The documents at items 7, 8, 9 and 10, all of which dealt with the same quantity of units of UTI (1964 Scheme), which was executed on 19th July 1991. The appropriate cross reference is to the quantity, the price, the deal number, the bill number and the parties, which are all being co-related by Mr. Sundaresan and in that view of the matter, I find no difficulty in marking these documents to be read in evidence, subject to proof of contents of those documents, which are not admitted by the contesting parties.

6. Item 17 is a original Bank Receipt No.321 dated 24th July 1991 issued by defendant no.4-bank, which pertains to purchase of 10,00,000 units of the UTI having face value of Rs.1,00,00,000/- at a price of Rs.13.3500000 per unit. Items 12 to 16 all dated 24th July 1991 record the sale of 10,00,000 units of UTI (1964) Scheme under Bill No.7338, Original Contract No.8438, read with Cost Memo No.321. This transaction is covered by the BR at item 17 and hence shall be read in evidence. Item 18 is a original bill issued by defendant no.1 bearing no.1209 dated 4th November 1991 addressed to the defendant no.4-bank. It pertains to 21,00,000 units and contains reference to Deal No.107 dated 19th July 1991 comprised in item 11 above; Deal No.47 dated 18th July 1991 comprised in item 6 above; Deal No.321 dated 24th July 1991 comprised in item 17 above and; Deal No.968 dated 16th July 1991 comprised in item 27 above. Items 19 to 26 are all pertaining to purchase of diverse quantities of UTI (1964) Scheme purchased at a common price known through original defendant no.3 – Bimal Gandhi. These items 19 to 26 are thus connected in transactions in item no.18, which is an admitted document. Therefore, all these documents shall be read in evidence being part of series of transactions emanating from and connected with the document at item 18 i.e. Bill No.1209 dated 4th November 1991. Item 27 is the original Bank Receipt No.968 dated 16th July 1991, which is admitted. Items 28 and 29 are already admitted by the Custodian.

7. Hence, all these documents shall be read in evidence. They are marked as Exhibits as described in the following table. Except the admitted documents, the contents of other documents are not admitted by the contesting parties.

Sr. No.	Description of the Document	Exhibit No.
1	Original letter dated 18 th July 1991 issued by Original Defendant No.3-Bimal Gandhi to the Manager of Defendant No.4-Bank.	D-4(3)
2	Original Contract Note No.8432 dated 18 th July 1991 issued by the original Defendant No.3-Bimal Gandhi to Defendant No.4-Bank.	D-4(4)
3	Original Bill No.7332 dated 18 th July 1991 issued by the original Defendant No.3-Bimal Gandhi to the Defendant No.4-Bank.	D-4(5)
4	Office-copy of the Deal Slip No.47 dated 18 th July 1991 of Defendant No.4-Bank.	D-4(6)
5	Office-copy of the Cost Memo No.47 dated 18 th July 1991 of Defendant No.4-Bank.	D-4(7)
6	Original Bank Receipt No.47 dated 18 th July 1991 issued by Defendant No.4-Citi Bank.	D-4(8) Admitted by Def.No.1
7	Letter dated 19 th July 1991 issued by the Original Defendant No.3-Bimal Gandhi to Defendant No.4-Bank.	D-4(9)
8	Original Contract Note No.8436 dated 19 th July 1991 issued by the Original Defendant No.3-Bimal Gandhi to Defendant No.4-Bank.	D-4(10)
9	Original Bill No.7336 dated 19 th July 1991 issued by the Original Defendant No.3-Bimal Gandhi to Defendant No.4-Bank.	D-4(11)

Sr. No.	Description of the Document	Exhibit No.
10	Office-copy of the Deal Slip No.107 dated 19 th July 1991 of Defendant No.4-Bank.	D-4(12)
11	Original Bank Receipt No.107 dated 19 th July 1991 issued by Defendant No.4-Bank.	D-4(13) Admitted by Def.No.1
12	Letter dated 24 th July 1991 issued by the Original Defendant No.3-Bimal Gandhi to Defendant No.4-Bank.	D-4(14)
13	Original Bill No.7338 dated 24 th July 1991 issued by the Original Defendant No.3-Bimal Gandhi.	D-4(15)
14	Original Contract No.8438 dated 24 th July 1991 issued by the Original Defendant No.3-Bimal Gandhi.	D-4(16)
15	Office-copy of the Deal Slip No.321 dated 24 th July 1991 of the 4 th Defendant-Bank.	D-4(17)
16	Office-copy of the Cost Memo dated 24 th July 1991 of the 4 th Defendant-Bank.	D-4(18)
17	Original Bank Receipt No.321 dated 24 th July 1991 issued by Defendant No.4-Bank.	D-4(19) Admitted by Def.No.1
18	Original Bill No.1209 dated 4 th November 1991 issued by Defendant No.1-Hiten Dalal.	D-4(20) Admitted by Def.No.1
19	Office-copy of the Deal Slip No.223 dated 4 th November 1991 of Defendant No.4-Bank.	D-4(21)
20	Office-copy of the Deal-Slip No.224 dated 4 th November 1991 of Defendant No.4-Bank.	D-4(22)
21	Office-copy of the Deal-Slip No.225 dated 4 th November 1991 of Defendant No.4-Bank.	D-4(23)

Sr. No.	Description of the Document	Exhibit No.
22	Office-copy of the Cost Memo No.223 dated 4 th November, 1991 of Defendant No.4-Bank.	D-4(24)
23	Office-copy of the Cost Memo No.224 dated 4 th November, 1991 of Defendant No.4-Bank.	D-4(25)
24	Office-copy of the Cost Memo No.225 dated 4 th November, 1991 of Defendant No.4-Bank.	D-4(26)
25	Office-copy of the Deal Slip No.968 dated 16 th July 1991 of Defendant No.4-Bank.	D-4(27)
26	Office-copy of the Cost Memo No.968 dated 16 th July, 1991 of Defendant No.4-Bank.	D-4(28)
27	Original Bank Receipt No.968 dated 16 th July 1991 duly discharged by Fairgrowth Financial Services.	D-4(29) Admitted by Def.No.1
28	Letter dated 29 th November 1995 issued by Defendant No.2-Custodian to Defendant No.4-Bank.	D-4(30) Admitted by Custodian
29	Office-copy of the letter dated 3 rd January 1996 issued by Defendant No.4-Bank to Defendant No.2-Custodian.	D-4(31) Admitted by Custodian

8. By consent, list the Suit on 30th July 2021 under the caption “for recording evidence / for final disposal”.

[A.K. MENON, J.]