

CBI vs. Closure Report (Pronnoy Roy and ors.)
CLOR 19/2024

23.01.2025

Present: Sh.Amjad Ali, ld. PP for CBI with IO Dy. SP Sunil Kumar.

Matter is listed today for consideration on closure report filed by the CBI. It is matter of record that on the last date of hearing i.e. 07.01.2025 complainant Sanjay Dutt gave the statement stating that he do not want to file any protest petition as he was satisfied with the investigation of the CBI.

CBI has filed the present closure report in this case, which was registered at the instance of complainant Sanjay Dutt being Director of M/s Quantum Security Pvt. Ltd. Allegations precisely stating made in that complaint was that for financial year 2008-09 promoter of M/s NDTV Limited namely Dr.Prannoy Roy and Mrs.Radhika Roy along with RRPR Holding Pvt. Ltd., acted in concert and made an open offer of Rs.438.98 per fully paid up equity share of Rs.4 each, to acquire upto 1,26,90,257 fully paid up shares of face value of Rs.4 each of NDTV Limited, representing 20% of voting share capital of that company. It was alleged that above mentioned Dr.Prannoy Roy and Radhika Roy and M/s RRPR Holding Pvt. Ltd entered into a criminal conspiracy with officials of ICICI Bank. Under the conspiracy ICICI Bank advanced loan of Rs.375 crores and took over entire shareholding of above mentioned promoters of NDTV (nearly 61%), as collateral/pledged, in violation of Section 19(2) of Banking Regulation Act and under the said conspiracy ICICI accepted the

repayment of loan by reducing the interest rate from 19% per annum to 9.5% per annum, resulting wrongful loss of Rs.48 crores to ICICI Bank and corresponding gain to above mentioned accused persons. It is also in the allegations that promoters of NDTV did not disclose material facts regarding creation of pledge/encumbrance against the above said loan from ICICI to SEBI.

After thorough investigation in the matter CBI filed the closure on the ground that there was no element of criminality or violation of Section 19(2) of Banking Regulation Act, 1949. It was concluded that since there was no regular payment of interest on the amount of loan, committee of directors of ICICI in its meeting held on 09.02.2009 decided to reduce DSRA balance to the amount equivalent to six months interest instead of nine months interest as approved earlier. Credit Committee in its meeting dated 12.02.2009 approved the said proposal. Committees of Executives of ICICI in its meeting dated 27.02.2009 approved the waiver of penal interest on account of delay in timely repayment of monthly interest. Although non-executive Director Sh.NarendraMurkumbi made observations that in future while evaluating such type of structured transaction, bank should undertake a higher level of due diligence on repayment capabilities, however he supported the recommendation of management to accept the prepayment of loan. As per letter dated 04.07.2017 of Ministry of Information and Broadcasting (MIB), as per the policy guidelines company was not required to take permission from MIB regarding pledge of collateral of shareholding with any financial company. It also came in the investigation that ICICI Bank has reduced rate of

interest in respect of 83 loan accounts during F.Y. 2007-08, 2008-09 and 2009-10 and such reducing of rate of interest was not isolated case; as well as the fact acceptance of proposal of RRPR for repayment to ICICI Bank was also not an isolated.

It further came the closure report that filed by CBI that M/s VCPL transferred Rs.350 crores to M/s RRPR on 05.08.2009 under a loan agreement dated 21.07.2009 and Rs.53.75 crores based on loan agreement dated 25.01.2010 through layer of companies like M/s Shenano Retail Pvt. Ltd., Reliance Strategic Investment Pvt. Ltd., Reliance Ventures Limited etc., however such lending of money to RRPR through multiple companies was done in view of operational convenience. It also came in closure report that there was no collusion or criminal conspiracy or abuse of official position by any public servant or officers of ICICI bank for reduction of rate of interest from 19% to 9.65%. Even forensic audit of record of loan conducted by M/s Pramod Kumar and Associates, opined that there seems to be normal business transaction and by closing loan by ICICI Bank, there was no violation of Section 19(2) of Banking Regulation Act.

Upon going through entire closure report, documents annexed with the same coupled with submissions made by Id. PP for CBI as well as statement given by the complainant to the effect that he is satisfied with the investigation of CBI in the present case, this Court accepts the closure report filed by CBI as no criminality or violation of Section 19(2) of Banking Regulation Act, 1949 has been found by any of the accused

persons. Therefore closure report appears to be satisfactory and hence it is accepted.

File be consigned to record room.

(Shailender Malik)
Spl. Judge (PC Act) CBI-21
RACC/New Delhi/23.01.2025