

**IN THE COURT OF HON'BLE XIV ADDITIONAL CHIEF METROPOLITAN  
MAGISTRATE, NAMPALLY, HYDERABAD, ANDHRA PRADESH, INDIA**

IN

RC 4(S)/2009-CBI/Hyderabad



To

The Competent Authority,  
USA

(Through Interpol, New Delhi)

State Represented by CBI, S.P.E,  
Hyderabad

.....

Complainant

Vs

Mr B. Ramalinga Raju, Age 54 years  
Nationality - Indian  
The then Chairman of  
M/s Satyam Computer Services Ltd  
Hyderabad and 8 others

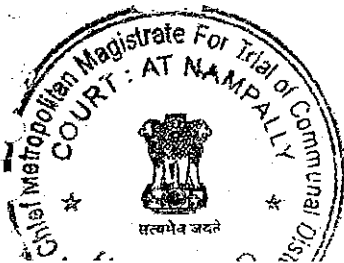
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Accused

Under Section 120-B, r/w 420, 419, 467, 468, 471, 477-A & 201 Indian  
Penal Code

**Request for International Judicial Assistance**

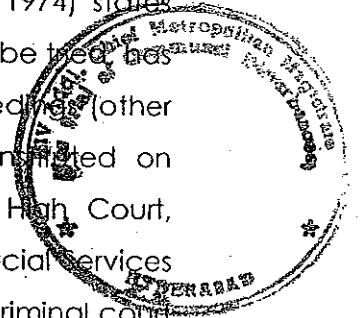
1. The Court of XIV Addl. Chief Metropolitan Magistrate, Hyderabad, Andhra Pradesh, India presents its compliments to the Judicial Authority in U.S.A and requests International judicial assistance for investigation of the above said case and to obtain evidence to be used in a criminal proceeding before this court in the said case.



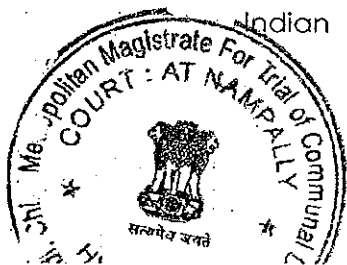
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2. The Criminal Procedure Code, 1973, (Act No.2 of 1974) states that the judicial officer, in whose jurisdiction the case is to be tried, has the duty to take over the conduct of the criminal proceedings (other than proceedings related to certain minor offences) instituted on behalf of a Police Officer. The Chief Justice of the High Court, Hyderabad Andhra Pradesh, India is the Head of the Judicial Services of the State of Andhra Pradesh, India. As a competent criminal court designed by the Head of the Judicial Services, Andhra Pradesh, I have the power to conduct the proceedings in the said case. Accordingly, I am empowered to issue this letter.



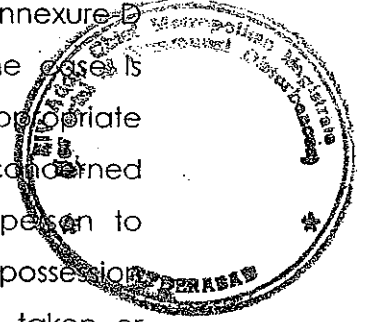
3. This court invites attention to the provisions of Section 166-A of the Criminal Procedure Code of India as amended by Act X of 1990 (copy annexed as Annexure-A) for providing mutual legal assistance in criminal matters and requests assistance in the investigation of the criminal case in RC 4(S)/2009-CBI/Hyderabad Under Section 120-B, r/w 420, 419, 467, 468, 471, 477-A & 201 Indian Penal Code being investigated by the Central Bureau of Investigation(C.B.I), Anti-Corruption Branch, Hyderabad, Andhra Pradesh, India. Section 166-A of the Criminal Procedure Code provides that, on the request of the Investigating Officer or any officer superior in rank to the Investigating Officer, a criminal court in India may issue a Letter of Request to the competent authority of any country outside India to examine orally any person supposed to be acquainted with the facts and circumstances of the case and also require such person or any other person to produce a document or thing which may be in his possession. The reciprocity of examination of witness or production of document or thing on the request of a court of authority of a country outside India exists under section 166-B of the Criminal Procedure Code. The extracts of the said provisions of law pertaining to this case as contained in the Indian Penal Code, 1860 are enclosed as Annexure-B. The relevant



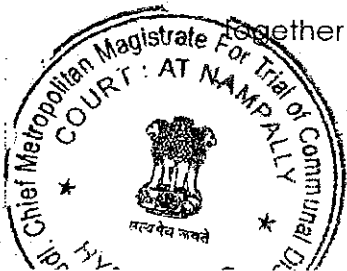
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provisions of Indian Evidence Act, 1872 and the Banker's Books of Evidence Act, 1891 are enclosed at Annexure-C and Annexure-D respectively. A copy of the First Information Report of the case is enclosed as Annexure-E. The assistance requested to the appropriate Judicial authority of U.S.A. is to record the statements of the concerned persons and also to require such person or any other person to produce the documents or thing which may be in his possession pertaining to the case and forward all the evidence so taken or collected or authenticated copies thereof or things so collected to this court issuing such letter.



4. The complaint in this case was lodged by one of the investors of M/s Satyam Computer Services Ltd (SCSL) namely Mrs Leena Mangat, W/o Mr. Nahar Singh Mangat on 9-1-2009 with Andhra Pradesh State Crime Branch. The case was duly transferred to the Central Government Agency called the Central Bureau of Investigation (CBI) as the case involves inter state and international investigations. The allegations in the complaint are that Mrs. Leena Mangat has invested her hard earned money and purchased shares of M/s SCSL on seeing the performance of M/s SCSL through the results and the balance sheet published in the market. The complainant stated that she was cheated and lured to invest in the shares of M/s SCSL by way of publication of inflated and false results by the Chairman, Managing Director and other Directors of the company which were certified by the auditors. Once the scam broke out, the share prices of the company dipped and she suffered huge financial loss. The complainant further stated that the depreciation of value of shares is the result of the dishonest and fraudulent acts committed by the Management of the company who managed the affairs on a day to day basis. The complainant stated that all the accused have conspired together and committed this huge financial fraud to cause huge



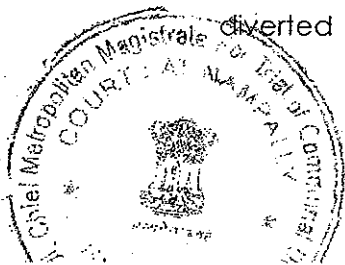
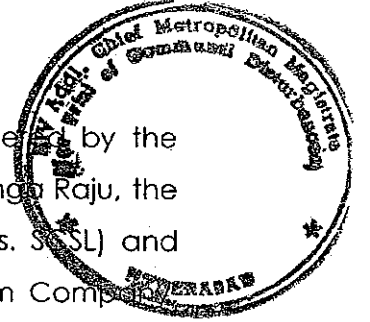
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financial loss to the shareholders and also to make a wrongful gain for themselves.

5. A case vide RC 4(S)/2009-CBI/ACB/Hyd was registered by the Central Bureau of Investigation (CBI) against Mr. B.Ramalinga Raju, the then Chairman, M/s Satyam Computer Services Ltd (M/s. SCSL) and others pertaining to the accounting scam in the Satyam Company. During the course of investigation, it was proved that the fraud was being perpetrated by Mr B.Ramalinga Raju, the then Chairman of M/s SCSL, Mr. B. Rama Raju, the then Managing Director of M/s SCSL and others for the past eight to nine years and the accused have been projecting non-existing deposits and bank balances thereby falsifying the accounts of the company to the tune of more than Rs.70 billion (around USD 1400 millions). The accused have been inflating the sales and wrongly projecting higher growth to the tune of several millions of dollars by generating false and fabricated invoices every quarter for the past several years thereby luring the innocent investors under deception into buying/investing in the shares of M/s. SCSL. They have not only cheated the investors in India, but also have cheated the foreign investors, as M/s. SCSL is also listed at New York Stock Exchange.

6. Further, investigations also revealed that some of the funds of M/s. SCSL have been diverted through certain foreign accounts in the names of some foreign companies with whom M/s SCSL does not have any business transactions. The names of these foreign companies do not figure in the records of M/s SCSL and the funds so paid to these foreign companies were not reflected in the books of M/s SCSL. There are clear indications that the then Management of M/s SCSL have criminally diverted some of the funds of the company. Further, there are also clear indications that the funds of M/s SCSL have also been diverted through certain foreign accounts on the pretext of acquiring

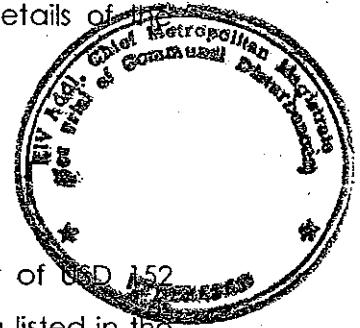


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some profitable companies abroad. In order to complete the investigation of the case, it is essential to collect the details of the diversion of the funds of M/s SCSL.

**First Instance of Suspected Diversion of funds**

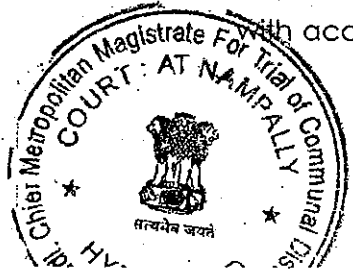


7. During May, 2001 M/s SCSL has raised an amount of USD 152 millions through American Depository Receipts after being listed in the New York Stock Exchange. The funds so raised belonged to the company and should have been brought into the accounts of M/s SCSL through proper banking channels and further these transactions should have been properly accounted for in the company's books. Further these funds are required to be utilized for the purposes which are mentioned in the prospectus. However investigations revealed that some of these funds have been diverted through several foreign accounts and were not accounted for in the company's books. Instead these funds were wrongly shown in the company's books as if they were placed in the fixed deposits at various banks in the name of the company.

8. As per the statement of account of M/s SCSL maintained with Citi Bank, New York Branch vide account No.3678-1814 an amount to the tune of USD 8.8 Millions was transferred on three different dates i.e. 23.5.2001, 22.6.2001 and 28.6.2001 to three companies namely i) M/s Global Networking Solutions Inc., ii) M/s Infotech Solutions Inc and iii) M/s Alfa Software Ltd as per the authorization issued by the then Chairman Mr B.Ramalinga Raju and the then Managing Director Mr B. Ramaraju. Initially the funds from M/s SCSL account at the Citi Bank, New York Branch were transferred to account No. ABA # [REDACTED] at Chase Manhattan Bank, New York and further to the three accounts

with account Nos. # [REDACTED] # [REDACTED] and # [REDACTED]

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maintained at Chase Manhattan Bank, Road Town Tortola, Virgin Islands.

9. In this regard, the following facts need to be ascertained from USA.

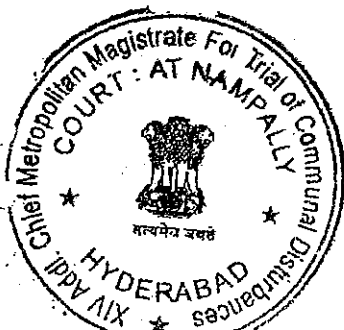


(i) The incorporation details of the companies M/s Global Networking Solutions Inc., M/s InfoTech Solutions Inc. and M/s Alfa Software Ltd. These are the companies which have received funds from the accounts of M/s SCSL, but these transactions were suppressed in the books of M/s SCSL.

(ii) The details of the owner and authorized signatory of Account No.ABA # [REDACTED] at The Chase Manhattan Bank, Newyork. The funds of M/s SCSL transferred to the three companies mentioned above were initially transferred to this account.

(iii) The details of the owners and authorized signatories of the Accounts with (i) Account # [REDACTED], (ii) Account # [REDACTED], (iii) Account # [REDACTED], (iv) Account # [REDACTED] and (v) Account # [REDACTED] 021828 at Chase Manhattan Bank, PO Box 435, Road Town Tortola, Virgin Islands. The funds of M/s SCSL were finally transferred to these five accounts. The identify particulars of account holders need to be ascertained. If from these accounts the funds have further been diverted those details may also be collected.

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Second Instance of Suspected Diversion of Funds

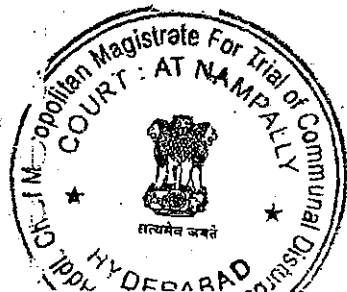
10. Further, investigations also revealed that some of the funds of M/s. SCSL have been diverted through certain foreign accounts on the pretext of acquiring some profitable companies abroad by purchasing their shares. The funds were dispatched in the names of shareholders of those foreign companies. Most of the acquired companies ended reporting losses. Hence, it is strongly suspected that the funds so spent were diverted in the guise of these loss making acquisitions.



11. Investigation revealed that to acquire a company named M/s Bridge Strategy Group LL.C. on 04.04.2008 an amount of USD 19,000,000 was sent by M/s. SCSL from its Citibank, Hyderabad, account No. [REDACTED] to account no. [REDACTED] of Bank of America, New Jersey. Further to acquire another company named Citisoft Plc., U.K., along with its subsidiary Citisoft Inc., U.S.A. funds in three transactions were sent by M/s SCSL from its Citibank, Hyderabad account No. [REDACTED] on 13.07.2007. These transactions are SWIFT transfer of i) an amount of GBP 26,673.78 to account no. [REDACTED] of Bank of America, Boston, ii) an amount of GBP 26,673.78 to account no. [REDACTED] of Sovereign Bank, Boston and iii) an amount of GBP 26,673.78 to account no. [REDACTED] of Mellon Bank, Pittsburgh.

12. In this regard, the following facts need to be ascertained from United States of America.

- (i) Whether the company- Bridge Strategy Group LL.C. located in Suite 2100, One North Franklin Street, Chicago, IL 60606, USA is existing or not, if so, its incorporation details and its present financial status.



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(ii) Further the details of the share holders of M/s Bridge Strategy Group LL.C. from whom M/s. SCSL purchased the shares and acquired the company.

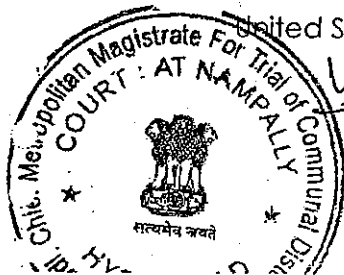
(iii) Whether the shareholders of M/s Bridge Strategy Group LL.C. and M/s Citisoff Inc., USA, who received the funds from M/s SCSL are genuine or not?



Third Instance of Suspected Diversion of Funds

13. Investigations revealed that M/s SCSL has paid an amount of USD 666,000 from its Account at HSBC Bank USA, New York with Account No. [REDACTED] to the Account of M/s Medbiquitous Services Inc., Maryland, USA in two installments of USD 333,000 each on 4-10-2001 and 31-3-2002 for the purpose of investments in preferential stocks. Similarly an amount of USD 334,000 was paid from the Citibank, New York A/c No. [REDACTED] of M/s SCSL on 4-6-2001 to the Account of M/s Medbiquitous Services Inc, Maryland, USA. Thus, a total amount of USD 1 million was paid to M/s Medbiquitous Services Inc., USA. Investigation further revealed these stocks were exorbitantly valued and an amount of USD 1 per share was paid when the face value of the share was USD 0.001. That is M/s SCSL has paid almost thousand times more than the actual share value. Investigation also revealed that during the year 2003 M/s SCSL has written off the above investments in their books as M/s Medbiquitous Services Inc., was learnt to have been closed. As a result M/s SCSL suffered losses. It is suspected that the funds of M/s SCSL have been diverted on the pretext of investing in the above said company.

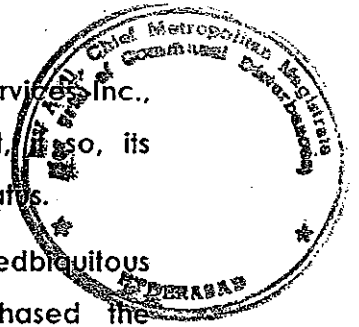
14. In this regard, the following facts need to be ascertained from United States of America.



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- i) Whether the company - M/s Medbiquitous Services Inc., located at Maryland, USA is existing or not, also, its incorporation details and its present financial status.
- ii) Further the details of the share holders of M/s Medbiquitous Services Inc. from whom M/s. SCSL purchased the preferential stock.



(iii) Whether the shareholders of M/s Medbiquitous Services Inc., are related to Mr. B. Ramalinga Raju and his family members or not?

(iv) What was the actual market price of the share of M/s Medbiquitous Services Inc., and its book value during the years 2001 and 2002 when M/s SCSL has made the investments in order to ascertain the logic behind these investments made by the promoters of M/s SCSL?

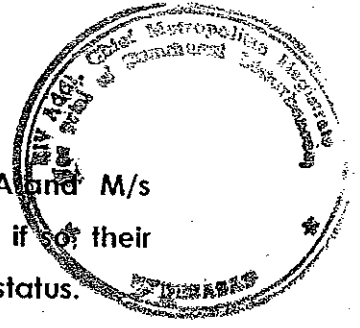
#### Fourth Instance of Suspected Diversion of Funds

15. Investigation also revealed that an amount of USD 22,912,631 was transferred from account Nos. [REDACTED] and [REDACTED] of M/s SCSL maintained at Bank of Baroda, New York Branch to the accounts of i) M/s Global Network Solutions Inc., USA, ii) M/s Infotech Solutions Inc., USA, iii) M/s Alfa Software Ltd., USA, iv) M/s Netware Inc., USA and v) M/s Tech Consultants Inc., USA during the year 2000-2003. These transactions were not reflected in the books of M/s SCSL. Further, as per the records of M/s SCSL none of these companies are having any business transactions with M/s SCSL. It is strongly suspected that these funds could have been diverted by the promoters of M/s SCSL.

16. In this regard, the following facts need to be ascertained from United States of America.



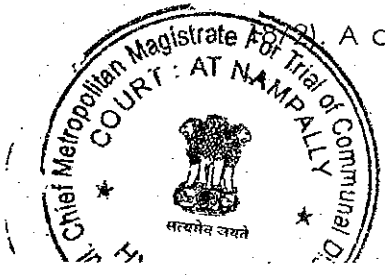
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- i) Whether the companies - M/s Netware Inc., USA and M/s Tech Consultants Inc., USA are existing or not, if so, their incorporation details and their present financial status.
- ii) The details of the services, if any, rendered by i) M/s Global Network Solutions Inc., USA, ii) M/s Infotech Solutions Inc., USA, iii) M/s Alfa Software Ltd., USA, iv) M/s Netware Inc., USA and v) M/s Tech Consultants Inc., USA to M/s SCSL.
- (iii) The details of further routing of funds from the accounts of the above mentioned five companies, in order to ascertain the end beneficiaries.

17. The list of witnesses to be examined along with the detailed questionnaire and the list of documents to be collected in respect of each such witness is enclosed as Annexure-F. While conducting investigations in USA, the statement of witnesses may please be recorded as per the requirement of law and procedure in vogue in USA and the same may be duly authenticated by the officer who is recording these statements. As far as possible, documents may be collected in original and in case copies of the documents are provided, each sheet may kindly be certified to be true copy of original in the manner of certification provided in law and ordinarily followed in USA. The statement of accounts collected from the bank, if any may please be certified in accordance with Sections 2 and 2A of Banker's Books of Evidence Act, 1891. Copy of which is enclosed as Annexure-D, which is the procedure followed in India and admissible under section 78 (6) of the Indian Evidence Act, 1872 (Act No. 1 of

A copy of the provisions of this act is enclosed as Annexure-C.



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Each sheet of the bank documents received from the bank may please be got authenticated in the above said manner. In case only photocopies are made available, the concerned officials may be instructed to keep the originals in safe custody.



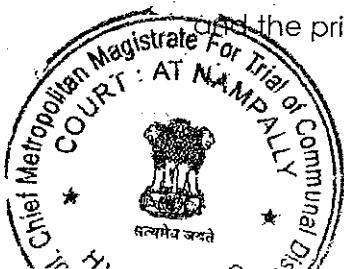
18. It is informed that any information or material obtained from USA in pursuance of investigation of this case shall be used only for the purpose of the investigation of this case and the prosecution arising there from and shall not be disclosed directly or indirectly to any other agency or person without the consent of the competent authority of USA.

19. As per Indian law, it is not necessary to give any notice to the accused person(s) before executing the Letter Rogatory.

20. This Court requests that assistance as per this Letter Rogatory/Letter of Request be provided and avails itself of this opportunity to renew the assurances of this court.

21. This court requests for permitting officers of Central Bureau of Investigation (Investigative Agency) to be present during execution of Letter of Request in order to render assistance to the officers executing the request, if considered necessary.

22. This Letter of Request is being forwarded within the ambit of Mutual Legal Assistance Treaty (MLAT) existing between India and USA and the principle of dual criminality is relevant in USA.



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23. Issued under the hand and seal of the XIV Chief Metropolitan Magistrate, Hyderabad, Andhra Pradesh, India on the...10th... day of September, 2009.



*Y. S. Rao*  
XIV Addl Chief Metropolitan Magistrate,  
Hyderabad, Andhra Pradesh

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**Enclosures**

- 1) Annexure-A - Provisions of Criminal Procedure Code
- 2) Annexure-B - Extracts of Indian Penal Code, 1860
- 3) Annexure-C - Extracts of Indian Evidence Act, 1872
- 4) Annexure-D - Extracts of Banker's Books of Evidence Act, 1891
- 5) Annexure-E - First Information Report
- 6) Annexure-F - List of Witnesses, questionnaire and documents

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