

# NSEL NEWS



## **Dear Esteemed Stakeholders and Readers,**

Welcome to the issue of our January 2023 newsletter – NSEL NEWS. We believe that it is our prime duty to keep you updated on the progress of recovery and ongoing litigation against the defaulters and relentless efforts by the new management team of NSEL in this regard. We continue with our journey with full commitment and dedication towards making recovery from defaulters by following the course of law.

With your cooperation and assistance, NSEL has been able to devise an effective strategy for speedy recovery from the defaulters and therefore we urge all of you to join the sustained battle against the defaulters.

NSEL NEWS is a platform for all of us to stay connected with regular updates and for joint action against defaulters for recovery. We would be eager to have your feedback and suggestion about the newsletter.

Best Regards,

**Communications Team**

## NEWS

### **EOW FILES FINAL CHARGESHEET IN NSEL MATTER. 16 MORE BROKERS AND ITS 33 DIRECTORS HAVE BEEN NAMED AS ACCUSED**

Economic Offence Wing of Mumbai Police have filed their final chargesheet in NSEL matter. 16 more broking entities and its 33 directors have been impleaded as accused in this chargesheet. Earlier EOW had filed chargesheet against another 3 brokers and its 3 directors. As per the chargesheet the brokers have been accused of mis-representing their clients with wrongful and misleading statements, leading to enticement for investments in NSEL products and also performing rampant client code modifications through conduit accounts. Few of the brokers have been found to have funded their clients.

### **HON'BLE SUPREME COURT DIRECTS EOW TO TAKE URGENT STEPS FOR ATTACHMENT OF BENEFICIARIES OF DEFAULTERS**

NSEL had filed application in SC seeking direction to State of Maharashtra to attach monies of beneficiaries of defaulters as per EOW money trail. Hon'ble Supreme Court observed that urgent steps need to be taken for ensuring that the funds which have been transferred to third parties are obtained through the necessary process of attachment/liquidation so that the monies are not dissipated away and the Supreme Court Committee can take action. Accordingly, SC has directed State of Maharashtra to take urgent steps in this behalf in respect of the beneficiaries to whom funds are traced.

### **STATE OF MAHARASHTRA ATTACHES ADDITIONAL ASSETS OF DEFAULTER MOHAN INDIA GROUP**

State of Maharashtra has issued a new gazette notification dated 15th December 2022 attaching additional assets of Mohan India Group. As per the gazette, the attachment includes immovable assets of Mera Baba Reality Associates Pvt Ltd, Tirupati Infraprojects Pvt Ltd and North West Sales And Marketing Ltd. As per process, the Competent Authority would be filing application in MPID Court for making the attachment absolute. Once absolute, the Competent Authority will auction the assets.

### **COMPETENT AUTHORITY STARTS DISTRIBUTION OF MONEY TO INDIVIDUAL CLIENTS IN THE RS 10 LAKHS TO RS 20 LAKHS CATEGORY**

MPID Court vide its order dated 13th October 2022 had directed the Competent Authority to make graded distribution to individual clients having outstanding between Rs 10 lakhs to Rs 20 lakhs from the amount available with the Competent Authority. Accordingly, Competent Authority has started distribution of money as per the order. Kindly note that trader's association NIAG has always opposed the distribution of money to the small and needy investors in the Courts. In 2019 NIAG had opposed the distribution of money to the trading clients in the Rs 2 lakhs to Rs 10 lakhs category in the MPID Court and Bombay High Court as well which was rejected by the BHC. Even now NIAG has filed appeal against the MPID order dated 13th October 2022 in BHC and has raised objection to the distribution of money to the individual trading clients having dues above Rs 10 lakhs up to Rs 20 lakhs. It seems that NIAG by continuously opposing the distribution, has some vested interests and has no concern and regards to the small and needy trading clients.

## NEWS

### **HIGH-POWERED SUPREME COURT COMMITTEE CONTINUES PROCEEDINGS AGAINST DEFAULTERS/ GARNISHEES**

Regular hearings are being conducted by the High Powered Supreme Court Committee for proceeding execution of the decrees/orders/arbitral awards obtained by NSEL against the defaulters. Committee is pressing the Defaulters / Judgement Debtor and Garnishees thereof to complete their pleadings so that substantive orders can be passed. Further, frivolous objections are getting dismissed during the hearing by the Committee. If any of the Defaulters / Judgement Debtor and Garnishees thereof are not complying with the Committee's orders, heavy costs are being imposed to be deposited in Account of the Competent Authority. Further, SCC has appointed agencies to identify moveable as well as immovable assets of the Defaulters and garnishees which are mentioned in the order and also to trace further assets, if any. Further, as per the orders, once the properties are traced, identified and attached, agencies have been appointed to submit valuation reports of the properties.

### **HON'BLE MPID COURT MAKES ABSOLUTE ASSETS OF DEFAULTER WHITE WATER FOODS PVT LTD.**

MPID Court vide orders dated 3rd December 2022 and 10th January 2023 has made absolute two assets of defaulter White Water Foods Pvt Ltd. State of Maharashtra had attached the property vide notification dated 17th March 2016. Bank of Maharashtra and ICICI Bank had filed application in MPID Court objecting attachment on the property. MPID Court rejected the application and made the property absolute. Competent Authority can now auction the asset.

### **COMPETENT AUTHORITY FILES APPLICATION IN MPID COURT FOR MAKING ABSOLUTE THE ATTACHED PROPERTIES OF DEFAULTER ARK IMPORTS PVT LTD.**

Vide gazette notification dated 16th November 2022, State of Maharashtra has attached assets of Ark Imports Pvt Ltd. Competent Authority has filed application in MPID Court for making the attached assets absolute. Once absolute by the Court, Competent Authority can auction the assets.

**If you have any information about DEFAULTERS (Their whereabouts, New Business Ventures, Financial Dealings etc.) pls mail to [contact@nationalspotexchange.com](mailto:contact@nationalspotexchange.com)**

You are requested to send your updated email IDs, address, contact number along with your Client code, Member ID for receiving regular updates on Recovery at email: [contact@nationalspotexchange.com](mailto:contact@nationalspotexchange.com)

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