

**BEFORE THE COMMITTEE CONSTITUTED UNDER THE
BOMBAY HIGH COURT ORDER DATED 2nd SEPTEMBER 2014
IN SUIT NO. 173 OF 2014 AND OTHER RELATED SUITS
COMPRISING OF MR. JUSTICE V.C.DAGA (RETD.) CHIARMAN,
MR. J.S.SOLOMON (ADVOCATE AND SOLICITOR-MEMBER)
AND MR. YOGESH THAR (CHARTERED ACCOUNTANT
MEMBER)**

MODERN INDIA LIMITED & ORS ..PLAINTIFFS

VS.

FINANCIAL TECHNOLOGIES (INDIA) LTD.

AND OTHERS ..DEFENDANTS

APPEARANCES:

Ms. Anuja Jhunjhunwala, i/b Naik, Naik and Co. with Ms. Ranju Yadav, Mr. Amol Bavare, and Mr. Amey Mirajkar, Advocates for NSEL

Mr. Anand for NSEL

Mr.Ravi Warriar with Ms. Hiral Thakkar, and Mr. Akshay Patil, Advocates, i/b Federal and Rashmikant for plaintiff in Modern suit.

Mr.Bhushan Shah with Ms.Namrata Shah, Advocates i/b Mansukhlal Hiralal and Co. in L.J.Tanna suit.

Mr. Sanjay L. Kadam, A.C.P , EOW with Mr. Ramchandra Lotalikar, P.I, EOW present.

Mauari Padwalkar for NAARA

Mr. Vijendra Mishra, Advocate for MSR Foods Processing.

Mr. Alok Mishra, Advocate i/b T.N.Tripathi and Co. for Punjab National Bank and Indian Overseas Bank.

Mr. Sandip Karnik, Advocate for Mr. Pankaj Saraf Investor.

Mr. S.K.Garg, Executive Director of SAIL with Mr. S.B.P.Sinha.

Mr. K.R.Koteshwar Rao, Advocate for Spin Cot Textiles.

ORDER SHEET NO. 19B
(Dated 4th February, 2015)

1. Heard Mr. K.R.Koteswara Rao, Advocate who has appeared on behalf of Spin Cot Textiles Pvt. Ltd., (Spin Cot)
2. Mr. Koteswara Rao has also filed a Counter Affidavit on behalf of Spin Cot. The same is taken on record. Mr. Koteswara Rao has submitted the Accounts maintained by Spin Cot Textiles Pvt. Ltd., copies of which are also handed over to NSEL.
3. NSEL is directed to go through the Accounts and to reconcile the same with their Accounts and report the discrepancies, if any.
4. Spin Cot has also moved an Application No. 24 of 2015, said to be an Application under Section 17 of the Arbitration and Conciliation Act 1966, seeking permission to enter into Agency Agreement with the Court Receiver of Hon'ble Bombay High Court to run the Mill on usual terms and conditions as may be prescribed by the Court Receiver on payment of monthly Royalty. NSEL is directed to respond to the said Application by next date of hearing i.e. on or before 5th March 2015.
5. Mr. Koteswara Rao to advise his Client to disclose as to how many applicants/persons have applied for shares of the Company, by what mode, and to what extent the amount has been received by the Company on this account.
6. Mr. Koteswara Rao is also directed to take instructions and disclose as to how much amount of subsidy is receivable from

the Government Departments and to produce all the relevant papers in relation thereto.

7. Mr. Koteswara Rao is also directed to advise his Client to disclose as to whom the stock was sold.

8. Ms. Jhunjhunuwala, Advocate for NSEL, made a grievance that in the Accounts produced by Mr. Koteswara Rao no Leger Accounts of NSEL maintained by them are found.

9. Mr. Koteswara Rao to take instructions on this account and make a statement on the next date of hearing.

10. Mr. Alok Mishra, Advocate i/b T.N. Tripathi and Co. appeared for Indian Overseas Bank and Punjab National Bank. He has filed an Affidavit of one T. Shivrama Kumar, Chief Manager of Indian Overseas Bank. The same is taken on record.

11. The documents produced by Mr. Alok Mishra as possession receipts of the properties taken over by the Bank under the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 are taken on record. However, from the said documents, it does not appear that the Bank has taken possession of the entire properties mortgaged with them. On this count, Mr. Alok Mishra is directed to take instructions and make a statement as to why entire properties are not taken possession of under the Securitization Act.


12. Mr. Mishra undertakes to file Statement of Account of Spin Cot Textiles Pvt. Ltd., (Spin Cot) by next date of hearing and also made a statement that higher authorities of the Bank are considering the issue with regard to joint sale of the properties with the Court Receiver of the Hon'ble High Court, Bombay. He is also called upon to make statement in relation to hypothecated

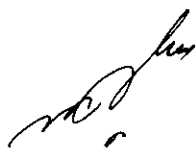
stock of which possession is taken over by the Bank, as to whether the said stock is still lying with them or it has been disposed of by the Bank.

13. Mr. Mishra has undertaken to report compliances of all the above directions issued herein by 18th February, 2015.

14. Stand Over to 18th February, 2015.


JUSTICE V.C. DAGA (RETD.)
CHIARMAN


MR. J.S. SOLOMON
ADVOCATE AND SOLICITOR


MR. YOGESH THAR
CHARTERED ACCOUNTANT

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