

Media Release

## **Disciplinary action initiated by NSEL Board on Management Team**

August 20, 2013

During the initial period post July 31, 2013 the Board of NSEL had intensive meetings with the Forward Markets Commission (FMC) and the trade to understand various issues connected with the sudden closure of NSEL based on the decision of the Government and the consequent financial liability arising on the 24 members. Based on various feedbacks received from the trade and as per the bye-laws of the Exchange, a settlement schedule was drawn and placed on the website.

Considering the gravity of the situation the Board of NSEL met on 19 Aug 2013 to identify measures to be taken to solve the problems in NSEL. The Board decided that the current Key Management team headed by Mr. Anjani Sinha - MD & CEO and other relevant heads of departments be removed from their current assignments, pending an enquiry. Mr. Anjani Sinha will cease to be the MD & CEO of NSEL w.e.f. 20 Aug 2013 and he will be a Special Officer assisting in recovery process. This enquiry has been ordered by the Board of NSEL.

In addition, following officials are also being removed from their current assignment pending enquiry. While this team has been removed from their existing responsibilities pending enquiry, they would be responsible for recovery along with Mr. Sinha.

<b>Names of HoDs being removed</b>	
Mr. Amit Mukherjee	Asst. V.P. – Business Development
Mr. Jai Bhaukhundi	Asst. VP – Market Operations
Mr. Maneesh Chandra Pandey	Manager – Business Development
Mr. Santosh Mansingh	Asst. VP – Market Operations
Mr. H. B. Mohanty	Asst. VP – Market Operations
Mr. Shashidhar Kotian	Chief Financial Officer

The Board of NSEL has appointed Mr. P. R. Ramesh as the “Officer on Special Duty” (OSD) to exercise all powers of a CEO of the Company and will report to the Board directly. Mr. P. R. Ramesh, OSD, comes with rich background of over 20 years in legal practice and regulations dealing with exchanges and market participants.

The exchange has appointed SGS to assess the quantity and quality of goods lying in various warehouses. We expect this work to be over by end of the month. The exchange will take necessary legal and regulatory measures in case of any non-compliance with the collaterals lying in various warehouses.

The exchange is appointing a well-known global audit firm for forensic audit as per the directive of the FMC to assess the exchange, members financial and settlement accounts, including the delivery and collateral management system. We expect to finalise the appointment of the firm by Friday, 23 Aug 2013.

The exchange has established a special help lines to attend the complaints and concerns of members and investors who can call on **022-67619922 during the normal office hours**.

The exchange is also conducting a special investigation under the OSD to identify various lapses that may have been caused in the operation of the Exchange and to suggest corrective and consequential actions for recovery of outstanding dues.

*For further information, contact,*

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