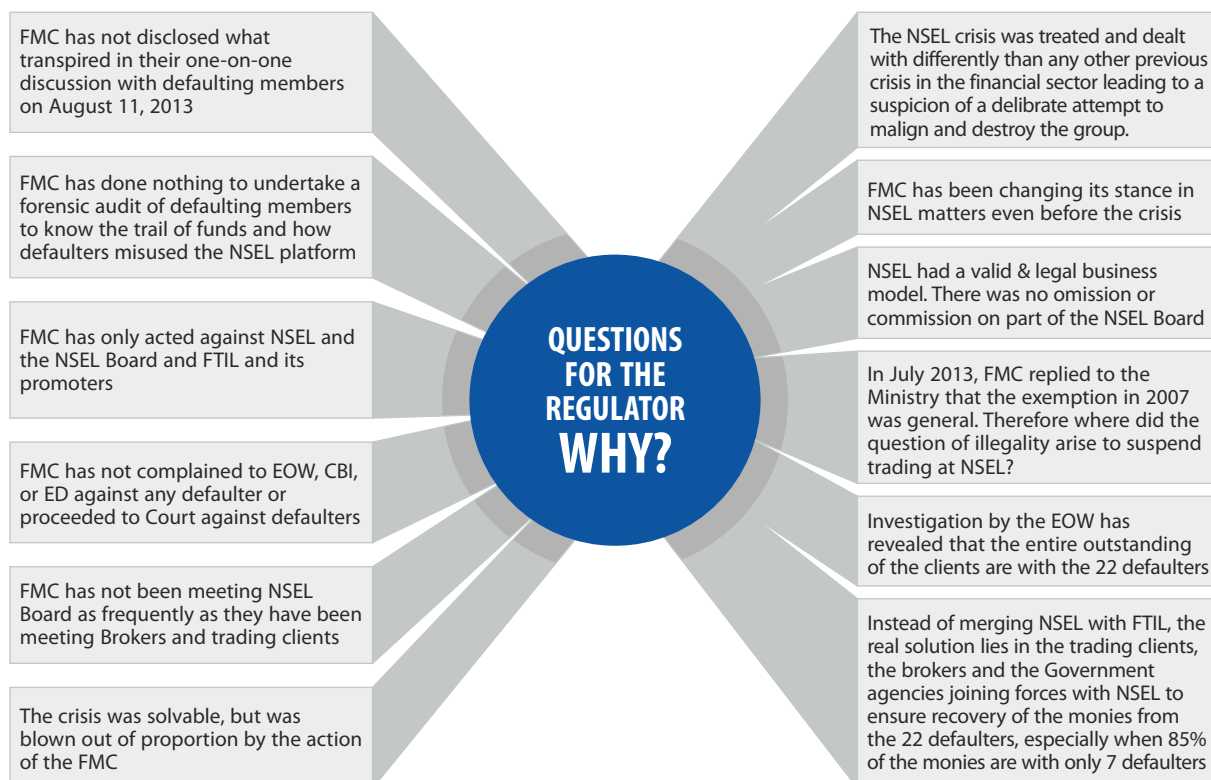


7

Why Pursue only FTIL

FMC showed Bias in Pursuing only FTIL leaving Other Players Untouched

There is good scope for exploring options and alternatives for crisis resolution involving active cooperation and coordination of various agencies instead of implicating only FTIL in every issue and taking adverse actions against it.



A MATURE WAY OF SOLVING THE CRISIS

KEY ISSUES AND THE SCOPE OF A SOLUTION

- NSEL had a valid and legal business model
- There was no omission or commission on part of the NSEL Board
- The crisis was solvable, but was blown out of proportion by the action of the FMC, which focused on disciplinary action first, even prior to an investigation, and left out recovery and action against defaulters completely
- FMC has been changing its stance in NSEL matter even before the crisis erupted. When on July 19, 2013 it replied to the Government that the 2007 exemption was a general exemption, then where did the question of illegality arise for suspending the trading of NSEL?
- Due to a conspiracy, the NSEL crisis was treated differently than any other previous crisis in the financial sector including the manner in which the FMC treated other spot exchanges and NSEL
- When NSEL suspended its trading, there were 46,000 trading clients with outstanding, out of which 33,000 trading clients in e-Series got their full payment and out of the remaining 13,000 trading clients more than 50% of them, around 7,000 trading clients, were paid more than 50% of their outstanding from the loan provided by FTIL
- Comprehensive investigation by the EOW has revealed that the entire outstanding dues of the trading clients are with the 22 defaulters