



NSEL Investors Forum

Frequently Asked Questions (FAQ's)

NIF have been receiving queries from investors regarding the proposed One Time Full and Final Amicable Settlement (OTS). To address the concerns of the investors, response to the questions have been provided herein under: -

1. Whether rights of Investors are protected?

Yes, the investors rights are fully protected. The present consent by investors is not taking away any right. The consent from Investor is required to understand the views of majority of the Investors on the proposed OTS. This consent will help 63 moons / NSEL to take further steps, prepare settlement scheme and obtain necessary approval if any.

2. What is this One Time Settlement (OTS)?

The proposed One-Time Settlement (OTS) is a resolution to protect the interest of the investors having outstanding dues from the NSEL payment default. It's objective is to provide speedy relief/ resolution to the investors through a one-time financial settlement.

3. Why is the Consent taken from Investor?

The consent from Investor is required to understand the views of majority of the Investors on the proposed OTS.

4. What happens if I do not consent to the OTS?

If majority of the investors do not consent to the prospect of the OTS, there would no settlement and we will then have to wait for the outcome from multiple Courts where matters are pending which may take decades. There would be chances of assets getting depleted as well.

5. Whether the investors are giving away any right after giving the Consent in this form?

No, the Investor does not give away its right after giving their consent to the OTS. Once majority of the investors confirm to the OTS, a Settlement Arrangement will be filed in Court / Forum. Thereafter, the Investors shall have a right to vote for or against the Settlement Arrangement.

6. Whether the Brokers are participating in this Settlement?

Certain brokers are also interested in a one-time overall settlement. The Brokers have indicated that they are likely to participate in the proposed settlement by contributing the amount of brokerage earned by them and the same may be utilized by 63 moons and NSEL as part of the Settlement Amount.

7. How are the investors protected if the OTS is approved?

Once the Court / Forum approves the Settlement Arrangement, the attached monies of NSEL & 63 moons will be directly transferred to the Settlement Account to the tune of Rs. 1950 crores. The settlement account will be under the supervision and control of either the Court / Forum approving the settlement or person deputed by such Court / Forum. Neither NSEL nor 63 moons will be permitted to use any amounts released till the entire Settlement Amount is transferred to Settlement Account. Therefore, there is no question of NSEL & 63 moons



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defaulting on payment of the settlement amount once approved by the Court / Forum and properties of 63 moons and NSEL are released.

8. What will be the source of funds for making the payment of 1950 Crores.

If the Settlement gets approved by Court, the payment of Settlement amount will be from the attached amounts / accounts / securities / properties of NSEL & 63 moons. Also, Brokerage contributed by the Brokers, the amounts lying with any court, authority or other forums with respect to the Payment Default shall be available only for the payment of the Settlement Amount in the Settlement Account.

9. Whether the defaulters assets are released under this settlement?

No, the assets of the defaulters does not get released under this Settlement Arrangement.

10. What legal proceedings need to be resolved for the upfront payment to be released?

That will be determined by the Court / Forum approving the Settlement which will be part of Order of the Court / Forum.

11. Which Court / Forum has to approve the settlement?

Legal modalities for the same are getting finalised and will be informed once maximum no. of consents are received from the investors and after final discussion with our legal counsels.

12. How much time will it take for the us to get our monies back once we give our consent?

As per the present understanding, once we intimate about the Consent from majority of investors, 63moons / NSEL will file the Settlement Arrangement within a period of 90 days where the investors will have right to vote for or against the Settlement Arrangement. The Court / Forum will give its verdict based on the voting. Once the Court approves the Settlement Arrangement and assets of NSEL & 63moons gets released for paying in Settlement Account, the investors can expect their payment through court monitored banking process time. Our attempt is that investors receive their monies as soon as possible.

13. What happens after the Settlement Amount is paid?

Once the Settlement Amount of Rs. 1950 Crores is paid, entire rights of Investors against Defaulters and Others will get assigned to 63 moons / NSEL. It will be their headache to recover the amount from the Defaulters & Others.