



Lakshmi
Energy and Foods Limited
Formerly Lakshmi Overseas Industries Limited

Admin. Office & Works :
Chandigarh - Ludhiana National Highway, Khamanon-141 801, Punjab, India.
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CIN: L00000CH1990PLC010573

December 24, 2016

To

Listing Department National Stock Exchange of India Ltd Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai-400051 NSE Symbol: LAKSHMIEFL	Department of Corporate Services BSE Ltd. Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400 001 BSE Code: 519570
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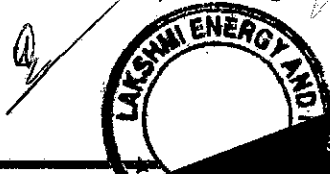
Sub: Clarification on the Stock Exchange Notice dated 23 December 2016 regarding defaulting entities in National Spot Exchange Limited (NSEL) issued on the instance of NSEL letter to SEBI

Dear Sir,

This is with reference to the NSE circular no.0271/2016 and BSE notice no.20161223-31 both dated 23 December 2016 regarding defaulting entities in National Spot Exchange Limited (NSEL) vide which advisory has been issued to the members.

In this context, we wish to clarify our position regarding our promoter group entities M/s LOIL Overseas Foods Limited; M/s LOIL Continental Foods Limited; and M/s LOIL Health Foods Limited (hereinafter referred as 'LOILs') as under:

- 1. That far from being defaulters, LOILs are one of the victims at the hands of National Spot Exchange Limited (NSEL) and others having vested interest.**
- LOILs being members of the NSEL had carried out trading operations on the online portal of the NSEL. The transactions were completed under the terms and conditions as laid down in the Trading-cum-clearing membership agreement read with various circulars issued by the NSEL from time to time. LOILs were members of NSEL only upto 31-03-2013. All the accounts of LOILs were finally settled with NSEL and its agents except margin money of Rs.98.70 Crores was receivable from NSEL as on 31.03.2013.
- LOILs paid an advance sum of Rs.155.30 crore through National Spot Exchange Ltd (NSEL) platform for the purchase of paddy from four members viz Indian Bullion Market Association, Anand Rathi Commodities International Pvt. Ltd., Pace Agro Farms Pvt. Ltd and Arihant Commodities



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Pvt. Ltd. NSEL suspended its operations w.e.f. 31-07-2013. **LOILs have filed 12 Suits (No.CS/1,5,6,7,8,9,10,11, 12,13,14,15 of 2014) for Rs.155.30 crore against Indian Bullion Market Association, Anand Rathi Commodities International Pvt. Ltd., Pace Agro Farms Pvt. Ltd and Arihant Commodities Pvt. Ltd and NSEL in the Hon'ble Court of Civil Judge (Senior Division) Fatehgarh Sahib, Punjab.**

Vide order dated 04.01.2014, Hon'ble Court was pleased to issue orders in favour LOILs and to restrain the Defendants from alienating, or encumbering the commodities which form a subject matter of the suit. Later, Indian Bullion Market Association and Pace Agro Farms Pvt. Ltd were proceeded against Ex-parte. The matter is sub judice in the Hon'ble Court of Civil Judge (Senior Division), Distt. Fatehgarh Sahib, Punjab.

4. That apart another sum of Rs. 67.80 Crores as margin money also stands accumulated and kept by National Spot Exchange Ltd (NSEL) after adjustment of Rs.30.90 crores out of total outstanding margin money of Rs.98.70 Cr. as at 31-03-2013. In respect of this amount of Margin Money, **LOILs have filed Suits (CS/231,232,233/2015) against NSEL for Rs.67.80 crore in the Hon'ble Court of Civil Judge (Senior Division) Fatehgarh Sahib, Punjab. The matter is sub judice.**
5. NSEL, deceptively, with the intent to digress, mislead and misdirect the attention of Investigating Agencies, Bonafide Investors and the concerned Courts from unraveling the truth, published in its website false and defamatory imputations which compelled LOILs to seek the judicial intervention of the **Hon'ble Court wherein vide its order dated 25.07.2014 (in the case no.717, 718, 723/2014), Hon'ble Civil Judge (Senior Division), Fatehgarh Sahib, Punjab was pleased to restrain the NSEL from printing or publishing or circulating any notice or advertisement in newspaper or in any other manner and in any form, against LOILs.** The action of the NSEL is contemptuous and violation of the directions issued by the Hon'ble Courts of law. We reserve our right to initiate appropriate proceedings against NSEL in this regard. It is highly painful to notice that NSEL is dragging others with an intention to disregard the order(s) passed by the Hon'ble Court of law, by concealing vital facts.
6. Despite the order dated 25.07.2014 of the Hon'ble Court, the NSEL was still propagating false, frivolous, defamatory, scandalous, libelous, slanderous and insidious information on its website and other means. Therefore, the **LOILs have also filed contempt Application (CM no.95, 96, 97/2015) under Order 39 Rule 2A for initiating**



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proceedings against the defendant for willful and deliberate disobedience of the injunction order dated 25.07.2014 passed by this Hon'ble Court. The matter is sub judice.

7. LOILs had also paid a sum of Rs. 22.50 Crores to Indian Bullion Market Association (IBMA) towards professional fee for rendering services relating to procurement of agri-commodities etc. LOILs are yet to recover the amount of Rs.22.50 Crores paid to IBMA as the latter has failed to provide any service to the company. In this respect, **LOILs have filed a Suit (CS/145/2016) against IBMA in the Court, Distt. Fatehgarh Sahib, Punjab. The matter is sub judice.**
8. That in a suit (CS/200/2016) filed by LOIL in which Mr.Pankaj Saraf is also a party, he (Mr.Pankaj Saraf) has been proceeded against ex-parte by the Hon'ble Court, Distt, Fatehgarh Sahib, Punjab. It is our specific case before the Hon'ble Courts of law that our Companies are infact victims and no legitimate claim whatsoever has been raised by any person/company, till date. On the contrary, we are already proceeding with our claim against all such entities, including NSEL. On the contrary, there is none against us. The present attempt by the NSEL is with the oblique motive of arm-twisting and defaming us.

In view of the aforesaid submissions, it is amply clear that far from being defaulters, the LOILs are one of the victims at the hands of NSEL and others having vested interest. It is very humbly requested that you may kindly disseminate/place this clarification on your portal so that general public can be made aware of true facts and they may not suffer unnecessary loss.

Thanking you,
Yours truly,

For **LAKSHMI ENERGY AND FOODS LIMITED**


Balbir Singh Uppal
Chairman & Managing Director

