

Date: 13 July 2016

Subject – Coercive Resolution undertaken by SIDBI in the matter of Neesa Agritech Debt in total Disregard to Law and from a Procedural Legal requirement and in violation of Legislative wisdom and Public Policy

Dear Sir,

We, Neesa Agritech Ltd. are a borrower from SIDBI with principal amount of Rs 9 Crore approx and an asset at least 5 times in excess. Despite being in the government mandated priority sector of Agri-inputs, owing to recession and promoters non-availability due to legal reasons for more than one year the unit had been experiencing difficulties in SIDBI's obligations hence a resolution proposal has been given for sale of one of the company's assets with a firm buyer interest more than one half year ago.

Instead of negotiating and finalizing the transaction of which the full value would have accrued to SIDBI and fully squared off the outstanding loan of the company. SIDBI thought it fit to pursue coercive action refusing all attempt for commercial resolution.

The proposal for sale of company's assets was once again reiterated and buyer's interest re-affirmed. However even while the proposal was under consideration, SIDBI committed trespass yesterday on 12/07/2016 in respect of business facility at changodar, took over the possession in total disregard of law directly under the garb of a legally inapplicable order under Section 14 of SARFAESI Act. The attached affidavit from company authorized person will show all the illegality from SIDBI officials in presence of their legal officer Mr. Parvez, who ought to know the law and legally laid down process.

Such domineering, coercive action smacking of vendetta which led to closure of the unit yesterday leading to loss of business in high priority agri area has Shutoff Company's life line of limited business income which was going in servicing depositors obligations also.

Besides, SIDBI's action is designed to subvert the legislative intent of comprehensive resolution of debt of a company under the aegis of National Company Law Tribunal and Insolvency and Bankruptcy Code, 2016 (IBC, 2016)

This also goes against the grain of the public policy pronouncement of no less than the Hon'ble Finance Minister of India from the floor of Parliament and outside too.

This is an appeal for all the Hon'ble authorities to intervene to check this particular action and that may arise again from SIDBI and other bankers against the wisdom of legislature and public policy in future.

A contingency of the matter we taken and SIDBI we asked to explained its conduct in the instant case base on facts disclosed in the attached affidavit

For, Neesa Agritech and Foods Ltd

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