## I N D E X

<table>
<thead>
<tr>
<th>S. No.</th>
<th>PARTICULARS</th>
<th>PAGE Nos.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>I.A. No. of 2019 Application for Direction</td>
<td>1–29</td>
</tr>
<tr>
<td>4.</td>
<td><strong>ANNEXURE-A-3</strong> True copy of Expression of Interest, dated 16.09.2019, sent by Teleecare to the Committee</td>
<td>87–88</td>
</tr>
<tr>
<td>6.</td>
<td><strong>ANNEXURE-A-5</strong> True copy of letter dated 26.09.2019 by Prudent forwarding the documents pertaining to Teleecare to the Committee</td>
<td>94–</td>
</tr>
<tr>
<td>7.</td>
<td><strong>ANNEXURE-A-6</strong> True copy of extract of the report of the Committee</td>
<td>95–96</td>
</tr>
<tr>
<td>8.</td>
<td><strong>ANNEXURE-A-7 (Colly)</strong> True copy of chart showing valuation of shares of Optiemus Teleecare Ltd. over last 2 years since September 2017</td>
<td>97–98</td>
</tr>
<tr>
<td>9.</td>
<td><strong>ANNEXURE-A-8</strong> True copy of copy of the “Asset and Liabilities Declaration” filed by the promoters and directors of Teleecare</td>
<td>99–103</td>
</tr>
<tr>
<td>10.</td>
<td><strong>ANNEXURE-A-9</strong> True copy of Relevant extract of ‘Operating Activities and ‘Non-current Financial Assets’ of Teleecare from its financial statement as at 31.03.2018</td>
<td>104–105</td>
</tr>
<tr>
<td>No.</td>
<td>Annexure A-10</td>
<td>Description</td>
</tr>
<tr>
<td>------</td>
<td>---------------</td>
<td>-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>11.</td>
<td>True copy of extract of 'Current Financial Assets' of Teleecare from its financial statement as at 31.03.2018</td>
<td></td>
</tr>
<tr>
<td>12.</td>
<td>True copy of copy of 'Details of Charges' of Teleecare registered on the website of Ministry of Corporate Affairs</td>
<td></td>
</tr>
<tr>
<td>13.</td>
<td>True copy of extract of 'Details of shareholders' of Teleecare from its financial statement as at 31.03.2018</td>
<td></td>
</tr>
<tr>
<td>14.</td>
<td>True copy of extract of 'Current Financial Liabilities' of Teleecare from its financial statement as at 31.03.2018</td>
<td></td>
</tr>
<tr>
<td>15.</td>
<td>True copy of extract of 'Market Risk' of Teleecare from its financial statement as at 31.03.2018</td>
<td></td>
</tr>
<tr>
<td>16.</td>
<td>True copy of Relevant extract of 'Commitments and contingencies' of Teleecare from its financial statement as at 31.03.2018</td>
<td></td>
</tr>
<tr>
<td>17.</td>
<td>True copy of Financial Assets and Liabilities of Teleecare</td>
<td></td>
</tr>
<tr>
<td>18.</td>
<td>True copy of Relevant extract of 'Statement of Profit and Loss' for the 3 years and 'Business Segments' of Teleecare as given in its financial statement as at 31.03.2018</td>
<td></td>
</tr>
<tr>
<td>19.</td>
<td>True copy of Relevant extract of 'Related Party Disclosures' of Teleecare as given in its financial statement as at 31.03.2018</td>
<td></td>
</tr>
<tr>
<td>20.</td>
<td>True copy of Unaudited financial statements of the holding company 'Optiemus Infracon Limited' for the half year ending 30.09.2019</td>
<td></td>
</tr>
<tr>
<td>No.</td>
<td>ANNEXURE-A-20</td>
<td>True copy of Memorandum of Association of Teleecare</td>
</tr>
<tr>
<td>-----</td>
<td>---------------</td>
<td>-----------------------------------------------------</td>
</tr>
<tr>
<td>22.</td>
<td>ANNEXURE-A-21</td>
<td>True copy of information available at the website of Ministry of Corporate Affairs for Teleecare</td>
</tr>
<tr>
<td>23.</td>
<td>ANNEXURE-A-22</td>
<td>True copy of Examples of lands wherein the entire parcel of land has not been bid for by Teleecare</td>
</tr>
<tr>
<td>24.</td>
<td>ANNEXURE-A-23</td>
<td>True copy of Details of land, with constructions thereon, for which no additional amount has been bid by Teleecare</td>
</tr>
<tr>
<td>25.</td>
<td>ANNEXURE-A-24</td>
<td>True copy of extract of the Committee’s report classifying the land</td>
</tr>
<tr>
<td>27.</td>
<td>ANNEXURE-A-26</td>
<td>True copy of Details of land acquired, but included in the proposal of Teleecare</td>
</tr>
<tr>
<td>28.</td>
<td>ANNEXURE-A-27</td>
<td>True copy of Details of properties wherein inaccurate Collector Rates have been quoted by Prudent</td>
</tr>
<tr>
<td>29.</td>
<td>ANNEXURE-A-28</td>
<td>True copy of Details of properties which were not put to auction, but bid for by Teleecare</td>
</tr>
<tr>
<td>30.</td>
<td>ANNEXURE-A-29</td>
<td>Inaccurate description in the bid</td>
</tr>
<tr>
<td>31.</td>
<td>ANNEXURE-A-30</td>
<td>True copy of perusal of comparative chart showing circle rates for common properties mentioned by Prudent and ARCIL</td>
</tr>
<tr>
<td>32.</td>
<td>ANNEXURE-A-31</td>
<td>True copy of Expression of Interest</td>
</tr>
<tr>
<td></td>
<td>submitted by ARCIL letter dated 16.09.2019</td>
<td></td>
</tr>
<tr>
<td>---</td>
<td>------------------------------------------</td>
<td></td>
</tr>
<tr>
<td>34.</td>
<td><strong>ANNEXURE-A-33</strong>&lt;br&gt;True copy of information available at the website of the Ministry of Corporate Affairs</td>
<td>184-</td>
</tr>
</tbody>
</table>
IN THE SUPREME COURT OF INDIA
CIVIL APPELLATE JURISDICTION
I.A. No. of 2019

IN
CIVIL APPEAL NO. 13394 OF 2015

IN THE MATTER OF:
PACL LIMITED

VERSUS
SEcurities and Exchange Board of INDIA.

APPLICATION FOR DIRECTIONS

To
The Hon’ble the Chief Justice of India
and His Companion Justices of the Supreme Court of India

The humble application of the applicants above named

MOST RESPECTFULLY SHOWETH:

1. That the above stated matter, alongwith connected main
   Civil Appeal No. 13301 of 2015 titled as “Subrata
   Bhattacharya v. Securities and Exchange Board of India” is
   pending adjudication before this Hon’ble Court wherein the
   Hon’ble Court, in the interests of the investors, vide order
   dated 02.02.2016, was pleased to appoint Hon’ble Mr.
   Justice R.M. Lodha, Former Chief Justice of India, as the
   Chairman of the Committee constituted for disposing of the
   land purchased by appellant company, namely, PACL
   Limited, so that sale proceeds can be paid to the investors
   who had invested their funds in the company.
2. That pursuant to order dated 15.11.2019 passed by this Hon’ble Court, the Committee chaired by Hon’ble Mr. Justice R.M. Lodha, (hereinafter referred to as the “Committee”) published its Report on 16.11.2019 vide which sale of properties of PACL have been recommended in favour of two companies namely Prudent ARC Limited (hereinafter referred to as “Prudent”) and Asset Reconstruction Company (India) Ltd. (hereinafter referred to as “ARCIL”). A copy of Report of the Committee, published on 16.11.2019, is attached as Annexure A-1 (Pg. No. 30 to 84).

3. It is respectfully submitted that both the proposals recommended by the Committee may not kindly be confirmed and are liable to rejected as valuable prime properties of PACL are sought to be taken, without any commitment of making payments, and with a completely vague offer and unreliable/misleading reflection of their financial strength. Selling of properties of PACL in this piecemeal, haphazard manner, at lower than realizable market value would be highly detrimental to the interests of the investors. It would render the rest of the properties very difficult to sell, and entire arduous exercise being taken by the Committee and this Hon’ble Court would become futile. The sole intention and object of this Hon’ble Court as well as of the Committee is to realize maximum value by sale of assets of PACL so as to satisfy the claims of maximum investors.
4. In view of glaring irregularities in Expression of Interest (referred to as “EOI”) filed by Prudent and ARCIL, the appellant herein is constrained to approach the Hon’ble Court with the humble prayer that proposal given by Prudent and ARCIL be rejected and not accepted by the Hon’ble Court for the reasons being detailed in the following paragraphs.

**EXPRESSION OF INTEREST BY PRUDENT / TELEECARE**

5. That offer made by Prudent is highly misleading, infirm, non-committal, an attempt to gain monopoly and exclusive rights over the sale of assets of PACL by blocking them for a much lower sum of money. Prudent has not approached the Committee and this Hon’ble Court with clean hands. Granting any rights in favour of Prudent would only result in profiteering by Prudent and M/s Teleecare Network (I) Pvt. Ltd. (hereinafter referred to as “Teleecare”), which should not be allowed.

6. That Prudent, vide letter dated 16.09.2019, shortlisted, forwarded and endorsed the proposal by a prospective buyer namely Teleecare for a fee @ 0.50% of the sale value of each property for providing the services. The said fee was excluding the applicable taxes, which is to be reimbursed by the Committee directly and in case of delay of more than 30 days in payment, Committee would pay an interest @ 18%
p.a. on monthly rest basis to Prudent. It is further stated that in addition to the fee, the Committee would also provide support to Prudent for all their lawful actions, including free of cost services of Lawyers, Solicitors, Attorneys etc. Prudent further disclaimed authenticity of details provided in the EOI. A copy of letter dated 16.09.2019 by Prudent to the Committee is attached as **Annexure A-2 (Pg. No. 85 to 86)**. A copy of Expression of Interest, dated 16.09.2019, sent by Teleecare to the Committee is attached as **Annexure A-3 (Pg. No. 87 to 88)**.

7. That Prudent further filed “Expression of Interest for Facilitating sale of properties of PACL Ltd.” vide letter dated 25.09.2019, merely as facilitator/ service provider to undertake the work relating to sale of properties of PACL on behalf of the Committee. It is relevant to mention that in the said letter, Prudent categorically stated that “**Prudent ARC Limited does not incur any liability on its part on account of failure on the part of the prospective buyer to honor any or all their commitments in the said process prospectively or retrospectively.**” A copy of letter dated 25.09.2019 filed by Prudent as “Expression of Interest for Facilitating sale of properties of PACL Ltd.” before the Committee is attached as **Annexure A-4 (Pg. No. 89 to 93)**. 
8. It is relevant to mention that the above EOI by Prudent is neither an offer nor a firm commitment to buy any properties of PACL and rather Prudent has upfront disclaimed any liabilities on account of failure to honor the commitment. Hence, it clearly reveals that Prudent merely seeks to lend its name and face to Teleecare, a company in financial distress having no financial strength but seeking to purchase assets worth Rs. 1,000 crores. Prudent further, vide letter dated 26.09.2019 forwarded the documents pertaining to Teleecare to the Committee, a copy of which is attached as **Annexure A-5 (Pg. No. 94 to 95)**.

9. That once Prudent shortlists and endorses the proposal of Teleecare, it cannot escape from its commitment and liability to the Hon'ble Court and the Committee for not completing the entire proposal. Prudent seems to be well aware of the fact that the entire proposal may not mature and hence has claimed its fee on sale value of each property and not on final conclusion of entire proposal.

10. It is relevant to mention that Prudent has not submitted any of its own financial statements, since Prudent has completely disowned any liability. Prudent has not furnished any details of the earlier projects handled by them so as to inspire any confidence regarding their working, experience or expertise in sale of assets. No details of the company can be found on the internet, which casts a serious doubt about their handling of such projects. Their website only mentions
that a residential property of 375 sq. yd. in Delhi was listed for auction on behalf of Andhra Bank. The companies registered with Reserve Bank of India as ACR or NBFC have a credit rating which implies its trust worthiness, rating, but details of the same have not been furnished anywhere in the EOI submitted by Prudent to the Committee. Hence, no proposal can be confirmed in favour of Prudent by this Hon’ble Court as it would only result in blocking of the assets, without realization of monies, which is the main aim and objective of the Committee as well as this Hon’ble Court.

11. That Prudent had earlier also submitted a proposal, which was considered by the Committee in its report in April 2019 wherein Prudent had offered its services at a fee of upto 4%. An extract of the report of the Committee is attached as Annexure A-6 (Pg. No. 95 to 96). It is intriguing as to why Prudent has drastically reduced the service fee to 0.50% plus taxes plus all costs and fees including those of solicitors etc.

12. That the documents submitted by Teleecare, verified and shortlisted by Prudent, to establish its financial credibility before the Hon’ble Committee are also misleading and portrays a very contrary picture, which clearly shows that the Teleecare company is not financially capable of meeting its commitments.
GLARING ISSUES/ IRREGULARITIES IN THE FINANCIAL STATEMENTS OF TELEECARE

13. Whereas Teleecare is a private limited company, its holding company is Optiemus Infracom Ltd, which was earlier a stock broking company by the name "Akanksha Finvest Ltd." which was changed to "Akanksha Cellular Ltd." in the year 2011 and then changed from "Akanksha Cellular Limited" to "Optiemus Infracom Limited". The Balance sheet attached is for the year 2017-18, which presents a different picture. As per the Balance sheet of Optiemus Infracom Ltd., for 2018-19, and for six months of 2019, the company has been incurring huge losses, and is in the red.

14. As per the C.A. certificate also, the Net Worth of Teleecare as on 31.03.19, reported on 14.09.2019 is only 67.17 Crores, whereas it seeks to purchase property worth more than Rs. 1,100 Crores. Also, Net Worth Statement of Promoters and Directors filed by Teleecare reveals that 70% of the assets consist of Investment in Shares of Optiemus Infracom Ltd, the holding company of Teleecare. The statements filed also state that "Networth has been arrived at after taking into consideration the market value of Equity Shares of Optiemus Infracom Ltd. as on 31.03.2019." As per information gathered, value of shares of Optiemus Infracom Ltd. had plummeted by more than two-thirds till the date of filing of the proposal by Teleecare, but the said information
its subsidiary companies i.e. MPS Telecom Retail Private Limited. Net Cash Flow from operating activities has also reduced from Rs. 44.95 Crores to Rs. 2.59 Crores which clearly reveals that the company is not generating enough cash flow from its operating activities. Relevant extract of ‘Operating Activities and ‘Non-current Financial Assets’ of Teleecare from its financial statement as at 31.03.2018 is attached as Annexure A-9 (Colly) (Pg. No. 4 to 5). There are no other significant assets except shares of subsidiary companies.

16. Further, Cash in hand as per financial statement submitted is only Rs. 9 lakhs and Balances with banks in current accounts is only Rs. 21.03 crores. Whereas, Teleecare has furnished a cheque of Rs. 100 crores to the Committee. It is impalpable as to how the said cheque could be encashed without sufficient bank balance. Further, unsecured trade receivables are of Rs. 51.82 Crores. Teleecare has also given unsecured loans of Rs. 40.54 Crores. Relevant extract of ‘Current Financial Assets’ of Teleecare from its financial statement as at 31.03.2018, showing bank details is attached as Annexure A-10 (Pg. No. 6 to 7). No bank balance certificate has been furnished by Teleecare to establish that it is capable of honoring the cheque furnished to the Committee. However, as per website details of charges registered on the website of Ministry of Corporate Affairs, Teleecare has an outstanding bank loan of Rs. 176.18
Crores. A copy of ‘Details of Charges’ of Teleecare registered on the website of Ministry of Corporate Affairs is attached as
Annexure A-11 (Pg. No. 10).

17. Details of shareholders holding more than 5% shares in the Teleecare, as per financial statements filed, reveal that Teleecare is a subsidiary of Optiemus Infracom Ltd. Relevant extract of ‘Details of shareholders’ of Teleecare from its financial statement as at 31.03.2018 is attached as Annexure A-12 (Pg. No. 13). It is the value of shares of holding company, which has plummeted by more than two-third, which has been shown as the basis of asset valuation of the directors of Teleecare. Hence, it clearly reveals that neither Teleecare nor its promoters/directors have any substantial assets, which are capable of meeting such huge commitments.

18. Current financial liabilities of Teleecare, as per financial statements submitted, clearly reveal that the company has loans repayable on demand from banks to the tune of Rs. 34.08 Crores, Trade payables of Rs. 129.73 crores and Salaries and other expenses payable of Rs. 3.06 crores. Hence, a company which has such huge outstanding commitments cannot possibly be entrusted with selling of prime properties of PACL. The incorrect projection of sound financial strength of Teleecare is therefore liable to be disregarded. Relevant extract of ‘Current Financial Liabilities’ of Teleecare from its financial statement as at
31.03.2018 is attached as **Annexure A-13 (Pg. No.1<sup>q</sup> to — )**.

19. Market Risk declared by Teleecare in its financial statements also shows that the company is exposed to foreign exchange risk, which adversely affects company’s operations. Value of rupee has greatly depreciated since the last financial statements filed and hence the market risk has increased further. Trade payables shown amount to Rs. 44.32 Crores. Relevant extract of ‘Market Risk’ of Teleecare from its financial statement as at 31.03.2018 is attached as **Annexure A-14 (Pg. No. |||<sup>q</sup> to — )**.

20. Contingent liabilities shown reveal that there are outstanding government dues of Rs. 8.23 Crores. Teleecare has also given a guarantee on behalf of its subsidiary GDN Enterprises Private Limited to the tune of Rs. 65 Crores for credit facilities of Rs. 70 crores sanctioned by IndusInd Bank in favour of Teleecare Networks India Private Limited. Relevant extract of ‘Commitments and contingencies’ of Teleecare from its financial statement as at 31.03.2018 is attached as **Annexure A-15 (Pg. No. |||<sup>q</sup> to — ). Break up of financial instruments carried reveals that Teleecare has Financial Liabilities of Rs. 198.85 Crores as against Financial Assets of only Rs. 164.19 Crores, a copy of which is attached as **Annexure P-16 (Pg. No. \(\sqrt{2}\) to — )**.
21. The prime revenue stream of Teleecare is Sale of mobile handsets and accessories and Sale of Set-top boxes. The company is not engaged in sale and purchase of assets and hence is not suitable for entrusting the task of sale of assets of PACL, since Teleecare is also not purchasing all the assets on its own account, but is seeking to sell the same to other companies/persons. Moreover, despite increase in revenue from operations over the years from 2015 to 2018, the profit rate of the operations has reduced drastically from 2.8% to 0.06%. This clearly reveals that profitability of the company is decreasing rapidly and may be financially viable. Relevant extract of ‘Statement of Profit and Loss’ for the 3 years and ‘Business Segments’ of Teleecare as given in its financial statement as at 31.03.2018 is attached as Annexure A-17 (Colly) (Pg. No. 13 to 16).

22. Related Party Disclosures by Teleecare show that almost 100% of its sales and purchases are with its holding company ‘Optiemus Infracon Limited’ and its other subsidiary companies. These are therefore merely internal transactions to inflate the figures and do not depict true and correct picture of the business transactions of Teleecare. Further, an amount of Rs. 77.37 is payable by Teleecare to Optiemus Infracon Limited. Relevant extract of ‘Related Party Disclosures’ of Teleecare as given in its financial statement as at 31.03.2018 is attached as Annexure A-18 (Pg. No. 17 to 18).
23. Unaudited financial statements of the holding company ‘Optimus Infracon Limited’ for the half year ending 30.09.2019, a copy of which was taken online and attached as Annexure A-19 (Pg. No. 118 to 131), clearly reveals that the company has incurred huge losses.

24. That as per Memorandum of Association of Teleecare, the main objects of the Company are to carry on business of trading in India and abroad of all kinds of communication services and import/ export/ sale/ purchase of all kinds of electronic voice data and video communication system. Sale and purchase of assets is clearly beyond the objects of the company as per Memorandum of Association and hence ultra vires. Teleecare is not authorized to indulge in sale and purchase of assets. A copy of Memorandum of Association of Teleecare is attached as Annexure A-20 (Pg. No. 132 to 149).

25. That as per website of Ministry of Corporate Affairs, last Annual General Meeting of Teleecare was held on 26.09.2018 and last balance sheet filed was for 31.03.2018. It seems that Teleecare has not held an AGM in last more than 1 year and has also not filed audited balance sheet for the year ending on 31.03.2019. A copy of the information available at the website of Ministry of Corporate Affairs for Teleecare is attached as Annexure A-21 (Pg. No. 148 to 151).
FALLACIES IN THE PROPOSAL OF PRUDENT/ TELEECARE

26. **Entire piece of contiguous land not taken. Pick and choose followed.** That the Teleecare has submitted proposals only for those parcels of land which are abutting the road or form the frontage of a large contiguous piece of land. No bid has been given for the balance land. Rest of the parcels of land, though contiguous, have been deliberately left out of the proposal. This would result in a situation wherein the land lying at the back side would be rendered land-locked and inaccessible and therefore unsaleable in future. And, Teleecare would have exclusive right and possession over the said land without having to pay any amounts for the same. This would rapidly reduce the land bank of PACL. If sale of parcels of contiguous land is allowed then the realizable value of assets of PACL would be highly jeopardized, which would not be in the interests of investors. Examples of lands wherein the entire parcel of land has not been bid for by Teleecare is attached as **Annexure A-22 (Pg. No. A\(^9\) to 15 | ).**

27. **Lands on which construction has been raised have also been bid as agricultural land.** Teleecare has valued and submitted bids for certain lands as agricultural lands, without disclosing that the lands have huge structures built on them. No value has been assessed for such
constructions. This has substantially reduced the amounts realizable from sale of constructed property. Teleecare has also not disclosed that there are certain third-party rights created on certain parcels of land. Including such land in the bid and accepting the proposal in favour of Teleecare would result in huge litigation by third parties. For example, Teleecare has submitted bid for property at Dehradun. The same cannot be given to Teleecare as hundreds of flats are built-up on said land where hundreds of families are residing. Similarly, Teleecare has submitted bid for land on which a hospital has been constructed. However, no additional amounts for construction raised thereon have been offered by Teleecare. Such properties cannot be sold by this proposal. Details of land, with constructions thereon, for which no additional amount has been bid by Teleecare is attached as Annexure A-23 (Pg. No. 152 to 157).

28. **All the prime land of PACL included in the present proposal, Balance land will not be saleable.** Teleecare in its proposal has included all the prime valuable land of PACL. Incase, all this land is sold at fraction of the realizable value, it would be difficult to sell the remaining land. The investor claims of more than Rs. 23,000 Crores will never be fully satisfied. The Committee also had earlier classified the land of PACL in 4 categories i.e. A, B, C and D wherein Category A land consisted of readily saleable prime properties constituting majority of the recoverable amount
and Category D land was most difficult to sell. If all the category A land would be sold, it will be difficult to realize any amounts from balance land bank. Hence, no one bidder should be allowed to pick and choose land in such a manner. A copy of extract of the Committee’s report classifying the land is attached as Annexure A-24 (Pg. No. 158 to 160).

29. Delhi land eligible under Land Pooling Policy likely to fetch 7-8 times of the bid amount. 450 acres of Land belonging to PACL, which is located in Delhi, qualifies under Land Pooling policy of the State Government. Once the land is submitted under the said policy, the realizable value of land will be many times more than the value at which bid has been given by Teleecare. If such prime land is sold at a fraction of price, then it will result in huge loss to the investors of PACL and profiteering for bidder. Hence, land in Delhi which is eligible under Land pooling Policy should not be disposed of in such a manner. A copy of letter written by PACL to include the land in Land Pooling Policy of Government of Delhi is attached as Annexure A-25 (Pg. No. 161 to 162).

30. Land acquired by State Government also included. Teleecare has also included and bid an amount of Rs. 60 Crore for land which has already been acquired by the State of Punjab under compulsory acquisition vide Award No. 513 dated 23.02.2012. As on date Airport road has also been
constructed over the same. It clearly reveals that the said land has been included only make the offer seem above the cut-off limit of Rs. 1,000 Crores prescribed by the Committee. There is plausible reason for any person to bid an amount of Rs. 60 Crore for land which is not available on ground. Details of land acquired, but included in the proposal of Teleecare is attached as Annexure A-26 (Pg. No. 153 to —).

31. **Inaccurate Collector Rates.** That there are some common properties for which both Prudent and ARCIL have submitted bids, but it is relevant to note that the Collector rates mentioned by them vary. Incorrect collector rates have been mentioned only to show reduced value and for being able to take the property at less than actual Collector rate. The Committee had already prescribed that the properties would not be sold at less than the Collector rates. Details of properties wherein inaccurate Collector Rates have been quoted by Prudent are attached as Annexure A-27 (Colly) (Pg. No. 154 to 158).

32. **Land already sold by Committee also included.** Teleecare has also submitted bid for 113 parcels of lands which have already been sold by the Committee. Such land cannot be sold again and if the same are also excluded from the bid amount, then the same would fall short of the Rs. 1,000 Crore threshold. Such properties have been included
malafidely to increase the value so that it crosses the threshold limit of Rs. 1,000 Crores.

33. **Properties not mentioned on auction website were also bid for.** Teleecare has also submitted bid for those properties, which have not been detailed or mentioned in the auction website. One the properties were not shown as being available for bidding, it is incomprehensible as to how Teleecare submitted a bid. Details of properties which were not put to auction, but bid for by Teleecare are attached as **Annexure A-28 (Pg. No. 1 to 16).**

34. **Wrong uploading of documents.** There are instances where there is wrong uploading of documents. For eg. MR No. 18223-18 shows property is situated at Gurgaon and the bid has been made accordingly. However, upon downloading of document it is found that the details of the property are shown at Paschim Vihar, which is a property of much higher value. In such a case, there is no clarity of which property would be considered as sold, whether it would be the property described or the property details of which have been uploaded. It would also result in sale of properties at lesser value due to inaccurate description, an example of which is attached as **Annexure A-29 (Pg. No. 17 to — ).**

35. **Committee's recommendation of Prudent/ Teleecare.** Committee has considered the financial statements of Prudent, which is inconsequential since Prudent has
blatantly refused to incur any financial liability on account of non-commitment of proposed buyers. Further, the Networth of Directors of Teleecare is misleading as it is based on old data and at the time of submission of EOI was less than one-third. Though Teleecare has submitted a cheque, but financial statements submitted by it reveals that there are grossly insufficient funds to meet the liability. It seems to be more of an eye-wash. Teleecare is merely a subsidiary of Optiemus Infracom Ltd. and the financials attached reveal that more than 90% of sale-purchase transactions are between the holding company and subsidiary company. Hence, the figures have been inflated and do not depict a true position of financial strength of Teleecare. There is no clause in the proposal regarding penalty for non-completion of entire sale within 4 months. It is further nowhere mentioned as to when the security cheque of Rs. 100 Crores can be encashed i.e. at the beginning or at the end of 4 months. Also, perusal of comparative chart showing circle rates for common properties mentioned by Prudent and ARCIL, attached as Annexure A-30 (Pg. No. \( \text{Annexure A-30 (Pg. No. \( \frac{17}{20} \text{ to } \frac{17}{20} \))} \), reveals that circle rate quoted by Prudent is much lower than the actual rate since old rates have been used. It also seems that the Committee was compelled to accept the offer of Prudent, despite a higher amount being given by ARCIL, since if the said properties were withdrawn from the proposal of Prudent, then it would not have taken the balance
properties and withdrawn the total offer. It is respectfully submitted that the same cannot be a consideration for acceptance of proposal given by Prudent/ Teleecare.

36. Hence, the proposal submitted by Prudent/ Teleecare is liable to be rejected in the interests of investors of PACL and since the same would only result in blocking of the assets, without any substantial recovery of amounts.

**EXPRESSION OF INTEREST BY ARCIL**

37. That ARCIL submitted its Expression of Interest, vide letter dated 16.09.2019, a copy of which is attached as Annexure A-31 (Pg. No. \[\text{Pg. No.} \mid 13 \] ). It has been stated that ARCIL would merely act as a facilitator on behalf of prospective buyers and has at the outset disclaimed any pecuniary liability for the failure of prospective to complete the sale formalities. It is relevant to point out that ARCIL has not given any name, details, financial strength or undertaking from any of the prospective buyers to complete the transaction. Hence, acceptance of proposal on behalf of ARCIL would imply that the assets are blocked by ARCIL, without any financial commitment. It is amply clear that all that ARCIL seeks is monopoly rights to sell the land, without incurring any financial liability. This is clearly not the intention of the Committee and this Hon'ble Court in disposing off the assets of PACL. Intention is to recover the maximum realizable value in the shortest possible time so
that the investors can be repaid their monies. Hence, proposal of ARCIL is liable to be rejected at the outset.

38. That it is also relevant to mention that the proposal by ARCIL is not on “as is where is” and hence also liable to be rejected. ARCIL has stated further conditions which are against the terms of Expression of Interest.

39. That ARCIL further seeks to eliminate fair competition by laying down the condition that after submission of bid by ARCIL, SEBI should not accept any counter offer against the property where EOI is given by ARCIL or conduct any rebidding. Any terms and conditions to eliminate competition cannot be sustained. It also makes it amply clear that actual market value of the properties is much higher than the value bid by ARCIL and hence ARCIL seeks to eliminate further higher bids. This would lead to sale of assets at a much lower realizable value and would be prejudicial to the interest of the investors.

40. ARCIL has not given any specific undertaking regarding the time period within which sales would be completed, despite being asked specifically by the Committee. ARCIL has sought 2 month time for verification of KYC documents of investors in case EOI is accepted. Hence, there is no firm buyer available with ARCIL and the intention is merely to grab the properties. ARCIL seeks 3 months further time to co-ordinate with the prospective investors and the
Committee for payment of sale consideration and execution and registration of sale certificates, without any commitment regarding the deposit of amounts.

41. That ARCIL, vide letter dated 24.09.2019, a copy of which is attached as **Annexure A-32 (Pg. No. 182 to 183)**, has refused to provide any performance guarantee and again denied any liability for failure on the part of the prospective investors to consummate the sale transactions. In such a case, all the financial statements submitted by ARCIL are of no relevance since ARCIL would not take any liability. Hence, valuable assets of PACL cannot be entrusted to any such facilitator who would work against the interests of the investors.

42. That ARCIL has further proposed to charge a commission at the rate of 3% plus GST which would be payable immediately on issuance of Sale Certificate for any particular property. ARCIL does not even undertake to keep its Commission pending till the sale of entire properties being sold to it. This clearly shows that ARCIL is not confident of selling all the properties and hence does not even volunteer to give its Commission as security or performance guarantee.

43. Further, just as in the case of Prudent/ Teleecare, circle rates mentioned by ARCIL for certain properties are lesser than the actual current circle rates. Circle rates have been
mentioned for land in the interior whereas land is on the main road, which has a much higher circle rate. Also, ARCIL has bid for some parcels out of contiguous land holding, thereby rendering the balance land inaccessible and un-saleable. It is a means of acquiring more land without payment of consideration, which is highly impermissible and detrimental to the interests of investors.

44. It is also relevant to mention that ARCIL has also taken huge loans from banks and financial institutions, as is evident from the information available at the website of the Ministry of Corporate Affairs, a copy of which is attached as Annexure A-33 (Pg. No.) 84 to — ).

45. That ARCIL has completely failed to state whether it has any prior experience or expertise in conducting transactions of this nature. Just as in case of Prudent, no credit rating is available regarding ARCIL. Companies registered with Reserve Bank of India as ACR or NBFC have a credit rating which implies its trust worthiness, credit rating, but details of the same have not been furnished anywhere in the EOI submitted to the Committee. There is not even a bald averment or assertion by ARCIL regarding its competence to engage in such activities.

46. **Committee's recommendation of ARCIL.** It seems that the Committee has been swayed only by the financial position (Net worth and profitability) of ARCIL, which is
inconsequential since ARCIL has refused to incur any financial liability and on the contrary seeks commission from the Committee. Also, the recommendation by the Committee itself reveals that the final offer of ARCIL has been reduced to less than Rs. 1,000 crores as prescribed by the Committee. If the said condition of minimum amount was relaxable and was duly made public by a notice, then the Committee would have received itself received many more offers with a much higher value of land. Effective competition got eliminated on account of prescribing a minimum threshold of Rs. 1,000 for entertaining the bid.

47. **PACL Limited is committed to maximum realization of its assets** so that all the investors can be paid and satisfied out of the asset base of the company. As on date verified claims which are outstanding are more than Rs. 26,000 crores, which are capable of being fully satisfied out of realization from the assets of PACL. If these proposals are approved, there will be hardly any response to sale of balance properties, because these bidders have picked up the cream in a piecemeal manner. This approach would not generate the revenues required to pay back the investors.

48. That PACL is willing and undertakes to co-operate with the Committee and this Hon'ble Court in any manner for disposal of the properties in the most transparent manner and at best prices, because it has detailed knowledge of the properties and their value and prices.
49. In view of the above attempt to grab the properties of PACL at much lower value, it is respectful submission of PACL that the following points may kindly be considered before confirmation of sale in favour of any person or agency:

A. The properties may be sold to the identified buyer (directly or through any agency) who is willing to give firm commitment to honor the transaction and further seeks to indemnify incase the assurance is not fulfilled in a timely manner. Financials of the actual buyer may be considered for taking decision regarding confirmation of sale in his favour.

B. Threshold of Rs. 1,000 Crores may be considered little flexible and sold State wise as a homogenous block, so as to enable more local persons to bid and thereby get maximum realizable value of assets.

C. Monopoly rights not be created in favour of any intermediary Companies, who claim to facilitate/ sell the land without committing any financial liability.

D. Committee may, if considered necessary, may directly deal with the buyers in whose favour sale is to be confirmed to ensure maximum realization in minimum possible time.

50. That the above inaccuracies in the proposals of Prudent/ Teleecare and ARCIL are being brought to the knowledge of the Hon'ble Court and Hon'ble Committee so as to protect
the assets and interests of investors and to ensure that assets are disposed off at their maximum realizable value. If the proposals of Prudent and ARCIL are accepted and prime properties sold in such a manner, then it would be difficult to sell other pieces of land and no further amounts would be realized.

51. That the appellant is also filing a representation with the Committee to bring the above inconsistencies to the knowledge of the Hon’ble Committee, so that the proposals can be re-considered.

52. That the present application is being made bonafide and in the interest of justice and to ensure that maximum amounts are realized from the sale of assets, the benefit of which is available to the investors of the company.

PRAYER

It is, therefore, most respectfully prayed that this Hon’ble Court may kindly be pleased to:

(a) To direct the Committee to consider the above objections and representation by PACL and re-consider its proposal to recommend sale of properties in favour of Prudent and ARCIL and submit a fresh report for consideration by this Hon’ble Court,
(b) Not confirm the proposals and sale of properties in favour of Prudent/Teleecare and ARCIL being highly prejudicial to the interests of investors,

(c) Pass such other appropriate order/orders, as this Hon'ble Court may deem fit and proper in the interest of justice in favour of the applicant.

FOR WHICH ACT OF KINDNESS, THE APPELLANT AS IN DUTY BOUND, SHALL EVER PRAY

THROUGH

Anubha Agrawal
ADVOCATE FOR THE APPELLANT

Filed on: 09.12.2019
IN THE SUPREME COURT OF INDIA
CIVIL APPELLATE JURISDICTION

I.A. No. _____ of 2019

IN

Civil Appeal No. 13394 of 2015

IN THE MATTER OF:

PACL LIMITED

VERSUS

SECURITY & EXCHANGE BOARD OF INDIA

AFFIDAVIT

I, Sikander Singh Dhillon, S/o Late Sh. Joginder Singh Dhillon, aged about 70 years R/o Pyara Singh Colony, Ropar Punjab, presently at New Delhi, do hereby solemnly affirm and state as under:-

1. That I am one of the Director of the appellant company (having DIN 07260172) in the Civil Appeal and well acquainted with the facts and circumstances of the present case and in that capacity, competent to swear the present affidavit in support of the accompanying I.A.

2. That the contents of the accompanying I.A. have been prepared under my instruction as well as understood by me and I say that the contents of the same are true and correct to my knowledge.
3. That the annexure A/1 to A/33 appended along with the present I.A. are true copies of their respective originals.

VERIFICATION:

Verified at New Delhi on this ____ day of December, 2019 that the facts stated in the above affidavit are true to my knowledge and belief. No part of the same is false and nothing material has been kept concealed therefrom.
IN THE SUPREME COURT OF INDIA

CIVIL APPELLATE JURISDICTION

CIVIL APPEAL NO. 13301 OF 2015

IN THE MATTER OF:

SUBRATA BHATTACHARYA

APPELLANT

VERSUS

SEcurities and exchange
BOARD OF INDIA

RESPONDENT

REPORT

THE JusTICE (RETD.) R.M. LODHA COMMITTEE
(IN THE MATTER OF PACL LTD.)

PURSUANT TO ORDER OF THE HON'BLE SUPREME COURT OF INDIA DATED 30.07.2019 AND IN FURTHERANCE OF ACTION TAKEN REPORT FILED ON 30.08.2019
<table>
<thead>
<tr>
<th>SL. NO.</th>
<th>PARTICULARS</th>
<th>PAGE(S)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Report of the Justice (Retd.) R.M. Lodha Committee (In The Matter Of PACL Ltd.), pursuant to order of the Hon’ble Supreme Court of India dated 30.07.2019 and in furtherance of Action Taken Report filed on 30.08.2019.</td>
<td>1-48</td>
</tr>
<tr>
<td>2.</td>
<td>DOCUMENTS :</td>
<td></td>
</tr>
<tr>
<td>(i)</td>
<td>Revised Public Notice dated 23.08.2019</td>
<td>49-50</td>
</tr>
<tr>
<td>(ii)</td>
<td>Communication dated 29.10.2019 from the Superintendent, Department of Industries &amp; Commerce (Industries Branch), Government of Punjab, Chandigarh to the Committee.</td>
<td>51</td>
</tr>
<tr>
<td>(iii)</td>
<td>Communication dated 05.11.2019 from the Committee to the Superintendent, Department of Industries &amp; Commerce (Industries Branch), Government of Punjab, Chandigarh.</td>
<td>52</td>
</tr>
<tr>
<td>(iv)</td>
<td>Communication dated Nil from Additional Chief Administrator (F&amp;A), Greater Mohali Development Authority to the Committee.</td>
<td>53</td>
</tr>
</tbody>
</table>
ACTION TAKEN AND REPORT SUBMITTED

The Justice Retd. P. V. Lodha Committee in the matter of PACL Ltd hereinafter referred to as "the Committee", has on 30.08.2019 submitted to this Hon'ble Court, a report detailing therein the action taken by the Committee in pursuance of the order dated 30.07.2019 passed by this Hon'ble Court in Civil Appeal No. 13301/2015. The said report also stated that the Committee, after receipt of proposals/EOIs and concrete offers and after a proper analysis and consideration thereof, proposes to place the same by way of a further report, before this Hon'ble Court.

The Committee has been over a period of two months, able to complete the task of receipt and review of offers, holding meetings with the offerors, to address their concerns and answer their queries, and the present report seeks to apprise this Hon'ble Court of the progress of the process, as directed by the aforesaid order dated 30.07.2019.

2. APPRAISAL/ANALYSIS OF PROPOSALS:

2.1 The Committee in pursuance of the aforesaid order dated 30.07.2019 passed by this Hon'ble Court, issued a revised public notice dated 23.08.2019, inter alia setting out a zone-wise distribution of properties of PACL Ltd. and inviting Expression of Interest (EOI) from prospective buyers for the said properties in one or more zones, aggregating in value not less than Rs.1000 crore. The EOI was also required to clearly indicate therein list of properties in each zone, it circle rate,
2.2 The Committee received 17 proposals/EOIs in response to the Public Notice dated 23.08.2019. Of these, 5 proposals from the following entities failed to meet the eligibility criteria of minimum offer size of Rs. 1000 crore as mentioned in Public Notice and hence were not pursued further:

<table>
<thead>
<tr>
<th>S. No</th>
<th>Proposal from</th>
<th>Offer Size (in Rs crore)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Rana Trading Company</td>
<td>0.4</td>
</tr>
<tr>
<td>2</td>
<td>Mr. J C Sastry</td>
<td>3.56</td>
</tr>
<tr>
<td>3</td>
<td>Mr. Narwadi Santosh s/o Sudarshan</td>
<td>0.6083</td>
</tr>
<tr>
<td>4</td>
<td>Smt. Harathi K</td>
<td>8.81</td>
</tr>
<tr>
<td>5</td>
<td>BLG Projects Pvt. Ltd</td>
<td>82.19</td>
</tr>
</tbody>
</table>

2.3 The remaining 12 proposals from the following entities met the eligibility criteria of minimum offer size of Rs. 1000 crore and therefore were considered for further analysis:

i. Assets Reconstruction Company (India) Limited.
ii. Prudent AMC / Telecare Network India Pvt. Ltd., Delhi.
iii. Brij Gopal Construction Company Pvt. Ltd., New Delhi
iv. Meera Cleanfuels Limited, Mumbai
v. Trends Infra Organization, Bangalore
vi. Pixie Consulting Solutions Limited, Karnal, Haryana
vii. Next-Gen Advisors, Goa
viii. Riz United Infratech Pvt. Ltd, Mumbai
ix. M G Global (Grain Merchants & Commission Agents), New Delhi
x. SLF Realty, New Delhi
x. Peacock Shipping Private Limited (PSPL) along with consortium partners M/s. Asia Trade Consortium LLP (ATC) and their investors

xii. Shri Ashok Jain (submitted proposals from 25 entities).

A copy of the proposals received from the aforesaid entities were placed on/are available on website of SEBI (i.e. www.sebi.gov.in).

2.4 In order to analyze the offers further, additional information with respect to financial details of the entities, expected time frame for completing the process of sale of properties, proposed payment terms, etc., was called for from the above entities vide email dated 23.09.2019. These entities were also requested to provide soft copy of list of properties bid by them in excel format.

2.5 In addition to the above, the Committee also received a proposal from Indo-UK Health Institute ("IUHI") for purchase of properties worth offer value of Rs 3971.79 crore vide their letter dated 26.09.2019 received vide email dated 30.09.2019. As the proposal was found to meet the eligibility criteria of minimum offer size of Rs. 1000 crore, the same was also taken into consideration along with the aforesaid proposals. Additional information from IUHI with respect to financial details, expected time frame for completing the process of sale of properties, proposed payment terms, etc., was called for vide emails dated 24.09.2019 & 30.09.2019 along with soft copy of list of properties bid by them in excel format.
2.6 A detailed analysis of the aforesaid 13 shortlisted proposals, on the basis of different parameters, is as set out herein below:

A. ASSETS RECONSTRUCTION COMPANY (INDIA) LTD. ("ARCIL")

ARCIL submitted an EoI for facilitating sale of 3584 properties (MR Nos) located in 11 states and 1 Union Territory for aggregate offer price of Rs 1216.55 crore. The aggregate circle price of these properties, as submitted by ARCIL, is Rs 961.47 crore.

Further, the aforesaid 3584 MR nos. bid for by ARCIL also include 2 MR nos. (Rs. 2.45 crore) which are part of the properties where objections by third parties have been received and therefore not available for sale. Accordingly, the offer size would reduce by Rs. 2.45 crore and will be Rs 1214.10 crore.

Financial Position

<table>
<thead>
<tr>
<th></th>
<th>2018-19</th>
<th>2017-18</th>
<th>2016-17</th>
</tr>
</thead>
<tbody>
<tr>
<td>Share Capital + Reserves &amp; Surplus (in Rs cr)</td>
<td>1945.06</td>
<td>1688.90</td>
<td>1566.10</td>
</tr>
<tr>
<td>Income (in Rs cr)</td>
<td>326.69</td>
<td>263.22</td>
<td>236.7</td>
</tr>
<tr>
<td>PAT (in Rs cr)</td>
<td>149.01</td>
<td>122.79</td>
<td>46.62</td>
</tr>
</tbody>
</table>

ARCIL has enclosed Networth Certificate of CA and therein Networth of ARCIL is stated as Rs.1945 crore as on 31.03.2019.

Offered price in comparison to Circle rate

On consolidated basis, the offer price for 3582 properties is 26% more than the circle rate. Further, offered price of
ARCIL for individual properties is higher than its circle rate, as submitted by ARCIL, in all cases.

**Charges proposed for facilitating sale of properties**

ARCIL proposes to charge 3% commission (plus GST) as a fee on success basis for facilitating the sale of properties. The cost on commission may be around Rs.36.42 crore plus GST.

**Time period for completion of sale of properties**

ARCIL has mentioned that once the EOI is accepted by the Committee, ARCIL within 3 months of such acceptance, will co-ordinate with the prospective investors and the committee for payment of sale consideration, execution and registration of sale certificate.

ARCIL has requested for further 2 months of time for verification of KYC and circle rates, in case EoI is accepted, for verification of background (KYC) of investors and circle rate of the properties.

**Payment Terms**

No specific payment terms have been mentioned but it is submitted that ARCIL, within 3 months of acceptance of EoI, will co-ordinate with the prospective investors and the committee for payment of sale consideration, execution and registration of sale certificate.

**Comments**

It may be noted that the Hon'ble Supreme Court in its order dated 08.01.2019 noted that "it is necessary that the process of conducting the sale of the properties is properly channelized through a specialized agency....One of the suggestions which has emerged before this Court is for the appointment of an asset reconstruction company, which has the experience and resources to
ensures a transparent process of sale..."

ARCIL is an Asset Reconstruction Company ("ARC") empaneled by RBI. As submitted by ARCIL, it has reasonable Networth and Profitability during the last financial year.

Offer size of EOI submitted by ARCIL is more than Rs 1000 crore and offer value of each property mentioned in EOI is more than its circle rate.

Hence, considering the financials of ARCIL, the rate offered for properties and time period 3 months for payment, ARCIL's proposal was shortlisted for further examination.

B. PRUDENT ARC/TELECARE NETWORK INDIA PVT. LTD. ("Prudent" or "PRUDENT-ARC"):  

Prudent submitted an EOI for facilitating sale of 1409 properties (1143 MR Nos) to the bidder/buyer Telecare and some of its Associate Companies/individuals for aggregate offer price of Rs 1149.23 crore. The aggregate circle price of these properties, as submitted by Prudent, is Rs 661.59 crore.

It is however observed that 13 MR nos. (Rs.15.05 crore) are duplicate and 1 MR No. 18223/18 (Rs.2.52 crore) mentioned by Prudent does not exist in database of properties of PACL. Accordingly, it is seen that the offer is for 1129 MR No. and offer size is Rs 1131.66 crore.

It is further seen that 2 properties (Rs. 7.9 crore) (MR No. 25763/17 and 18222/18) are not part of the database of properties (www.auctionpACL.com) in respect of which EOI was sought by the Committee.
Further, Prudent has bid for 1 property - MR No 320/16 (worth Rs.1.42 crore) which is part of 113 properties already sold by the Committee. Prudent is sole bidder in this case.

Accordingly, effective offer value is Rs 1122.34 crore

**Financial position**

**Prudent ARC**

<table>
<thead>
<tr>
<th></th>
<th>2018-19</th>
<th>2017-18</th>
</tr>
</thead>
<tbody>
<tr>
<td>Share Capital + Reserves &amp; Surplus (in Rs cr)</td>
<td>119.05</td>
<td>103.47</td>
</tr>
<tr>
<td>Income (in Rs cr)</td>
<td>8.49</td>
<td>3.90</td>
</tr>
<tr>
<td>PAT (in Rs cr)</td>
<td>0.22</td>
<td>1.10</td>
</tr>
</tbody>
</table>

**Telecare**

<table>
<thead>
<tr>
<th></th>
<th>2017-18</th>
<th>2016-17</th>
<th>2015-16</th>
</tr>
</thead>
<tbody>
<tr>
<td>Share Capital + Reserves &amp; Surplus (in Rs cr)</td>
<td>92.98</td>
<td>92.41</td>
<td>89.54</td>
</tr>
<tr>
<td>Income (in Rs cr)</td>
<td>722.02</td>
<td>634.07</td>
<td>626.86</td>
</tr>
<tr>
<td>PAT (in Rs cr)</td>
<td>0.57</td>
<td>2.87</td>
<td>6.46</td>
</tr>
</tbody>
</table>

Prudent ARC has submitted its financials and has forwarded financials and networth of Telecare. Networth Certificate from CA has been submitted wherein it is stated that Networth of Telecare is Rs.67.17 crore as on 31.03.2019. Further, Networth of Directors of Telecare Network India Pvt. Ltd. has been submitted, which is Rs 68.72 crore for Mr. Renu Gupta, Rs 50.13 crore for Mr. Neetesh Gupta, Rs 13.29 crore for Mr. Mukesh Kumar Gupta, Rs.50.84 crore for Mr. Deepesh Gupta, and Rs 61.13 crore for Mr. Ashok Gupta as on 31.03.2019.

**Offered price in comparison to Circle rate**

On consolidated basis, the offer value is around 73% more than the circle rate. Further, offered price of Prudent ARC for individual properties is higher than the circle rate, as submitted by Prudent, in all cases except 2 properties where offer price is same as circle rate.
Further Prudent ARC has submitted a Cheque of Rs.100 crore towards Security Deposit, for adjustment against the last payment.

**Charges proposed for facilitating sale of properties**

Prudent ARC will charge commission of 0.5% of Sale Value as fees. The cost of commission will be around Rs.5.6 crore. Prudent has later submitted that it may waive off the commission charges.

**Time period for completion of sale of properties**

Prudent ARC has submitted vide its letter dated 25.09.2019 that prospective bidder (Telecare) vide its letter dated 25.09.2019 has indicated to complete the process of sale of properties within 4 months from the day the Committee issues the first sale certificate of Rs. 50 crore.

**Payment Terms**

Prudent ARC has submitted that the moment Committee approves Sale Certificate of Rs.50 crore simultaneously DD of Rs.50 crore will be submitted. Balance will be cleared within 04 months from the day Committee issues the first certificate of Rs.50 crore.

**Comments**

Prudent having its registered office in Delhi has obtained Certificate of Registration from RBI on August 03, 2016.

The buyer, Telecare has a Networth of Rs.67.17 crore as on 31.03.2019 and as per its financials, has made profits in the FY 2015-16, 2016-17 and 2017-18.

Prudent ARC has mentioned that they will act as agent of buyer and seller to facilitate sale of properties.
Hence, considering the financials of Telecare, the rate offered for properties and time period of 4 months, Prudent ARC’s proposal was shortlisted for further examination.

C. BRIJ GOPAL CONSTRUCTION COMPANY PVT. LTD. (“BRIJ”):

Brij submitted an EOI for purchase of 884 properties (882 MR Nos) for aggregate offer price of Rs 1225.22 crore. The aggregate circle price of these properties, as submitted by Brij, is Rs 972.68 crore.

It is however observed that 8 MR nos. (Rs.0.296 crore) are duplicate and 7 MR No. (Rs.14.52 crore) mentioned by Brij are not included in database of properties available on the website www.auctionpacl.com, in respect of which EOI was sought for by the Committee.

Accordingly, effective offer value is Rs.1210.40 crore

Financial position

<table>
<thead>
<tr>
<th></th>
<th>2018-19 Provisional</th>
<th>2017-18 Audited</th>
<th>2016-17 Audited</th>
<th>2015-16 Audited</th>
</tr>
</thead>
<tbody>
<tr>
<td>Share Capital + Reserves &amp; Surplus (in Rs - crore)</td>
<td>316.48</td>
<td>267.99</td>
<td>243.72</td>
<td>187.75</td>
</tr>
<tr>
<td>Income (in Rs - crore)</td>
<td>1416.97</td>
<td>1262.7</td>
<td>1052.86</td>
<td>1012.06</td>
</tr>
<tr>
<td>PAT (in Rs - crore)</td>
<td>48.49</td>
<td>24.26</td>
<td>6.06</td>
<td>7.99</td>
</tr>
</tbody>
</table>

Brij has submitted Networth Certificate certified by a Chartered Accountant and the networth as on 31.03.2018 is Rs. 267.99 crore.

Offered price in comparison to Circle rate

On consolidated basis, the offer price is around 25.96% more than the circle rate as submitted by Brij. Further, offered price of Brij for individual properties is higher.
Charges proposed for facilitating sale of properties

Not mentioned

Time period for completion of sale of properties
Brij had initially stated that it will furnish 10% of the amount within 7 days of final approval by the committee and rest amount will be deposited during next 6 months. Later vide letter dated 25.09.2019 it has stated that it plans to complete the process of sale of properties within 5 months of receiving final approval from the committee or as per the directions of the committee.

Payment Terms
Payment will be done in installments with each installment above Rs.50 crore. As and when Sale Certificate is issued, next installment shall be paid. Further, it Brij has submitted that it is willing to provide Bank Guarantee or any other performance guarantee on instruction of the Committee.

Comments
Although, Brij is not an ARC empaneled with RBI, the financials of Brij show that the company has reasonable Networth/Profitability. Hence, considering the financials of Brij, rate offered and time period of 5 months, Brij's proposal was shortlisted for further examination.

D. INDO UK INSTITUTE OF HEALTH (IUIH)

IUIH, vide its latest letter dated 11.10.2019, submitted an EOI for purchase of 1609 MR nos. for aggregate offer price of Rs.3609.82 crore. The aggregate circle price of these properties, as submitted by IUIH, is Rs.3497.82 crore.
It is observed that off er of IUH includes 349 MR nos. (Rs. 519.08 crore) which are part of properties where objections by third parties have been received and therefore not available for sale.

It is further observed that 140 MR nos. (Rs. 562.23 crore) mentioned in EoI of IUH are not part of the database of properties available on the website www.auctionpacil.com. in respect of which EoI was sought for by the Committee.

Therefore, effective size of IUH’s offer is Rs. 2528.51 crore.

**Financial position**

<table>
<thead>
<tr>
<th></th>
<th>2017-18 Audited</th>
<th>2016-17 Audited</th>
<th>2015-16 Audited</th>
</tr>
</thead>
<tbody>
<tr>
<td>Share Capital</td>
<td>47.05</td>
<td>0.15</td>
<td>(0.01)</td>
</tr>
<tr>
<td>Reserves &amp; Surplus (in Rs cr)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Income (in Rs cr)</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>PAT (in Rs cr)</td>
<td>(0.94)</td>
<td>(0.31)</td>
<td>(0.02)</td>
</tr>
</tbody>
</table>

IUH (Programme) is being implemented by UK Global Healthcare Ltd., a UK Based company. UK Global Healthcare Ltd has a 100% owned subsidiary in India, Indo UK Healthcare Pvt. Ltd. (IUHP).

IUH has submitted the Enterprise Value of IUHP, as certified by a Merchant Banker and the enterprise value as on 01.07.2019 is Rs. 138.46 crore.

**Offered price in comparison to Circle rate**

The offered rate of IUH is higher than/same as the circle rate (as provided by IUH) in case of all properties. Further, on a consolidated basis, the offer price is around 3% more than the circle rate.
Charges proposed for facilitating sale of properties
Not mentioned

Time period for completion of sale of properties
IUJH has stated that the acquisition of properties would be spread across a period of 33 months from the date of acceptance letter.

Payment Terms
IUJH has split the 1600 properties into 23 blocks (across 9 states and 1 UT) and has requested block commitment from the Committee for all the properties. The payment terms have been provided blockwise, as follows:

<table>
<thead>
<tr>
<th>Payments</th>
<th>Amount (Rs.)</th>
<th>Time frame</th>
</tr>
</thead>
<tbody>
<tr>
<td>1st Payment</td>
<td>137,67,76,077</td>
<td>Within 30 days of letter from SEBI confirming acceptance of EOI</td>
</tr>
<tr>
<td>2nd Payment</td>
<td>137,82,49,879</td>
<td>6 months of the letter from SEBI</td>
</tr>
<tr>
<td>3rd Payment</td>
<td>500,00,00,000</td>
<td>12 months of the letter from SEBI</td>
</tr>
<tr>
<td>4th Payment</td>
<td>750,00,00,000</td>
<td>18 months of the letter from SEBI</td>
</tr>
<tr>
<td>5th Payment</td>
<td>750,00,00,000</td>
<td>24 months of the letter from SEBI</td>
</tr>
<tr>
<td>6th Payment</td>
<td>750,00,00,000</td>
<td>28 months of the letter from SEBI</td>
</tr>
<tr>
<td>7th Payment</td>
<td>708,32,22,034</td>
<td>33 months of the letter from SEBI</td>
</tr>
<tr>
<td>Total</td>
<td>3609,82,47,990</td>
<td></td>
</tr>
</tbody>
</table>

Comments
IUJH informed that it envisages to develop 11 NHQ quality Medicities across India. It was further informed that a Task Force has been constituted under the Chairmanship of Secretary, Department of Health &
Fam., Welfare in this regard and also to consider investment proposals in healthcare under private sector collaboration.

IUH (Programme) is being implemented by UK Global Healthcare Ltd., a UK Based company. UK Global Healthcare Ltd has a 100% owned subsidiary in India, Indo UK Healthcare Pvt. Ltd. The Enterprise Value of Indo UK Healthcare Pvt. Ltd is Rs.138.46 crore and the consolidated price offered by them is higher than the circle rate. Further, the consolidated offer price of IUH is higher than that submitted by any other bidder. Hence, the proposal of IUH was shortlisted for further examination.

E. MEERA CLEANFUELS LTD. ("MEERA"):

Meera is found to be a public limited company incorporated on 09.08.2012 having its registered office in Dadar, Mumbai. Meera submitted an EOI for purchase of 28,974 properties (MR Nos) for aggregate offer price of Rs 26,222.43 crore. However, as per excel file, submitted by Meera, of the properties bid for, details in respect of only 11611 MR nos. has been provided. In respect of these 11611 MR nos., the aggregate offer price quoted by Meera is Rs.17511.53 crore against the aggregate circle rate of Rs.10030.38 crore (as submitted by Meera). Further, 59 MR nos. out of 11611 MR nos. are not part of the 29000 properties in respect of which EOI was invited by the Committee. Therefore, the net offer by Meera is in respect of 11552 nos.

Further, the aforesaid 11552 MR nos. bid for by Meera also include 653 MR nos. (Rs. 2113 crore) which are part of properties where objections by third parties have been received and therefore not available for sale.
Financial position

<table>
<thead>
<tr>
<th></th>
<th>2018-19</th>
<th>2017-18</th>
<th>2016-17</th>
</tr>
</thead>
<tbody>
<tr>
<td>Share Capital + Reserves &amp; Surplus (in Rs cr)</td>
<td>9.52</td>
<td>0.01</td>
<td>0.89</td>
</tr>
<tr>
<td>Income (in Rs cr)</td>
<td>0.50</td>
<td>0.30</td>
<td>0.91</td>
</tr>
<tr>
<td>PAT (in Rs cr)</td>
<td>(0.41)</td>
<td>(0.88)</td>
<td>(0.39)</td>
</tr>
</tbody>
</table>

Meera did not provide the Net worth certificate or it financials. Its financials were obtained from MCA portal. Its Net worth, as noted from its Balance Sheet, was Rs. 9.52 cr as on 31.03.2019.

Offered price in comparison to Circle rate

On consolidated basis, the offer price for 11611 MR nos. is 74.58% more than the circle rate, as submitted by Meera. Further, offered price for individual properties is higher than its circle rate, in all cases except 38 properties(for 29 properties, offer rate is less than circle rate and for 9 properties, offer rate is same as circle rate). However, as mentioned above, 59 MR nos. out of 11611 MR nos. are not part of the database of properties (www.auctionpact.com) in respect of which EOI was sought by the Committee.

Charges proposed for facilitating sale of properties

Not mentioned

Time period for completion of sale of properties

Meera has not provided any clear time frame for sale of properties. It has stated that it does not want to sell all the properties but intends to use agricultural and project lands for infrastructure development and putting up manufacturing units, etc.

Payment Terms

Meera has mentioned that Payment in respect of the properties would be made in 12 stages over 3 years. It