

**Before Shri R.S. Virk, District Judge (Retd.)
In the matter of PACL Ltd.**

File no. 636

Objector : Shilpa Sundeep Malhotra, Mumbai

Present : Shri Phool Jha, Accountant as authorised representative of the objector

Order :

1. (a) It may be noticed at the outset that vide order dated 02/02/2016, passed in civil appeal no. 13301/2015 bearing the title Subarata Bhattacharaya Versus Securities & Exchange Board Of India, the Hon'ble supreme court had directed constitution of a committee by SEBI to be headed by Hon'ble Mr. Justice R.M. Lodha former Chief Justice of India as its Chairman for disposing of the land purchased by PACL so that the sale proceeds recovered there from can be paid to the investors who have invested their funds in the company for purchase of the land.

(b) 2nd Status Report (Volume-I) of the Justice (Retd.) R.M. Lodha Committee (in the matter of PACL Ltd) submitted before the Hon'ble Supreme Court, had at page 77 thereof, proposed as under :-

“It would be in the interest of the investors of the Company, that all objections based on documents purportedly executed after 02-02-2016 be scrutinized and then heard and disposed of by a retired Judicial Officer(s) assisted by requisite number of Advocates, appointed by the Committee.”

(c) The aforesaid proposal of committee was accepted by the Hon'ble Supreme Court.

2. (a) Subsequent thereto, I have been appointed by the said committee to hear objections/representations against attachments of various properties in the matter of PACL Ltd which appointment has been duly notified in SEBI Press release no. 66 dated 08/12/2017.

(b) My said appointment is also duly mentioned in the order dated 15/11/2017 (to be read with orders dated 13/04/2018, 02/07/2018 and 07/12/2018) of the Hon'ble Supreme Court in civil appeal no. 13301/2015 Subrata Bhattacharya Vs SEBI.

3. The objector above named has averred that she had entered into plot buyers agreement dated 23/04/2012 with PIPL for purchase of plot no. 1553 measuring 497.05 Sq.Yds. for a basic sale price of Rs.1,39,17,400/- @ Rs.28000/- per Sq. Yds. in Pearls City, Mohali proposed by the promoter viz., PACL Ltd to be developed as integrated township in Sectors-100 & 104 of SAS Nagar, Mohali.

4. In pursuance of the aforesaid plot buyers agreement, the objector claims to have paid to PIPL/PACL, a total amount of Rs.1,52,04,833/- vide seventeen receipts on different dates, copies whereof have been appended to this objection petition, as detailed hereunder:-

S.No.	Receipt No.	Date	Amount
1	19962	13-12-2011	Rs.14,00,000/-
2	21559	03-03-2012	Rs.14,00,000/-
3	22266	16-04-2012	Rs.13,75,220/-
4	23666	16-06-2012	Rs.13,91,740/-
5	25501	17-09-2012	Rs.13,91,740/-
6	27198	18-12-2012	Rs. 35,000/-
7	27197	18-12-2012	Rs.10,43,805/-
8	28590	15-03-2013	Rs.10,43,805/-
9	28591	15-03-2013	Rs. 4,326/-
10	30044	24-06-2013	Rs. 6,95,870/-
11	31058	19-09-2013	Rs. 6,95,870/-
12	31993	17-12-2013	Rs. 6,95,870/-
13	33876	25-08-2014	Rs.13,91,740/-
14	34980	31-07-2015	Rs. 8,31,935/-
15	34135	18-11-2014	Rs. 6,95,870/-
16	PACL/CP/2014-15/406/110	26-02-2015	Rs. 4,16,172/-
17	34332	12-01-2015	Rs. 6,95,870/-
		Total	Rs.1,52,04,833/-

5. (a) It may be pointed out at this stage that the payments at S.Nos. 1 to 15 and 17 of the above chart were admittedly made by the objector to PIPL (Pearls Infrastructure Projects Limited) which has been held by Shri Mohammad Atif Alvi, DGM & Recovery Officer, SEBI in his order dated 22-11-2017 to be an associate entity of PACL in view of the fact that PACL holds 94.82% shareholding of PIPL directly and indirectly through its associates/subsidiaries companies.

(b) Payment mentioned at Sr. No. 16 of the chart above was statedly made to PACL.

(c) The properties of PACL and its associates have been ordered by the Hon'ble Supreme Court to be sold off so that the sale proceeds can be paid to the investors who have invested their funds in the company for purchase of land.

6. The mere entering into of plot buyers agreement dated 23/04/2012 by the objector herein with PIPL and payment of the aforesaid total amount of Rs.1,52,04,833/-, without execution of registered sale deed does not create any title in the objector above named qua Plot No. 1553, Sector-100, Mohali proposed to be developed as Pearls City, Mohali by the developer and therefore the objector herein has no locus standii to challenge attachment and proposed sale of the above described plot moreso when possession of the same was never delivered to her.

7. (a) The objector above named is not even specifically seeking recovery of the amounts indicated in the foregoing paras. Even if such a prayer for refund of money stately invested by her with PIPL/PACL had been made, it could not have been dealt with by me because my mandate is confined to dealing with objections/representations received by the Committee 'against' attachment of properties detailed in www.auctionpacl.com, which aspect is duly referred to in the order dated 15/11/2017 of the Hon'ble Supreme Court passed in civil appeal no. 13301/2015 titled Subrata Bhattacharya vs SEBI, and also duly notified in SEBI Press release no. 66 dated 08/12/2017 for the guidance of investors.

(b) Moreover, SEBI vide its press release no.6/2019 dated 08/02/2019 has invited claims from all investors who are having claims outstanding against PACL Ltd. Such claims can be lodged online at its dedicated website, <http://sebipaclrefund.co.in/>.

8. In view of the foregoing discussion, the objection petition in hand is rejected.

Date : 18/03/2019


R. S. Virk
Distt. Judge (Retd.)

Note:

Two copies of this order are being signed simultaneously, one of which shall be retained on this file whereas the other one, also duly signed, shall be delivered to the objector as and when requested /applied for. No certified copies are being issued by this office. However, the orders passed by me can be downloaded from official website of SEBI at www.sebi.gov.in/PACL.html.

Date : 18/03/2019


R. S. Virk
Distt. Judge (Retd.)