

Justice (Retd.) R. M. Lodha Committee
(in the matter of PACL Ltd)

JRMLC/PACL/2988/2018

To,

March 16, 2018

PACL Ltd.,

7th floor, Gopaldas Bhawan,

28 Barakhamba Road New Delhi: 110001

Dear Sirs,

Re: Consideration of proposal in accordance with order dated 23.02.2018 of the Hon'ble Supreme Court of India in Civil Appeal No.13301/2015 and connected matters.

1. The Justice (Retd) R.M. Lodha Committee (in the matter of PACL) (the "**Committee**") in furtherance of the abovementioned order dated February 23, 2018 of the Hon'ble Supreme Court of India, whereby the Hon'ble Court has stated that the sale of the property can be conducted in terms of the report of Justice Lodha Committee and under the supervision of the said Committee, is willing to consider a proposal of PACL Ltd. for effecting sale of its properties in their entirety in accordance with the terms and conditions as contained hereunder.
2. The Committee has already sold through auction, one hundred thirteen (113) properties, details of which have already been communicated vide letter dated 09.02.2018 annexed herewith, and certain properties stand released by Shri. R.S. Virk, District Judge (Retd.), appointed by the Committee, after hearing of objections/representations from various parties, which are available on the SEBI website.
3. PACL Ltd. is therefore required to furnish to the Nodal Officer of the Committee, within a period not exceeding four (4) weeks from the date of this communication, all details of properties owned by PACL Ltd., either directly or indirectly, in terms of the order dated August 04, 2017 of the Hon'ble Supreme Court, categorising such properties as those free from encumbrances /claims and those that are not.



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4. PACL Ltd. may, as expeditiously as possible and in any event within two weeks from the date of this communication, submit to the Committee a proposal to be accompanied by a Demand Draft of Rs.500 Crores in favour of SEBI and payable at Mumbai, together with an unconditional Undertaking in respect of the Properties referred to in 3 hereinabove, including the properties with MR Numbers that have been seized by the CBI, (the "**Properties**").
5. The unconditional undertaking referred to in 4 herein above, should include the following :-
- a) The amount to be brought in by PACL Ltd. with respect to the properties shall not be less than the amount arrived at after computing the cumulative value of the Properties based on the prevailing circle rate and having regard to the prevalent market value (the "**Consideration**").
 - b) The liability of PACL Ltd. towards investors shall not cease with the payment of the Consideration by PACL Ltd. or the payment of Purchase Price by any prospective buyer, and PACL shall continue to ensure deposit of further amounts as may be required till every investor claim is satisfied.
 - c) Out of the entire Consideration amount, forty (40) per cent, which shall include the Rupees Five Hundred (500) Crore deposited as EMD, shall be deposited by PACL Ltd. within a period of four (4) months and the balance of the entire Consideration within a period not exceeding one (1) year from the date of acceptance of the proposal of PACL Ltd. by the Committee.
 - d) PACL shall declare that the terms and conditions contained in the Undertaking shall be binding on PACL and its Directors.
 - e) The Undertaking will include a personal undertaking from Mr. N.S. Bhangoo, Pearl Group Chairman, declaring therein that he will be unconditionally bound by the terms and conditions as contained in the Undertaking.

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- f) PACL shall declare that persons/entities, whose proposals are brought by it, are not related to or associated with PACL.
- g) The proposal shall also include a list of the Properties (with the MR numbers if the property has been seized by the CBI), together with the corresponding circle rate for that particular property and the value as arrived at upon computing it on the basis of the circle rate should be stated against each of the Properties.
- h) The proposal shall be accompanied by necessary proof of the circle rate used for computing the value of the Properties.
- i) Any default in the payment of the Consideration value or any part thereof shall result in the forfeiture of any amount already paid to/ deposited with SEBI including EMD.
6. The Committee, upon receipt of a proposal from PACL Ltd., shall put up the same on the SEBI website for the viewing of any person(s)/entity/entities desirous of submitting a proposal for purchase of the Properties in their entirety, at a consideration higher than the Consideration value of the proposal submitted by PACL Ltd.
7. Any person(s)/entity/entities desirous of offering a price higher than the value of the proposal submitted by PACL for the Properties in their entirety, would be required to submit their proposal to the Committee specifying the total value of the proposal within a period not exceeding one (1) month from the date of intimation of the proposal of PACL Ltd. on the SEBI website, together with a demand draft of Rupees Five Hundred (500) Crores, drawn in favour of SEBI, in order for such proposal to be considered by the Committee.
8. Further, any person(s)/entity/entities desirous of offering a higher price would be required to do so by submitting a proposal for purchase of the properties in their entirety, with consideration thereof being higher by at least 2 (two) per cent of the

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total Consideration value of the proposal submitted by PACL Ltd. Further, such person(s)/entity(ies) would also be required to provide an undertaking stating that they are not related to and/or associated with PACL Ltd. The proposal would also undertake to abide (mutatis mutandis) by the same terms and conditions, as fixed for PACL Ltd.

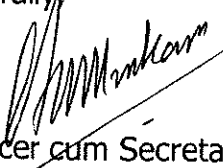
9. In the event of acceptance by the Committee of the proposal of any persons /entities, the EMD deposited by PACL Ltd. shall be refunded without any interest.
10. In the event, the proposal of any such persons/ entities is not accepted by the Committee, the EMD amount of Rupees Five hundred (500) Crores deposited by such persons /entities shall be refunded without any interest by the Committee.
11. In the event no proposal from any person(s)/entity(ies) offering a consideration higher than the Consideration value of the proposal submitted by PACL Ltd. is received, the Committee shall proceed with the processing of the proposal of PACL Ltd. only upon being satisfied that the said proposal conforms to the terms and conditions, as mandated by the Committee.
12. The commencement of the sale of Properties upon acceptance of the proposal of PACL Ltd. or the proposal of any other person(s)/ entity(ies), as the case may be, shall be carried out on the basis of the terms provided hereunder:
 - a) The Properties shall be sold on "as is, where is, whatever is" basis and the Committee shall make no representation /warranty with respect to the title etc. of the Properties.
 - b) The entire proceeds of the sale of properties shall be credited directly to the designated SEBI account under intimation to the Committee.
 - c) Any default in the payment of the Consideration/Purchase Price or any part thereof shall result in the forfeiture of any amount already paid to/ deposited with SEBI including EMD.

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d) Sale Certificate(s) shall be issued only upon receipt of entire Consideration /Purchase Price within the time frame provided in the Undertaking along with the property documents, whether in original or as copies of the original, as available with the Committee.

13. The decision of the Committee on all matters shall be final and is subject to the decision of the Hon'ble Supreme Court alone.

Yours faithfully,



(Nodal Officer cum Secretary to the Committee)

Encl: A/a