

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 PAOL 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*

INDEX

<u>SL. NO.</u>	<u>PARTICULARS</u>	<u>PAGE(S)</u>
1.	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.	1-48
2.	<u>DOCUMENTS :</u>	
(i)	Revised Public Notice dated 23.08.2019	49-50
(ii)	Communication dated 29.10.2019 from the Superintendent, Department of Industries & Commerce (Industries Branch), Government of Punjab, Chandigarh to the Committee.	51
(iii)	Communication dated 05.11.2019 from the Committee to the Superintendent, Department of Industries & Commerce (Industries Branch), Government of Punjab, Chandigarh.	52
(iv)	Communication dated Nil from Additional Chief Administrator (F&A), Greater Mohali Development Authority to the Committee.	53

1 ACTION TAKEN AND REPORT SUBMITTED

The Justice Retired R.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, its circle rate,

the offer amount and relevant details and could also be submitted through ARCs

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:

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

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

- xi. 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 ("IUH") 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 IUH 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. A copy of the proposals received were placed on are available on website of SEBI (i.e. www.sebi.gov.in)

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

	2018-19	2017-18	2016-17
Share Capital + Reserves & Surplus (in Rs cr)	1945.06	1688.90	1566.10
Income (in Rs cr)	326.69	263.22	236.7
PAT (in Rs cr)	149.01	122.79	46.62

ARCIL has enclosed Network Certificate of CA and therein Network 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*

ensure 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 PAOL. 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.auctionpaol.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

	2018-19	2017-18
Share Capital + Reserves & Surplus (in Rs cr)	119.05	103.47
Income (in Rs cr)	8.49	3.90
PAT (in Rs cr)	0.22	1.10

Telecare

	2017-18	2016-17	2015-16
Share Capital + Reserves & Surplus (in Rs cr)	92.98	92.41	89.54
Income (in Rs cr)	722.02	634.07	626.86
PAT (in Rs cr)	0.57	2.87	6.46

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 swill 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

	2018-19 Provisional	2017- 18 Audited	2016- 17 Audited	2015-16 Audited
Share Capital + Reserves & Surplus (in Rs - crore)	316.48	267.99	243.72	187.75
Income (in Rs - crore)	1416.97	1262.7 0	1052.86	1012.06
PAT (in Rs -crore)	48.49	24.26	6.06	7.99

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, 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 offer of UIH 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 UIH are not part of the database of properties available on the website www.auctionpacl.com, in respect of which EOI was sought for by the Committee.

Therefore, effective size of UIH's offer is Rs.2528.51 crore.

Financial position

	2017-18 Audited	2016-17 Audited	2015-16 Audited
Share Capital + Reserves & Surplus (in Rs cr)	47.05	0.15	(0.01)
Income (in Rs cr)	0	0	0
PAT (in Rs cr)	(0.94)	(0.31)	(0.02)

UIH (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).

UIH 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 UIH is higher than/ same as the circle rate (as provided by UIH) 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

IUIH has stated that the acquisition of properties would be spread across a period of 33 months from the date of acceptance letter.

Payment Terms

IUIH 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:

Payments	Amount (Rs.)	Time frame
1 st Payment	13,67,76,077	Within 30 days of letter from SEBI confirming acceptance of EOI
2 nd Payment	137,82,49,879	6 months of the letter from SEBI
3 rd Payment	500,00,00,000	12 months of the letter from SEBI
4 th Payment	750,00,00,000	18 months of the letter from SEBI
5 th Payment	750,00,00,000	24 months of the letter from SEBI
6 th Payment	750,00,00,000	28 months of the letter from SEBI
7 th Payment	708,32,22,034	33 months of the letter from SEBI
Total	3609,82,47,990	

Comments

IUIH informed that it envisages to develop 11 NHS quality Medicities across India. It was further informed that a Task Force has been constituted under the Chairmanship of Secretary, Department of Health &

Family Welfare in this regard and also to consider investment proposals in healthcare under private sector collaboration.

IUIH (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 IUIH is higher than that submitted by any other bidder. **Hence, the proposal of IUIH 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

	2018-19	2017-18	2016-17
Share Capital + Reserves & Surplus (in Rs cr)	9.52	0.01	0.89
Income (in Rs cr)	0.50	0.30	0.91
PAT (in Rs cr)	(0.41)	(0.88)	(0.39)

Meera did not provide the Net worth certificate or its 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.auctionpacl.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

has further offered to keep Rs. 250 crore as a refundable security deposit with the Committee towards Performance Guarantee, which may be forfeited if Meera fails to perform.

Comments

Although, Meera has submitted EOI for most number of properties and the rate offered are also higher than the Circle rate (submitted by Meera) in most cases, the financials of Meera are not in consonance with the offer made. It may also be noted that while the offer is for 29,874 MR nos., actual details have been provided only in respect of 11611 MR nos. Further, 59 MR nos. out of 11611 MR nos. are not part of the database of properties (www.auctionpacl.com) in respect of which EOI was sought by the Committee and an additional 653 MR nos. are part of properties where objections by third parties have been received and therefore not available for sale. Further, the time period mentioned by Meera is also spread over 3 years. **Hence, the proposal of Meera does not deserve to be considered further for participation in sale of properties of PACL Ltd., as notified vide Public Notice dated 23.08.2019.**

F. TRENDS INFRA ORGANIZATION ("TRENDS"):

Trends has submitted EOI for sale of 2285 properties (1755 MR Nos) for an offer price of Rs 1020.64 crore.

Financial position

Trends has submitted that since it was formed on 06.07.2018, its audited financial statements are made up for one year i.e. from date of formation till 31.03.2019. However, no financial statements have been submitted by it. Further, in respect of Networth of the firm, it has provided the details of properties in the name of the first partner of a total value of Rs. **103.70** crore, which will

form the partnership assets of the firm.

Offered price in comparison to Circle rate

MR No. wise circle value and offer price has not been provided by Trends. Average circle value or range has been given for selected block of properties. Offer price for such block of properties is more than/ equal to the average circle value.

Charges proposed for facilitating sale of properties

Not mentioned

Time period for completion of sale of properties

Trends has submitted that it expects to complete the sale of properties within a period of 6 months from the date of sale confirmation, subject to verification of clear title to the property and the extent of properties.

Payment Terms

Terms of payment on confirmation of sale would be as under:

- 10% of sale value - within 20 working days
- 30% of sale value - on or before 90 days
- 30% of sale value - on or before 135 days
- 30% of sale value - on or before 180 days on transfer of clear title to the property with vacant possession

Comments

Trends is found to be a partnership firm with Shri T Narasimha Murthy and his wife Smt T.V.N. Sathyavathi as its partners.

It may be noted that the Trends has stated that it would make payment against the properties subject to transfer of clear title of the properties, whereas the sale of properties proposed by the Committee would be on a "as

s. where s. where is basis Further, Trends appears to be a newly formed partnership firm and it has not provided any certified financials to ascertain its financial position. Trends has two partners in the partnership firm and the net worth of only one partner was provided. Further, Trends has not provided MR no. wise circle rates or offer rates. **Considering the above reasons, Trends does not deserve to be considered further for participation in sale of properties of PACL Limited as notified vide public notice dated 23.08.2019.**

G. PIXIE CONSULTING SOLUTIONS LTD. ("PIXIE"):

Pixie has submitted EOI for sale of 200 properties in the North Zone for an offer price of Rs **1150** crore. However, out of the above, 17 properties are not part of the database of properties (www.auctionpacl.com) in respect of which EOI was sought by the Committee.

Financial position

	2017-18 Audited	2016-17 Audited	2015-16 Audited
Share Capital + Reserves & Surplus (in Rs cr)	0.090	0.085	0.081
Income (in Rs cr)	0.48	0.26	1.161
PAT (in Rs cr)	0.0051	0.0042	0.0084

Pixie has submitted Network Certificate certified by CA and the network as on 31.03.2018 is Rs. **0.09** crore.

Offered price in comparison to Circle rate

MR No. wise circle value and offer price has not been provided. Circle value and offer price for selected block of properties is provided and the Offer price for such block of properties is more than circle value.

Charges proposed for facilitating sale of properties

Not mentioned

Time period for completion of sale of properties

Pixie has bifurcated the 200 properties into 2 lists to be sold in 2 phases:

- a) Disposal of properties of Phase- 1 is spread over a period of 120 days after receipt of all necessary clearances from the Committee.
- b) Disposal of properties of Phase- 2 is spread over the subsequent 18 months.

Payment Terms

Payment of 100% amount of value of properties awarded within 60 to 120 days from the date on which it is entitled to the rights of the property. For properties listed in Phase I, subject to rights of property for sale, 100% advance payment will be deposited.

No terms have been stated for properties listed in Phase- 2.

Comments

Pixie has submitted that it is a Real Estate consulting company dealing in sale and purchase of property.

It is observed that Pixie has bid for 17 properties, which are not part of the database of properties (www.auctionpacl.com) in respect of which EOI was sought by the Committee. Aggregate offer price of these properties is Rs 756 crore.

Some of these properties are reserved for Housing Projects in Mohali, etc., where objections by third parties have been received and therefore not available for sale. Effectively, therefore the actual offer size is Rs 394.

which is less than Rs. 1,000 crore and hence not meeting eligibility criteria.

As on 31.03.2018, the Networth of the Company was only Rs. 0.09 crore and its profit was Rs. 0.0051 crore only.

Further, as mentioned above, the effective offer size is less than Rs. 1,000 crore. In view of above, the proposal of the company does not deserve to be considered further in terms of public notice dated 23.08.2019.

H. **NEXT-GEN ADVISORS, ("NEXT-GEN"):**

Next-Gen has submitted EOI for sale of 675 properties in the South Zone for an offer price of Rs **1154.86** crore.

Financial position

Next Gen did not submit financial information.

Offered price in comparison to Circle rate

Next Gen has not provided circle rate of individual property. It has provided circle rates in respect of the village. However, the aggregate offer rate is higher than Circle rate.

Charges proposed for facilitating sale of properties

Not mentioned

Time period for completion of sale of properties

Next Gen has not mentioned the time period within which the sale of the properties would be completed.

Payment Terms

Not mentioned

Comments

Next-Gen Advisors has not provided any information regarding their financials, payment terms and expected time for completion of sale.

Next Gen has insisted on clear title, no encumbrances and clear possession of the properties whereas the sale of properties proposed by the Committee would be on "as is, where is, whatever is basis". Further, in absence of any financials pertaining to the firm/entity, it is difficult to ascertain the capability of the firm/entity to successfully carry out the proposed sale of properties. Further, Next Gen has mentioned that the offer size submitted by them may vary according to/out of due diligence of the properties for which offers have been submitted. **In view of above, the proposal of the company does not deserve to be considered further in terms of public notice dated 23.08.2019.**

I. RIZ UNITED INFRATECH PVT. LTD., (" RIZ"):

Riz has submitted EOI for 3110 properties (2679 MR nos.) for a total offer rate of Rs. 1574.32 crore. Out of the above, 7 MR nos. are not part of the 29000 properties in respect of which EOI was sought by the Committee.

Further, the aforesaid 2679 MR nos. bid for by Riz also includes 4 MR nos. (Rs. 10.45 cr) which are part of properties where objections by third parties have been received and therefore not available for sale.

Financial position

	2017-18	2016-17
Share Capital + Reserves & Surplus (in Rs cr)	(0.07)	0.01
Income (in Rs cr)	0.00	0.39
PAT (in Rs cr)	(0.08)	(0.0063)

Riz did not submit financial information and hence, same were obtained from MCA portal. From the details obtained, it was observed that the Networth of Riz as on 31.03.2018 was Negative (i.e. -Rs. 6,90,417/-).

Offered price in comparison to Circle rate

In respect of 2669 MR nos., the offer rate is higher than the circle rate (as provided by Riz) and in 3 cases, offer rate is less than circle rate.

Charges proposed for facilitating sale of properties

Not mentioned

Time period for completion of sale of properties

Riz has not mentioned the time period within which the sale of the properties would be completed.

Payment Terms

Riz has offered to deposit 10% of the offer price whenever the Committee requires.

Comments

Riz United Infratech has not provided any information regarding their financials, payment terms and expected time for completion of sale.

From the financials, as obtained from MCA portal, it is noted that Riz has Negative Networth/Profit for the F.Y.2017-18. Further, latest financials for the year F.Y. 2018-19 are not updated on MCA Portal. Hence, the offer size of Rs.1574.32 crore by Riz is not in consonance with its financials. In addition to above, Riz has not mentioned about any specific time frame for completion of sale of

the properties. In view of above, the proposal of the company does not deserve to be considered further in terms of public notice dated 23.08.2019.

J. **M G GLOBAL (GRAIN MERCHANTS & COMMISSION AGENTS) ("M G GLOBAL"):**

MG Global has submitted EOI in respect of 1172 properties for a total offer value of Rs. 1173.19 crore.

Financial position

M G Global did not submit its financials.

Offered price in comparison to Circle rate

In case of many properties, the price offered by M G Global is lower than circle rate.

Charges proposed for facilitating sale of properties

Not mentioned

Time period for completion of sale of properties

M G Global has not mentioned the time period within which the sale of the properties would be completed.

Payment Terms

Not mentioned

Comments

The financials of M G Global are not known which makes it difficult to ascertain the capability of the entity to successfully carry out sale of the properties of PACL Ltd. Further, the Offer price of the properties is less than Circle Value for many properties and no information has been provided about the time period within which the sale would be completed. In view of above, the proposal of M G Global does not deserve to be considered further, in terms of public notice dated 23.08.2019

K. SLF REALTY ("SLF"):

SLF has submitted EOI for 966 properties for a total offer price of Rs. **1125.17** crore.

Financial position

SLF did not provide details about its financials.

Offered price in comparison to Circle rate

SLF has split the properties into several blocks based on their location. In most cases, the Circle rate (per unit) has been mentioned as a range or a value for a block of properties taken together. SLF has calculated the value based on the per unit circle rate and has offered the same rate for that particular block of properties. Further, in some cases, Circle rate has not been provided and a consolidated offer rate is mentioned.

In any case, circle rate or offer rate of each property has not been provided and therefore, it is not possible to compare the offer rate vis-à-vis the circle rate.

Charges proposed for facilitating sale of properties

Not mentioned

Time period for completion of sale of properties

SLF has not mentioned the time period within which the sale of the properties would be completed.

Payment Terms

Not mentioned

Comments

The financials of SLF is not known which makes it difficult to ascertain the capability of the entity to successfully carry out sale of the properties of PACL Ltd. SLF has also not provided the payment terms or the time expected to

complete the sale. Further, in the absence of circle value of the property, it is not possible to ascertain whether the offer price is higher than circle value. In view of above, the proposal of SLF does not deserve to be considered further, in terms of public notice dated 23.08.2019.

L. PEACOCK SHIPPING PRIVATE LTD. AND OTHERS ("PSPL"):

PSPL has submitted EOI for all 42,000 properties of PACL Ltd., however, no circle rate and offer rate for each MR No. has been provided. It is noted that around 29,000 properties listed in the database available on the website www.auctionpacl.com, in respect of which EOI was sought for by the Committee, whereas PSPL has submitted Eoi for 42,000 properties. Further, PSPL has submitted that in the event total liability towards PACL investor is less than Rs. 23,500 crore, the offer size will be equal to total liability of investors of PACL Limited subject to maximum of Rs. 23,500 crore.

Financial position

	2017-18	2016-17
Share Capital + Reserves & Surplus (in Rs cr)	(0.22)	(0.34)
Income (in Rs cr)	1.28	0.67
PAT (in Rs cr)	0.12	0.04

PSPL did not provide its financial statements hence the details were obtained from MCA portal. The Networth of the PSPL as on 31.03.2018 was Negative (-Rs.22,58,817/-).

Offered price in comparison to Circle rate

PSPL has submitted EOI for all 42,000 properties of PACL Ltd., however, no circle rate and offer rate for each MR No. has been provided. Further, they have mentioned that in event the total liability towards PACL investor is less than Rs. 23,500 crore, the offer size will be equal to

total liability of investors of PACL Limited subject to maximum of Rs. 23,500 crore.

Charges proposed for facilitating sale of properties

Not mentioned

Time period for completion of sale of properties

PSPL has mentioned a period of 5 years for completion of sale of the properties.

Payment Terms

PSPL has proposed to deposit Rs. 1000 crore with the Committee upon receipt of final approval of their proposal, within 30 days, Rs. 2000 crore at the end of the first year, Rs. 3000 crore at the end of the second year, Rs. 5000 crore at the end of the third year, Rs. 6250 cr at the end of the fourth year and Rs. 6250 cr at the end of the fifth year.

Comments

The financials of PSPL are not in consonance with the size of the offer they have made in their EOI. PSPL has also not provided any circle rate or offer rate for the property. Further, it has also put forth the condition that the Offer size may be less than Rs. 23,500 crore in event the total liability of the PACL Ltd. towards investors is less than Rs. 23,500 crore. The payment terms offered by them are spread across a period of 5 years. **In view of above, the proposal of PSPL does not deserve to be considered further, in terms of public notice dated 23.08.2019.**

M. SHRI ASHOK JAIN (SUBMITTED PROPOSALS FROM 25 ENTITIES) ("ASHOK JAIN GROUP"):

Ashok Jain Group has submitted EOI for a total offer size of Rs. **1284.64** crore.

Financial position

Ashok Jain group did not provide its financials.

Offered price in comparison to Circle rate

Ashok Jain Group has not provided circle value in respect of many properties and hence same could not be compared with the offered price so as to determine whether the offer rate is higher than the circle rate.

Charges proposed for facilitating sale of properties

Not mentioned

Time period for completion of sale of properties

Not mentioned

Payment Terms

10% of the bid amount shall be deposited within 7 working days from date of approval and balance amount within 90 days from the date of approval.

Comments

The Ashok Jain group comprises of a group of entities who have appointed Mr. Ashok Jain to act on their behalf. No financial details, payment terms, time for completion of sale, etc. have been provided by the Ashok Jain group. Further, the proposal submitted by the group appears to be a consolidation of various separate proposals of the entities of the group and as such, there is no uniformity in the details provided in the proposal particularly with respect to circle rate, offer rate, etc. It may be noted that none of the individual proposals is equal to Rs. 1000 crore. **Considering the same, the proposal of the Ashok Jain group does not deserve to be considered further, in terms of public notice dated 23.08.2019.**

3. FURTHER DISCUSSIONS HELD QUA SHORTLISTED PROPOSALS:

Based on aforesaid analysis of the proposals received, 4 entities were shortlisted for further discussions viz. ARCIL, Prudent ARC, Brij and UIIH. The said entities were called for discussions with Members and the Nodal Officer cum Secretary to the Committee, on 10.10.2019 (UIIH) and 17.10.2019 (ARCIL, Prudent ARC and Brij).

Brij did not attend the meeting citing religious function as the reason. Further, Brij is a private party and not an ARC. Therefore, proposals of ARCIL, UIIH and Prudent ARC were taken up for further analysis. The offers given by them are summarized as under:

A. ARCIL:

- Total Properties/ MR No Bid – 3584.
- Of these properties, ARCIL is sole bidder for 2962 properties (Rs 605.55 crore) and in 622 properties (Rs 611 crore) it has bid for, Prudent and/or UIIH has also shown interest. Among the offer for 622 properties, 2 properties (for Rs.2.45 crore) are part of the properties where objections by third parties have been received and therefore not available for sale.
- Accordingly, the total offer size of ARCIL will reduced by Rs 2.45 crore and will be Rs 1214.10 crore.

B. PRUDENT

- Total Properties – 1409. Corresponding MR No – 1143.
- It is however, observed that 13 MR nos. (Rs.15.05 crore) out of the above are duplicate and 1 MR No. 18223/18 (Rs.2.52 crore) mentioned by Prudent in its EoI does not exist in database of properties of PACL (www.auctionpacil.com) in respect of which EOI was sought by the Committee. Accordingly, the offer of

Prudent is for 1129 MR No and offer size is Rs 1131.66 crore

- Prudent is sole bidder for 696 properties (Rs 796.53 crore). Of these properties, 2 properties (Rs. 7.9 crore) are not part of the database of properties (www.auctionpacl.com) in respect of which EOI was sought by the Committee. Remaining 433 properties, which Prudent has bid for, ARCIL and/or IUIH has also shown interest.
- Further, Prudent has bid for 1 property (worth Rs.1.42 crore) which is part of 113 properties already sold by the Committee. Prudent is sole bidder in this case.
- Accordingly, eligible offer value of Prudent is Rs 1122.34 crore for 1126 properties (MR Nos.).

C. IUIH

- Total Properties/ MR No Bid – 1609. Offer Value - Rs 3609.82 crore
- IUIH is sole bidder for 1286 properties. This contains 347 properties (Rs 519.08 crore) which are part of properties where objections by third parties have been received and therefore not available for sale.
- Further, 140 properties (excluding 347) bid for by IUIH with offer value of Rs 562.22 crore are not part of the database of properties (www.auctionpacl.com) in respect of which EOI was sought by the Committee
- 323 properties (offer size of Rs 516.09 crore), which IUIH has bid for, ARCIL and/or Prudent has also shown interest. Of these, 2 properties (for Rs.2.98crore) bid for by IUIH are part of 670 properties put aside by the Committee and not offered for sale as there were third party rights on these properties.
- Therefore, effective offer size of IUIH offer is Rs 2528.51 crore for 1120 properties.

4. FURTHER ANALYSIS CONDUCTED:

4.1 At the meeting held on with IUIH on 10.10.2019 and with ARCIL and Prudent ARCs on 17.10.2019, they were informed that certain properties bid for by them have multiple interest and bids of others are superior in some cases. By an e-mail dated 17.10.2019, the list of such properties were shared and the shortlisted bidders were asked to confirm whether their offer will remain valid for other properties bid by them if the said properties with multiple interest is offered to the highest (H1) bidder.

Further, Prudent ARC and ARCIL were also asked whether they will waive off their commission charges.

4.2 Responses received from ARCIL, PRUDENT ARC AND IUIH:

A. ARCIL:

- There were **215** properties which were bid by ARCIL and other shortlisted entities have also shown interest.
- In respect of **27** properties where higher bid/offer have been received from others, ARCIL has submitted that their offer stands withdrawn and offer given by same offeror for other properties remain valid.
- In respect of other **115** properties where higher bid/offer have been received from others, ARCIL has submitted that their investors have requested to allow them to increase their existing offer to match the highest bid. If such request is not considered by the Committee, the remaining offers for balance properties by the same investors would stand valid. It is however noted that of the aforesaid **115** properties, for **36** properties ARCIL itself is H1 bidder - Rs.44.20 crore. In case of remaining **79** properties, ARCIL is H2 H3 bidder.

- In respect of **16** properties where higher bid offer have been received from others, ARCIL has submitted that their investors have requested to allow them to increase their existing offer to match the highest bid. If their request to match the bid of highest bidder is not considered in case of these 16 properties, then their offer in respect of **283** properties worth Rs.103.07 crore would stand withdrawn (where ARCIL is sole/H1 bidder) by the same investor since the properties taken are middle/pockets of the large piece of land which will impact usability of other adjacent parcels of land drastically.
- For remaining **93** properties, ARCIL has not offered any comments.

B. Prudent ARC:

- Prudent has submitted that the offer made by Telecare Network (I) Private Limited, the prospective bidder, is a consolidated / lumpsum offer for the entire portfolio. The Prospective bidder is not ready to vary offer for few properties as Prospective bidder's overall offer is much closer to market rate and more than 74 % of the circle rate. Moreover many properties mentioned in the list have huge pending dues against them like maintenance charges, property tax, lease dues, electricity charges etc. The Prospective bidder shall have to pay all the pending dues in addition to offer price.

Their Prospective bidder has submitted that the offer is not for any contiguous land and/ or is not for any land where PACL has claimed to be a land having potential for developing housing projects etc.

- It is further submitted that Prudent may waive off proposed 0.50 % commission of the sale value of property from the committee.

C. IUIH:

- IUIH submitted that it has to change its offers in sites to reflect the land use, and accordingly the total acquisition price is Rs.3609.82 crore. Legal documents of Varthur in Bangalore where the land use is to be confirmed, are awaited. If its agricultural land, it make the offer to reflect the circle rate of agricultural land and the difference would be Rs 338.05 crore. The aforesaid offer value of IUIH has taken into account this difference.
- IUIH would prefer all MR Nos as if some are allotted to others, they may not be able to-
 - Build Medicities as planned on contiguous land parcels;
 - Have the approach to the Medicities from main road where the MR Nos next to the main road/ driveway are taken by others.
- If the Committee desires them to revisit the above offer, IUIH would accept an opportunity to resubmit a revised offer.

4.3 Analysis of Common Properties:

A-B	Properties	H1	H1 (value) (Rs. Cr.)	H2 (Value) (Rs. Cr.)	
ARCIL	- 350	ARCIL	280	154.56	92.79
Prudent		Prudent	70	59.31	46.75
	Sub- Total		350		
ARCIL - IUIH	240	ARCIL	106	157.68	122.36
		IUIH	134	250.66	146.25
	Sub- Total		240		
Prudent	- 51	Prudent	8	10.91	9.04
IUIH		IUIH	43	49.51	47.08
	Sub- Total		51		
ARCIL	- 32	IUIH	6	17.18	15.09
Prudent-IUIH					ARCIL - 5 (10.78)
					Prudent - 1 (4.31)

	ARCIL	21	62.65	50.38	
				Prudent	- 9
				(8.90)	
				IUIH	- 12
				(41.48)	
	Prudent	5	64.80	29.25	
				ARCIL	- 4
				(20.14)	
				IUIH - 1	(9.11)
	Sub- Total		32		
Total					673

As tabulated above, in 673 properties, 2 or more of the aforesaid entities have shown Interest and entity wise break-up of the same is as under:

(i) **COMMON PROPERTIES BID FOR BY ARCIL:**

- ARCIL has shown interest in 622 of these 673 properties. Offer Value of ARCIL for these 622 properties is Rs 610.99 crore (50.22% of total Offer value of ARCIL).
- Out of 622 properties where ARCIL has shown interest along with Prudent ARC and/or IUIH, for **407** properties ARCIL is H1 bidder. ARCIL has offered Rs.374.90 crore for these 407 properties. For these **407** properties, Prudent is H2 bidder in **289** properties and has offered Rs.101.71 crore and IUIH is H2 bidder in **118** properties with offer value of Rs 163.82 crore.

For remaining **215** properties, either IUIH or Prudent is H1 bidder. In **75** properties Prudent is H1 bidder with offer value of 124.12 crore. For these 75 properties, ARCIL is H2 bidder in 74 properties with offer value of Rs 66.89 crore and IUIH is H2 bidder in 1 property with offer value of Rs 9.11 crore. For remaining 140 properties, IUIH is H1 bidder with offer value of Rs.267.85 crore. For these 140 properties ARCIL is H2 bidder for 139 properties with offer value of Rs.157.0 crore and for 1 property Prudent is H2 bidder for Rs.4.31 crore.

Out of aforesaid 140 where IUIH is H1 bidder and ARCIL is H2 bidder for 139 properties, 2 properties bid for

Rs.2.98 crore are part of properties where objections by third parties have been received and therefore not available for sale.

For these 2 properties, ARCIL is H2 bidder and the offer size is Rs.2.45 crore and UIH is H1 bidder and offer size is 2.98 crore.

(ii) **ANALYSIS OF REVISED OFFER BY ARCIL:**

- ARCIL has submitted that for 27 properties where it is not H1 bidder, the properties may be given to others and the offer for remaining properties will remain valid. In these 27 properties offer rate of ARCIL is Rs.60.97 crore and offer of H1 bidder is Rs.134.04 crore (UIH is H1 bidder for 4 properties -Rs 69.90 crore and Prudent is H1 bidder for 23 properties - Rs.64.14 crore). Out of these 27 properties, 2 properties (for Rs.2.45 crore) are part of properties where objections by third parties have been received and therefore not available for sale. Therefore, not selling these 2 properties to ARCIL, will not affect offer of ARCIL for remaining properties.
- The 115 properties where ARCIL has requested to allow them to increase their existing offer to match the highest bid, the current offer value of ARCIL is Rs.100.81 crore and offer of H1 bidder is Rs.165.14 crore (UIH is H1 bidder for 45 properties - Rs.73.14 crore, Prudent is H1 bidder for 34 properties - Rs.47.80 crore and for remaining 36 properties ARCIL itself is H1 bidder - Rs.44.20 crore). If allowed, offer of ARCIL will increase by approx. Rs.64.33 crore.
- The 16 properties where ARCIL has requested to allow them to increase their existing offer to match the highest bid, the offer rate of ARCIL is Rs.7.03 crore and offer of H1 bidder (Prudent ARC) is Rs.11.72 crore. If allowed, offer of ARCIL will increase by approx. Rs. 4.69

crore. Otherwise, ARCIL's offer for 283 properties worth Rs. 103.07 would stand withdrawn. Out of these 283 properties, in 258 properties Prudent is H2 bidder with offer size of Rs.42.02 crore and in remaining 25 properties ARCIL is sole bidder (Rs.14.81 crore).

(iii) COMMON PROPERTIES BID FOR BY PRUDENT ARC:

- Prudent has shown interest in 433 of aforesaid 673 properties. Offer Value of Prudent for these 433 properties is Rs 336.26 crore (approx. 29% of total Offer value of Prudent). Out of 433 properties where Prudent has shown interest along with ARCIL and/or UIIH, Prudent is H1 bidder for 83 properties (Rs.135.03 crore). For these 83 properties, ARCIL is H2 bidder in 74 properties (Rs.66.89 crore) and UIIH is H2 bidder in 9 properties (Rs.18.15 crore). For remaining 350 properties, either UIIH or ARCIL is H1 bidder. In 301 properties ARCIL is H1 bidder (Rs.217.21 crore). For these 301 properties, Prudent is H2 bidder in 289 properties (Rs.101.71 crore) and UIIH is H2 bidder in 12 properties (Rs.41.46 crore). For remaining 49 properties, UIIH is H1 bidder (Rs.66.69 crore). For these 49 properties, ARCIL is H2 bidder for 5 properties (Rs.10.78 crore) and for 44 properties Prudent is H2 bidder (Rs.51.40 crore).

(iv) ANALYSIS OF REVISED OFFER BY PRUDENT:

Prudent has submitted that it may waive off proposed 0.50% commission of the sale value of the properties from the Committee. However, it has not made any revision in its offer and mentioned that offer is consolidated / lumpsum for the entire portfolio. It is submitted that Prudent has bid for 1 property as sole bidder (worth Rs.1.42 crore) which is part of 113 properties already sold by the Committee. It is further observed that 2 properties (Rs. 7.9 crore) (MR No

25763 17 and 18222 18) bid by Prudent are not part of the database of properties (www.auctionpacl.com) in respect of which EOI was sought by the Committee.

(v) **COMMON PROPERTIES BID FOR BY IUIH:**

- IUIH has shown interest in 323 of these common 673 properties. Offer Value of IUIH is for these 323 properties is Rs 516.93 crore (14.32 % of total Offer value of IUIH).

Out of 323 properties where IUIH has shown interest along with ARCIL and/or Prudent, for **183** properties IUIH is H1 with offer value of Rs.317.36 crore. Out of these 183 properties, 2 properties for Rs.2.98 crore are part properties where objections by third parties have been received and therefore not available for sale. For these **183** properties, ARCIL is H2 in 139 properties and has offered Rs.157.04 crore (included 2 properties of Rs.2.44 crore are part of 670 properties put aside and not offered for sale because of third party rights) and Prudent is H2 in 44 properties with offer value of Rs.51.40 crore.

For remaining **140** properties, either Prudent or ARCIL is H1 bidder. In 127 properties ARCIL is H1 bidder with offer value of Rs.220.34 crore and Prudent is H2 bidder in 9 properties with offer value of Rs.8.91 crore and IUIH is H2 bidder in 118 properties with offer value of Rs.163.82 crore. For remaining 13 properties, Prudent is H1 bidder with offer value of Rs.75.72 crore and ARCIL is H2 bidder for 4 properties with offer value of Rs.20.14 crore and for 9 properties IUIH is H2 bidder for Rs.18.15 crore.

(vi) **Analysis of Revised offer by IUIH:**

- IUIH, by a letter dated 11.10.2019, mentioned that the total offer size would be **Rs.3609.82** crore rather than

Rs.3971.99 crore mentioned earlier in their letter dated 10.10.2019 (i.e. offer size has been lowered by Rs.362.17 crore from offer size mentioned in their letter dated 10.10.2019).

IUIH mentioned that they had to change their offers in sites to reflect the land use. The total acquisition price is Rs.3609.82 crore and they are awaiting the legal documents of Varthur in Bangalore where the land use is to be confirmed and if its agricultural land, it make the offer to reflect the circle rate of agricultural land and the difference would be Rs 338.05 crore. Thus, the offer of IUIH may increase by Rs.338.05 crore, if land use is confirmed otherwise.

- IUIH, by letter dated 10.10.2019, mentioned about the payment schedule and vide letter dated 11.10.2019, mentioned that the payment in 2nd tranche will be reduced to reflect the decrease due to confirmation of use of land. Accordingly, the payment schedule will be as under:

Payment	Amount (Rs.in crore)	Timeline
1 st Payment	13.67	30 days of the letter from SEBI
2 nd Payment	137.83	6 months of the letter from SEBI
3 rd Payment	500.00	12 months of the letter from SEBI
4 th Payment	750.00	18 months of the letter from SEBI
5 th Payment	750.00	24 months of the letter from SEBI
6 th Payment	750.00	28 months of the letter from SEBI
7 th Payment	708.32	33 months of the letter from SEBI
Total	3609.82	

Based on the aforesaid payment schedule, only Rs.151.24 crore would be paid in first 6 months (in first two tranches) from IUIH.

It is however, seen that the properties identified (10 MR No. for offer value as per excel sheet Rs.12.55 crore) against payment of 1st Tranche are part of properties where objections by third parties have been received and therefore not available for sale. Further, from 2nd tranche of payment onwards, IUIH has not identified specific properties against the payment.

Further, as mentioned earlier, IUIH has specifically stated that they would prefer all the MR nos. mentioned in their EOI as if some properties are allotted to others, they may not be able to build Medicities as it may not end up with contiguous land parcels or land near the main road for building approach to the medicities. But, it is seen that IUIH has bid for total 349 properties for Rs.519.08 crore which are part of properties where objections by third parties have been received and therefore not available for sale.

Furthermore, offer of IUIH contains 140 MR nos. (Rs. 562.23 crore) that are not part of database of properties (www.auctionpacl.com) in respect of which EOI was sought by the Committee.

5. **FURTHER ANALYSIS:**

- 5.1 In view of the above, there would be 3 possible scenarios, which are as under:

POSSIBLE SCENARIOS AFTER REVISED OFFERS OF ARCIL, IUIH AND PRUDENT:

Options	Comments	Offer Value & Time Period
1 Prudent	<ul style="list-style-type: none"> IUIH may withdraw their offer Offer of ARCIL will remain for the remaining properties. Offer value of such remaining properties = approx. Rs. 894.79 crore 	<p>Rs.2014.68 crore</p> <p>(Prudent - Rs 1122.34 crore and ARCIL - Rs.892.34 crore).</p> <p>Time – 4 months (ARCIL) and 4 months from the day first Certificate of Rs.50.00 crore is issued (Prudent)</p>
2 ARCIL	<ul style="list-style-type: none"> IUIH and Prudent may not be willing to buy remaining properties 	<p>Rs 1283.12 crore</p> <p>Time – 4 months</p>
3 IUIH	<ul style="list-style-type: none"> Prudent may not be willing to buy the remaining properties ARCIL will remain for the remaining properties. Offer value of such remaining properties = Rs 806.87 crore 	<p>Rs.3335.38 crore (IUIH - Rs. 2528.51 crore and ARCIL - Rs.806.87 crore)</p> <p>In first 6 months, the Committee may receive only Rs.944.44 crore (ARCIL</p>

Rs 806.88 crore
and UIIH -
Rs.137.57
crore)

5.2 PRUDENT:

If Prudent is selected, UIIH may withdraw their offer on account of overlapping of properties in their respective offers as explained herein above. Thereafter, the offers of Prudent and ARCIL will remain. The common properties between Prudent and ARCIL in their respective offers are 382. Offer size for these properties by Prudent is Rs.278.25 crore and by ARCIL is Rs 307.04 crore. Prudent is H1 bidder in 76 properties (offer size = Rs.128.42 crore) and ARCIL is H1 bidder in 306 properties (Rs 227.99 crore). If all the properties common between Prudent and ARCIL are offered to Prudent, which includes certain properties where ARCIL is interested and its non-receipt may lead to withdrawal of offer by ARCIL to the extent of 283 properties (Rs 103.07 crore) and 16 properties (Rs 7.03 crore). The sale of remaining properties to ARCIL will result in offer size of approx. **Rs. 892.34** crore (excluding 2 properties worth Rs 2.45 crore properties where objections by third parties have been received and therefore not available for sale) in addition to the offer size of Prudent. Therefore, the total offer size would **Rs.2014.68** crore (Rs 1122.34 crore from Prudent and Rs.892.34 crore from ARCIL). Prudent has bid for 693 MR No. (Rs 787.20 crore) as sole bidder. Further, ARCIL has submitted that it will take 4 months to conclude the sale

of properties and Prudent has submitted that the moment Committee approves the Sale Certificates of Rs.50.00 crore, simultaneously DD of Rs.50.00 crore would be submitted and balance payment will be cleared within 4 months from the day Committee issues the first Certificate of Rs.50.00 crore. Prudent has also submitted a Cheque of Rs.100.00 crore as security amount and requested that it should be adjusted against the last payment.

5.3 ARCIL:

In case request of ARCIL for matching the offer of H1 in cases where it is not H1 bidder is considered, then UIH and Prudent may not be willing to buy remaining properties.

ARCIL has bid for 3584 MR nos., which includes 2 MR nos. (Rs. 2.45 crore) which are part of properties where objections by third parties have been received and therefore not available for sale. Accordingly, the offer size will reduced by Rs 2.45 crore and will be Rs 1214.10 crore. Further, ARCIL has offered to match H1 bidder for 115 properties (leading to increase in offer size by Rs.64.33 crore) and 16 properties (leading to increase in offer size by Rs. 4.69 crore).

Therefore, if offer of ARCIL is accepted, an amount of **Rs.1283.12 crore** would be received. It may be noted that ARCIL has bid 2962 properties (Rs 605.55 crore) as a sole bidder.

ARCIL. vide their letter dated September 16, 2019 has stated that once their EOI is accepted by the Committee, within 4 months they will co-ordinate with the prospective investors and Committee for payment of sale consideration, execution of sale certificate etc.

5.4 IUIH:

In case the offer of IUIH is accepted, Prudent may not be willing to buy the remaining properties. Thereafter, the offers of IUIH and ARCIL will remain. Common interest shown by both ARCIL and IUIH is for 272 properties. ARCIL and IUIH has offered Rs 409.67 crore and Rs 458.37 crore respectively for the same. ARCIL is H1 bidder in 131 properties and its offer is Rs 240.48 crore (IUIH has bid for Rs 170.59 crore) and IUIH is H1 bidder in 141 properties with offer size of Rs.276.95 crore (ARCIL has bid for Rs 169.18). Out of these 141 properties, 2 properties are part of properties where objections by third parties have been received and therefore not available for sale. Further, it is observed that offer of IUIH includes 349 MR nos. (Rs. **519.08** crore), which also includes aforesaid 2 properties (Rs 2.98 crore), which are part of properties where objections by third parties have been received and therefore not available for sale.

Furthermore, 140 MR nos. (Rs. **562.23** crore), bid for by IUIH are not part of database of properties (www.auctionpacl.com)

in respect of which EOI was sought by the Committee. Therefore, the effective offer size is **Rs 2528.51 crore**.

IUIH, as a sole bidder has bid for 1286 MR No. (Rs 3092.89 crore). This includes 140 MR nos. (Rs. 562.22 crore), which are not there in database of properties (www.auctionpacl.com) and 347 properties (Rs 516.09 crore) where objections by third parties have been received and therefore not available for sale.

If IUIH is given the properties which have also been bid for by ARCIL, it will not result in withdrawal of offer by ARCIL for remaining properties. The sale of remaining properties to ARCIL will result in offer size of **Rs.806.87 crore** (3312 MR No.) (ARCIL as sole bidder – 2962 MR No. (Rs.605.56 crore) plus remaining 350 properties out of 622 bid for by ARCIL along with Prudent is available -Rs.201.31 crore) in addition to the offer value of IUIH. Therefore, the total offer size would be **Rs.3335.38 crore** (IUIH - Rs. 2528.51 crore and ARCIL - Rs.806.87 crore). However, IUIH has mentioned that the payment would be made in 7 tranches running over 33 months whereas ARCIL may make entire payment in a period of 4 months. Further, the properties identified (10 MR No. for offer value as per excel sheet Rs.12.55 crore) against payment of 1st Tranche are part of the properties where objections by third parties have been received and therefore not available for sale. Further, payment as per the 2nd tranche is only Rs.137.57 crore.

Therefore, in first 6 months, the Committee may receive only **Rs.944.44** crore (Rs.806.87 crore from ARCIL and Rs.137.57 crore from IUIH).

6. CONCLUSIONS:

Sl. No.	ARC/ ENTITY	SUMMARY OF FEATURES OF REVISED PROPOSALS	RECOMMENDATION
1.	PRUDENT	<ul style="list-style-type: none"> (i) Registered with RBI as ARC (ii) Has disclosed ultimate purchaser with financials (iii) Submitted cheque for Rs 100 crore as security deposit to establish bonafides (iv) Commission 0.5% / willing to waive. (v) Time frame for completion of the sale process- 4 months (vi) Demand Draft of Rs. 50 crore to be submitted simultaneously with issuance of Sale Certificate for properties worth 50 crore, balance payable within 4 months thereof. (vii) Rs 100 crore security deposit to 	<p>Proposal could be proceeded with.</p> <p>An amount of Rs.1122.34 crore would be realized, if the offer is accepted.</p>

be adjusted
against last
payment.

(viii) Not willing to
accept any
changes with
respect to
properties in the
offer

2. ARCIL

(i) Registered with RBI Proposal could be
as ARC considered for

(ii) Has not disclosed properties not bid for
ultimate purchaser by Prudent but
with financials commission relatively

(iii) Commission 3.0% high.
on successful sale

(iv) Time frame for Additional amount of
completion of the **Rs.892.34 crore** (less
sale- 4 months Rs.26.77 crore plus GST

(v) Willing to consider towards 3%
remaining commission) would be
properties in offer realized.
in the event
properties that are
common in other
offers not given.

3. IUIH

(i) IUIH is a private Proposal not
sector entity and recommended keeping
envisages to in view time frame for
develop 11 NHS effecting complete
quality payment and inclusion
Medicities across of properties not
India and it is offered for sale.
facilitated by
Department of
Health & Family

We are Mo-S&F
Not willing to
accept any
changes with
respect to
properties in the
offer;

- (iii) Interest expressed by IUIH include certain properties not offered by the Committee in current sale process including on account of pending objections by third parties;
- (iv) Payment proposed in 7 tranches running to over 33 months;

7. ONGOING DISCUSSIONS:

7.1 DISCUSSIONS WITH THE GOVERNMENT OF PUNJAB:

The Government of Punjab, pursuant to communications received from SEBI, contacted the panel Advocate of SEBI and informed that the Government of Punjab is interested in considering purchase of properties of PACL Ltd. which could be put to industrial use and has designated Additional Chief Secretary for this purpose. Accordingly, the Committee by a letter and e mail both dated October 23, 2019 addressed to

Additional Chief Secretary forwarded a list of properties of PACL in Punjab and requested that interest of the Government of Punjab be communicated to the Committee at the earliest. Subsequently, the Superintendent, Department of Industries and Commerce Government of Punjab has by a communication dated 29.10.2019, informed that the Government of Punjab is evaluating the list of properties spread over different parts of Punjab and would require a period of three months to carry out appraisal, feasibility and techno economic viability of the sites. The Committee has by a communication dated 05.11.2019, drawn the attention of the Government of Punjab to the offers received which include some properties in Punjab and which offers have been put up on the SEBI website.

8. RESPONSES FROM AREA DEVELOPMENT AUTHORITIES/ AGENCIES:

- 8.1 The Committee had invited offers and interacted with the Greater Mohali Development Authority (GMADA), the Greater Ludhiana Development Authority (GLADA) and the Bhatinda Development Authority to explore the possibility of effecting sale of properties of PACL located in Punjab, through these Authorities/ Agencies. However, the Additional Chief Administrator (F&A), GMADA vide email dated 01.10.2019 forwarding a communication informed the Committee that the Authority is not interested in purchase of properties of PACL Ltd. The Committee did not receive any further or positive

response from the GLADA and Bhatinda Development Authority.

9. STATUS OF THE REFUND PROCESS:

9.1 As per database of investors, provided by PACL Ltd., the total number of investors were 5,15,01,036* and amount due to them was Rs.57,927* crore.

9.2 1st Refund Exercise:

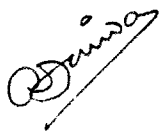
In the first Refund exercise, the Committee vide Press Release dated 02.01.2018 invited claims from such investors whose total outstanding amount (Principal) with PACL Ltd. was up to Rs. 2,500. The last date of submission of claims applications (after extension) was 31.03.2018. 14,48,986 claim applications were received by the Committee.. After verification, the Committee paid refund of Rs. 18.15 crore in respect of 1,89,103 eligible claim applications.

9.3 2nd Refund Exercise:

In the Second refund exercise, the Committee vide Press Release dated 08.02.2019 invited claims from all investors having outstanding claims with PACL Ltd. The last date of submission of claims applications (after extension) was 31.07.2019. The Committee has received 1,50,29,573 claim applications. The Committee has initiated refund in respect of investors whose total outstanding amount (Principal) with

PACL Ltd. was up to Rs. 5,000. 16,09,713 claim applications were received by the Committee in this category out of which 2,72,469 claim applications were found eligible. Till date (07.11.2019) a refund of Rs.60.56 crore in respect of 2,54,525 eligible claim applications has been paid.

9.4 It may be stated that at this stage, the Committee has not rejected any claim(s) and all claims found to be unverifiable at this stage would be notified for further verification as has been informed by a Public Notice issued on 16.10.2019 and placed on the SEBI website.



ANAND R. BAIWAR
MEMBER



G. MAHALINGAM
MEMBER



R.M. LODHA
CHAIRMAN

REVISED PUBLIC NOTICE

The Public Notice issued on August 19 is revised as under.

Justice (Retd.) R M Lodha Committee in the matter of PACL Limited ("Committee") has received over 29,000 documents pertaining to the properties of PACL, its group entities and related parties. Scanned copies of the documents pertaining to the said properties currently available for sale (the "Properties") are accessible on the Committee's website - www.auctionpacl.com.

A Zone-wise distribution of the Properties is as under:

Zone-wise details of the Properties		
Name of the State	Zone	No. of Properties
Assam	East	1
Bihar		33
Chhattisgarh		104
JHARKHAND		1
Odisha		546
West Bengal		905
Zone Sub -Total		1,590
Chandigarh	North	5
Delhi		373
Haryana		769
Himachal Pradesh		11
Punjab		2,405
Uttar Pradesh		428
Uttarakhand		368
Zone Sub -Total		4,359
Andhra Pradesh	South	612
Karnataka		1,090
Kerala		4
Tamil Nadu		10,284
Telangana		973
Zone Sub -Total		12,963
Goa	West	24
Gujarat		188
Madhya Pradesh		4,498
Maharashtra		1,449
Rajasthan		3,903
Zone Sub -Total		10,062
Grand Total	28,974	

4. The Hon'ble Supreme Court by order dated July 30, 2019 has inter alia observed "*....We also leave it open to the Committee to receive any further offers and to explore them after duly publishing a further notice on the website....*".
5. The Committee, in pursuance of the aforementioned order invites Expression of Interest (EoI) from prospective buyers clearly indicating therein, list of properties in each zone, its circle rate, the offer amount and other relevant details. Such EoI may also be submitted through ARCs.
5. The proposal should be for properties in one or more zone aggregating in value not less than Rs. 1000 crore.
6. All proposals may be submitted to the Nodal Officer cum Secretary, Justice (Retd.) R.M. Lodha Committee (In the matter of PACL Ltd.) either by email to committeepacl@sebi.gov.in or forwarded to **SEBI Bhavan, BKC, Plot No.C4-A, 'G' Block, Bandra-Kurla Complex, Bandra (East), Mumbai – 400051**. All proposals received, would be uploaded on the SEBI website and recommendations of the Committee thereon would be submitted to the Hon'ble Supreme Court.
7. Last date of receipt of proposals is **September 16, 2019**.

Mumbai

August 23, 2019

Government of Punjab,
Department of Industries & Commerce,
(Industries Branch),
Udyog Bhawan, Sector-17, Chandigarh.

Nodal Officer-cum-Secretary,
Justice (Retd.) R.M.Lodha Committee,
(In the matter of PACL Limited),
SEBI Bhavan, BKC, Plot No. C4-A, G Block,
Bandra-Kurla Complex, Bandra (East), Mumbai-400051

Memo No. SIB (AS-4) SPL-5
Dated: 29-X-2019

Subject: In the matter of sale of properties of PACL.

Please refer to your letter No. JRMLC / PACL/ AKD / NR/ 5651/

1/2019, dated 23.10.2019 on the subject cited above.

In this context, it is informed that Government of Punjab is preparing the list of properties spread over different parts of Punjab numbering 142,000. Since site appraisal, feasibility and techno-economic viability of the same is warranted to be carried out, which would require a minimum period of 6-8 months. After carrying out this exercise, Govt. of Punjab would revert to you to convey appropriate decision in the matter.


Superintendent

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

November 5, 2019

The Superintendent
Department of Industries & Commerce (Industries Branch)
Government of Punjab
Jyog Bhawan
Sector 17-A
Chandigarh

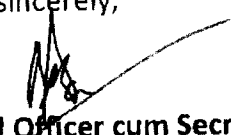
Dear Sir,

Subject: In the matter of sale of properties of PACL

This is with reference to our letter dated 23.10.2019 and your reply dated 29.10.2019 in the captioned matter.

In continuation to our letter dated 23.10.2019, it is informed that the Committee, vide Public Notice dated 23.08.2019, had sought Expression of Interest from prospective buyers. In response to the same, various proposals have been received by the Committee for purchase of PACL properties, including properties situated in Punjab. The said proposals have been placed on the website of SEBI, www.sebi.gov.in/PACL.htm.

Yours sincerely,


(Nodal Officer cum Secretary)
Justice (Retd.) R. M. Lodha Committee
(In the matter of PACL Limited)

Address for correspondence only:

SEBI Bhavan, BKC, Plot No. C4-A, 'G' Block, Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051

GREATER MOHALI AREA DEVELOPMENT AUTHORITY

The Nodal Officer cum Secretary to the Committee
Justice(Retd.) R.M.Lodha Committee (in the name of PACL Ltd.)

Memo No. GMADA-ACA(F&A)-2019/
Dt.

Sub: Regarding purchase of properties of PACL.

Madam,

Reference your letter dated August 07, 2019, subsequent correspondence with Greater Mohali Area Development Authority and the visit of Mr. Anand R. Baiwar and Mr. Anindya Kumar Das on 25.09.2019.

We would like to inform you that the Greater Mohali Area Development Authority has analysed the properties owned by PACL falling under the jurisdiction of GMADA viz-a-viz the Land Pooling policy existing in the Authority. However, we regret to inform you that none of the land parcel can be purchased by the Authority under the existing policy framework. Thus, GMADA shall have no interest in purchase of properties of PACL.

The Authority shall be willing to offer the online e-Auction portal for disposal of properties subject to payment of appropriate charges.



Addl. Chief Administrator (F&A),
For Chief Administrator, GMADA.