

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF ECONOMIC AFFAIRS

LOK SABHA
UNSTARRED QUESTION NO. 2476

TO BE ANSWERED ON MONDAY, 01ST AUGUST, 2022/ SRAVANA 10, 1944(SAKA)

PACL INVESTORS

QUESTION

2476. SHRI BHAGIRATH CHOUDHARY:

Will the Minister of Finance be pleased to state:

- a) whether the Securities and Exchange Board of India (SEBI) has made any strategy to pay Rs.5.85 crore to the investors of Pearls Agrotech Corporation Limited (PACL) by the order of Supreme Court on 2nd February, 2016;
- b) if so, the details thereof along with the time-limit fixed for it;
- c) whether the payment will remain the principal amount only or the maturity amount will include interest also and if so, the details thereof;
- d) the details of payment strategy for the aggrieved investors who did not apply through online portal due to deposit in the parent bond company;
- e) the head wise details of the total movable and immovable assets of PACL along with its total capital deposited in the banks;
- f) whether there is any working plan for sale or auction thereof and if so, the details thereof; and
- g) whether the Government has any concrete strategy for protecting the said investors and if so, the details thereof?

ANSWER

MINISTER OF STATE IN THE MINISTRY OF FINANCE
(SHRI PANKAJ CHAUDHARY)

(a) to (b) : Yes, Sir. A Committee under the Chairmanship of Justice (Retd) R M Lodha was constituted for disposing of the properties of PACL Limited, and pay the sale proceeds to the investors of PACL. The Committee had invited refund claim applications vide press release dated January 02, 2018 and February 08, 2019. The Committee had received approximately 1.50 crore claim applications. The Committee has adopted phase-wise/ claim amount-wise refund of monies to investors of PACL Ltd. depending upon the corpus available with the Committee and after verifying the claims submitted by the investor(s).

(c) : It was envisaged that only the principal amount to be paid to investor(s) in different phases and preference to small investors is given.

(d) : In respect of investors who could not submit applications through online portal earlier in 2019 when the window was opened for investors to submit their claims, the Committee vide public notice dated 16.10.2019 has informed the investors to await notification in this regard. Further, based on availability of funds, the Committee is currently facilitating refund to investors who had applied claims on online portal and whose claim amount is between Rs. 10,001/- and Rs. 15,000/-. The Committee has in this regard, after verification, has called for original PACL certificates from investors in respect of eligible applications. The window for submitting original PACL certificates in respect of eligible applications was initially kept open for three months from 01.04.2022 to 30.06.2022. Subsequently, the Committee has extended the deadline for submitting the original certificates by another 2 months, till 31.08.2022.

(e) : Hon'ble Supreme Court vide order dated 02.02.2016 inter-alia directed the Central Bureau of Investigation (CBI) to hand over relevant records, including Title Deeds in its possession to the Committee so as to enable the Committee to sell the land. The Committee has received around 43,822 properties documents from the CBI and PACL Ltd. The property documents received by the Committee has been put on public domain by hosting such documents on websites namely, www.sebipaclauction.com and www.sebipaclproperties.com. The Committee conducted an auction for sale of the properties of PACL Ltd. in 2017 and sold 114 properties for Rs. 86.70 Crore in the auction process. The Committee has also sold 75 vehicles of PACL Ltd. for Rs. 15.63 Crore through online auction. Further, the Committee has received Fixed Deposit Receipts (FDRs) of PACL Ltd. from the CBI and has realized these FDR worth Rs.98.45 crores. The Committee has also recovered Rs. 356.95 Crore lying in bank accounts of PACL Ltd and its associates. Further, as directed by the Committee, SEBI filed a claim petition before the Federal Court, Australia seeking the assets acquired out of money diverted by PACL to Australia or the proceeds thereof. The Committee under an order of the Federal Court dated 03.06.2020, has received an amount of Rs 369.20 crores for effecting refund to investors. Further, the Committee has received Rs. 1.97 Crore from Collector Land Acquisition, Punjab towards acquisition of properties of PACL Ltd. by Government of Punjab.

(f) : The Hon'ble Supreme Court vide order dated 30.07.2019 authorized the Committee to explore alternative modalities for sale of properties and negotiate with Asset Reconstruction Companies (ARCs), Non-banking companies and/or renowned property consultants, post which public notice dated 19.08.2019 23.08.2019 and 06.02.2020 were issued inviting Expression of Interest from prospective buyer for purchase of properties of PACL. The Committee has placed alternative proposals for disposal of properties of PACL vide its report dated 24.09.2021 for consideration of the Hon'ble Supreme Court. The report is presently pending for hearing before the Hon'ble Supreme Court.

(g) : Central Government has notified Banning of Unregulated Deposit Schemes Act, vide notification in Gazette of India dated 12/02/2020 which bans Deposit Takers from promoting, operating, issuing advertisements or accepting deposits in any Unregulated Deposit Scheme.
