

न्यायमूर्ति (सेवानिवृत्त) आर.एम. लोढा समिति
Justice (Retd.) R. M. Lodha Committee
(पीएसीएल लि. के मामले से संबंधित / in the matter of PACL Ltd.)

संदर्भ सं. जेआरएमएलसी/पीएसीएल/
Ref. No. JRMLC/PACL/

Order on the Objection filed by V. Radhakrishnan
SEBI/PACL/RO/BKM/RD-3/ORD/3/2026

BEFORE THE PANEL OF RECOVERY OFFICERS, SEBI
ATTACHED TO
JUSTICE (RETD.) R.M. LODHA COMMITTEE
(IN THE MATTER OF PACL LIMITED)

File No.	SEBI/PACL/OBJ/NS/00093/2024
Name of the Objector(s)	V. Radhakrishnan
MR No.	16630/16, 31406/16, 14622/16, 28013/16, 28014/16, 34189/16

Background:

1. Securities and Exchange Board of India (hereinafter referred to as “SEBI”) on 22.08.2014 had passed an order against PACL Limited, its promoters and directors, inter alia, holding the schemes run by PACL Ltd as Collective Investment Scheme (“CIS”) and directing them to refund the amounts collected from the investors within three months from the date of the order. Vide the said order, it was also directed that PACL Ltd. and its promoters/ directors shall not alienate or dispose of or sell any of the assets of PACL Ltd. except for the purpose of making refunds as directed in the order.
2. The order passed by SEBI was challenged by PACL Ltd. and four of its directors by filing appeals before the Hon’ble Securities Appellate Tribunal (“SAT”). The said appeals were dismissed by the Hon’ble SAT vide its common order dated 12.08.2015, with a direction to the appellants to refund the amounts collected from the investors within three months. Aggrieved by the order dated 12.08.2015 passed by the Hon’ble SAT, PACL Ltd and its directors had filed appeals before the Hon’ble Supreme Court of India.



न्यायमूर्ति (सेवानिवृत्त) आर.एम. लोढा समिति
Justice (Retd.) R. M. Lodha Committee
(पीएसीएल लि. के मामले से संबंधित / in the matter of PACL Ltd.)

संदर्भ सं. जेआरएमएलसी/पीएसीएल/
Ref. No. JRMLC/PACL/

Order on the Objection filed by V. Radhakrishnan
SEBI/PACL/RO/BKM/RD-3/ORD/3/2026

3. The Hon'ble Supreme Court did not grant any stay on the aforementioned impugned order dated 12.08.2015 of the Hon'ble SAT, however, PACL Ltd. and its promoters/ directors did not refund the money to the investors. Accordingly, SEBI initiated recovery proceedings under Section 28A of the SEBI Act, 1992 against PACL Ltd. and its promoters/ directors vide recovery certificate no. 832 of 2015 drawn on 11.12.2015 and as a consequence thereof, all bank/ demat accounts and folios of mutual funds of PACL Ltd. and its promoters/ directors were attached by the Recovery Officer vide attachment order dated 11.12.2015.
4. During the hearing on the aforesaid civil appeals filed by PACL Ltd. and its directors (*Civil Appeal No. 13301 of 2015 – Subrata Bhattacharya Vs. SEBI and other connected matters*), the Hon'ble Court vide its order dated 02.02.2016 directed SEBI to constitute a committee under the Chairmanship of Hon'ble Mr. Justice R.M. Lodha, the former Chief Justice of India (hereinafter referred to as "the Committee") for disposing of the land purchased by PACL Ltd. so that the sale proceeds can be paid to the investors, who have invested their funds in PACL Ltd. for purchase of the land. In the said civil appeals, the Hon'ble Supreme Court did not grant any stay on the orders passed by SEBI and the Hon'ble SAT. Therefore, directions for refund and direction regarding restraint on the PACL Ltd and its promoters and directors from disposing, alienating or selling the assets of PACL Ltd., as given in the order, continues till date.
5. The Committee has from time to time requested the authorities for registration and revenue of different states to take necessary steps and issue necessary directions to Land Revenue Officers and Sub-registrar offices, to not effect registration /mutation /sale /transfer, etc. of properties wherein PACL Ltd. and/ or its group or its associates have, in any manner, right of interest.



Page 2 of 26

पता (केवल पत्राचार हेतु) / Address for correspondence only:

सेबी भवन, प्लॉट सं. सी4-ए, 'जी' ब्लॉक, बांद्रा कुर्ला कॉम्प्लेक्स, बांद्रा (पूर्व), मुंबई - 400051
SEBI Bhavan, BKC, Plot No. C4-A, 'G' Block, Bandra-Kurla Complex, Bandra (East), Mumbai - 400051

न्यायमूर्ति (सेवानिवृत्त) आर.एम. लोढा समिति
Justice (Retd.) R. M. Lodha Committee
(पीएसीएल लि. के मामले से संबंधित / in the matter of PACL Ltd.)

संदर्भ सं. जेआरएमएलसी/पीएसीएल/
Ref. No. JRMLC/PACL/

Order on the Objection filed by V. Radhakrishnan
SEBI/PACL/RO/BKM/RD-3/ORD/3/2026

6. Also, the Hon'ble Supreme Court vide its order dated 25.07.2016 restrained PACL Ltd. and/ or its Directors/Promoters/agents/employees/Group and/or associate companies from, in any manner, selling/transferring/alienating any of the properties wherein PACL Ltd. has, in any manner, a right/interest situated either within or outside India.
7. In the recovery proceedings mentioned in para 3 above, the Recovery Officer issued an attachment order dated 07.09.2016 against 640 associate companies of PACL Ltd. In the said order, *inter alia*, the registration authorities of all States and Union Territories were requested not to act upon any documents purporting to be dealing with transfer of properties by PACL Ltd. and / or the group/ associate entities of PACL Ltd. mentioned in the Annexure to the said attachment order, if presented for registration.
8. The Hon'ble Supreme Court, vide its order dated 15.11.2017, passed in Civil Appeal No. 13301/2015 and connected matters directed that all the grievances/ objections pertaining to the properties of PACL Ltd. would be taken up by Mr. R.S. Virk, Retired District Judge.
9. On 30.04.2019, in the recovery proceedings initiated against PACL Ltd. and Ors, the Recovery Officer issued a notice of attachment in respect of 25 front companies of PACL Ltd. Thereafter, on 01.03.2021, the Recovery Officer issued another notice of attachment in respect of 32 associate companies of PACL Ltd., which included 25 front companies of PACL Ltd. whose accounts were attached vide order dated 30.04.2019.
10. Vide order dated 08.08.2024 passed in *Civil Appeal No. 13301 of 2015 - Subrata Bhattacharya vs. SEBI and other connected matters*, the Hon'ble Supreme Court has directed as under:



Page 3 of 26

पता (केवल पत्राचार हेतु) / Address for correspondence only:

सेबी भवन, प्लॉट सं. सी4-ए, 'जी' ब्लॉक, बांद्रा कुर्ला कॉम्प्लेक्स, बांद्रा (पूर्व), मुंबई - 400051
SEBI Bhavan, BKC, Plot No. C4-A, 'G' Block, Bandra-Kurla Complex, Bandra (East), Mumbai - 400051

न्यायमूर्ति (सेवानिवृत्त) आर.एम. लोढा समिति
Justice (Retd.) R. M. Lodha Committee
(पीएसीएल लि. के मामले से संबंधित / in the matter of PACL Ltd.)

संदर्भ सं. जेआरएलसी/पीएसीएल/
Ref. No. JRMLC/PACL/

Order on the Objection filed by V. Radhakrishnan
SEBI/PACL/RO/BKM/RD-3/ORD/3/2026

“.....10. Since, we had directed in our order dated 25.07.2024, that no fresh applications or objections shall be filed before or entertained by Shri R.S. Virk, District Judge (Retd.) and that the same shall be filed before the Committee, the Committee may deal with such applications/ objections, if filed before it, and dispose them of as per the provisions contained under Section-28(A) of the SEBI Act.....”

11. In compliance with the aforesaid order dated 08.08.2024 passed by the Hon'ble Supreme Court, all objections with respect to properties of PACL Ltd, which were pending before Shri R.S. Virk, Retired District Judge and all new objections, are now to be dealt by the Recovery Officer attached to the Committee.

Present Objection:

12. The instant objection petition dated March 02, 2024 has been filed by V. Radhakrishnan, S/o. of Venkatrayulu, residing at Door No. 220, Sundaram Street, Kurinchi Nagar Extension, Semmandalam, Cuddalore District, Tamil Nadu – 607001 (hereinafter referred to as the “**Objector**”) through his authorized representatives viz. Mr. U.K. Yokaraja and Mr. Vijayleshanth, Advocates, (hereinafter referred to as the ‘**ARs**’) objecting to the attachment of agricultural land at Survey No. 10/1 to the extent of 2 acres 35 cents, 26/3 to the extent of 3 acres 75 cents, and 21/4 to the extent of 3 acres 73 cents at Paraikuttam Village, Ottapidaram Taluk, Thoothukudi District, Tamil Nadu (hereinafter referred to as the “**impugned property**”), due to attachment of property covered in MR No. 16630/16, 31406/16, 14622/16, 28013/16, 28014/16, and 34189/16, which stands attached by the Committee.

13. The Objector was given an opportunity of hearing on October 08, 2025. Since the panel was subsequently reconstituted, a further opportunity of hearing was provided to the Objector on December 17, 2025. On both the scheduled dates, the AR appeared on behalf of the Objector and reiterated the averments made in the objection petition. The AR relied on title documents in favour of the Objector and provided the chain of title in



न्यायमूर्ति (सेवानिवृत्त) आर.एम. लोढा समिति
Justice (Retd.) R. M. Lodha Committee
(पीएसीएल लि. के मामले से संबंधित / in the matter of PACL Ltd.)

संदर्भ सं. जेआरएमएलसी/पीएसीएल/
Ref. No. JRMLC/PACL/

Order on the Objection filed by V. Radhakrishnan
SEBI/PACL/RO/BKM/RD-3/ORD/3/2026

the impugned land. AR has submitted that they are absolute owners having the exclusive possession and enjoyment of the impugned property since 11.05.2018. Further, AR has submitted that there is no previous ownership of PACL in the chain of title as reflected in the sale deeds and revenue record. AR has submitted that the impugned property was dealt with by PACL Ltd. and their agents in the past. However, AR has submitted that the property had already been transferred by PACL to other persons prior to the order dated February 02, 2016 passed by the Hon'ble Supreme Court in Subrata Bhattacharya vs. SEBI (Civil Appeal Nos. 13301/2015). AR has submitted that Objector has not dealt with PACL Ltd. or its agents. The AR also submitted that the Objector should not be put to hardship for the dealing of PACL in the impugned land because the Objector was a bona fide purchaser for value who had purchased from other subsequent owners of the impugned property, without notice that the property belonged to PACL. The AR submitted that Objector had paid sale consideration by way of cash during the execution of the Sale Deed dated 11.05.2018. AR has requested for 2 weeks' time to produce information in relation to the valuation and also provide proof of payment of consideration in respect of the aforesaid Sale Deed. The said request was acceded to and the Objector was granted time till December 31, 2025 to make additional submissions and produce the required information. Thereafter, vide emails dated January 06, 2026 and January 13, 2026, the AR has submitted that the Objector has sold a different property (ad-measuring 4.46 Acres) in Cuddalore vide Sale Deed No. 459 of 2018 dated 20.03.2018 for sale consideration of Rs. 11,95,000/- and thus, it is his submission that the Objector had sufficient funds to purchase the impugned property. In the said email dated January 13, 2026, the AR has further submitted that the state registration department is legally required to reject undervalued sale of land. The registration department reviewed the consideration value in the Sale Deed dated 11.05.2018 against the guideline rates and did not demand deficit stamp duty nor impose any penalty against the Sale Deed. AR has submitted that the state registration department's unconditional registration, stamp duty collection and release of the registered Sale Deed dated



न्यायमूर्ति (सेवानिवृत्त) आर.एम. लोढा समिति
Justice (Retd.) R. M. Lodha Committee
(पीएसीएल लि. के मामले से संबंधित / in the matter of PACL Ltd.)

संदर्भ सं. जेआरएमएलसी/पीएसीएल/
Ref. No. JRMLC/PACL/

*Order on the Objection filed by V. Radhakrishnan
SEBI/PACL/RO/BKM/RD-3/ORD/3/2026*

conclusive validation that the valuation mentioned in the Sale Deed for the impugned property was legitimate. AR has submitted that registration of the Sale Deed dated 11.05.2018 by state registration department and collection of required stamp duty on the stated market value prove that the recorded consideration of Rs. 1,98,000/- was neither bogus nor undervalued.

14. The Objector has submitted the Sale Deed No. 287/2007 dated 14.02.2007, Sale Deed No. 282/2007 dated 14.02.2007, Sale Deed No. 888/2014 dated 26.03.2014, Sale Deed No. 1243/2014 dated 23.04.2014, and Sale Deed No. 881/2018 dated 11.05.2018. We have perused these Title Document(s) relied on by the Objector which are summarized as under:

Document Details	Seller	Buyer	Property Description	Consideration	Registration
Sale Deed dated 14.02.2007 (Document No. 287/2007)	1. Ramakrishnasamy, 2. Valliammal, 3. Amaravathi, 4. Pitchairaj, 5. Thangavel Asari, 6. Ayyavoo Naickkar (S. Nos. 1-6 represented through their power agents J. Essakimuthu S/o Mr. Jacob, residing at Pamban Swamy Nagar, Tiruppankundram, Madurai, Tamil Nadu, who was in turn authorized by Sukhdev Singh S/o Raghbir Singh, residing at Ropar, Punjab, Power Agent of the vendors vide the GPAs dated 08.07.2005 and 13.08.2005).	Prabir Si, S/o Chandra Mohan Si, residing at Singada, Baghada Grama Panchayat, Suliapada, Mayurbhanj, Orissa (through agent Jagadish Chandra Dhal, S/o Santosh Kumar Dhal, Kaduani Village, Shuliapada Post, Mayurbhanj, Orissa)	10/1 (2 acres 35 cents), 26/3 (3 acres 75 cents), 31/3 (70 Cents), 36/1 (2 Acres 44 Cents), 39/3 (70 Cents), 2/3 (1 Acre, 30 Cents), 3/3 (2 Acres 17 Cents), 30/3 (9 Acres 66 Cents), 36/2 (2 Acres 20 Cents), 21/1 (3 Acres 17 Cents), 52/1 (3 Acres 99 Cents) & 280/1 (3 Acres 12 Cents) at Paraikuttam Village, Ottapidaram Taluk, Thoothukudi District, Tamil Nadu	Rs. 2,87,520/-	Yes



R

JL

न्यायमूर्ति (सेवानिवृत्त) आर.एम. लोढा समिति
Justice (Retd.) R. M. Lodha Committee
(पीएसीएल लि. के मामले से संबंधित / in the matter of PACL Ltd.)

संदर्भ सं. जेआरएमएलसी/पीएसीएल/
Ref. No. JRMLC/PACL/

*Order on the Objection filed by V. Radhakrishnan
SEBI/PACL/RO/BKM/RD-3/ORD/3/2026*

Document Details	Seller	Buyer	Property Description	Consideration	Registration
Sale Deed dated 14.02.2007 (Document No. 282/2007)	1. Guruvammal, 2. Rejina alias Venkatalakshmi, 3. Ranganathan, 4. Prabakaran, 5. Mariammal, 6. Sankarapandia Thevar, 7. Kannan, 8. Shanmugathai, 9. Duraipandian, 10. Manivannan, 11. Karunakaran, 12. Alagupandian, 13. Muthulakshmi, 14. Duraichi alias Gomathi Duraichi, 15. Krishnan, 16. Mari alias Mariammal, 17. Iyyapparaja, 18. Rajammal, 19. Thangaiah (S. Nos. 1-18 represented through their power of attorney holder Tathagata Lahiri, who is residing at Madurai, who was in turn authorised by Tarlochan Singh, resident of Ropar, Punjab, Power Agent of the vendors, vide GPAs dated 02.02.2005, 20.12.2004, 21.03.2005 and 13.04.2005).	Kamal Bhanja, S/o Prathap Bhanja, residing at Singada, Baghada Grama Panchayat, Suliapada, Mayurbhanja, Orissa (through agent Jagadish Chandra Dhal, S/o Santosh Kumar Dhal, Kaduani Village, Shuliapada Post, Mayurbhanj, Orissa)	21/4 (3 acres 73 cents), 28/2 (98 cents), 3/4 (4 acres 61 cents), 67/3 (4 acres 05 cents), 91/2 (1 acres 35 cents), 16/1 (3 acres 63 Cents), 98/1 (89 Cents), 98/4B (80 Cents), 91/3 (61 cents), 91/4 (1 acres 22 cents) at Paraikuttam Village, Ottapidaram Taluk, Thoothukudi District, Tamil Nadu.	Rs. 2,08,960/-	Yes
Sale Deed dated 26.03.2014 (Document No. 888/2014)	1. V Chelladurai, S/o. Vellaiyan, Residing at Chinnakannupuram, Tuticorin Town, Tuticorin District. 2. Prabir Si (through his power of attorney holder, Mahesh, S/o Mr. Manoharan, residing at Wahaman Via Dhusarabhavan, Peer Road Taluk, Edukki, Kerala)	B Mariappan, S/o Baby Pillai, Residing at Sivasiva Nagar, Chidambaram Town, Cuddalore, Tamil Nadu.	Land comprised in Survey Nos. 1/1A1A (297 Acres 15 Cents) located at Zameenchengalpadai, Vilathikulam Taluk, Tuticorin, and 10/1 (2 Acres 35 Cents), 26/3 (3 Acres 75 Cents), and 15/2 (1 Acre 65 Cents) at Paraikuttam Village, Ottapidaram Taluk, Thoothukudi District, Tamil Nadu	Rs. 15,66,160/-	Yes



पता (केवल पत्राचार हेतु) / Address for correspondence only:

सेबी भवन, प्लॉट सं. सी4-ए, 'जी' ब्लॉक, बांद्रा कुर्ला कॉम्प्लेक्स, बांद्रा (पूर्व), मुंबई - 400051
SEBI Bhavan, BKC, Plot No. C4-A, 'G' Block, Bandra-Kurla Complex, Bandra (East), Mumbai - 400051

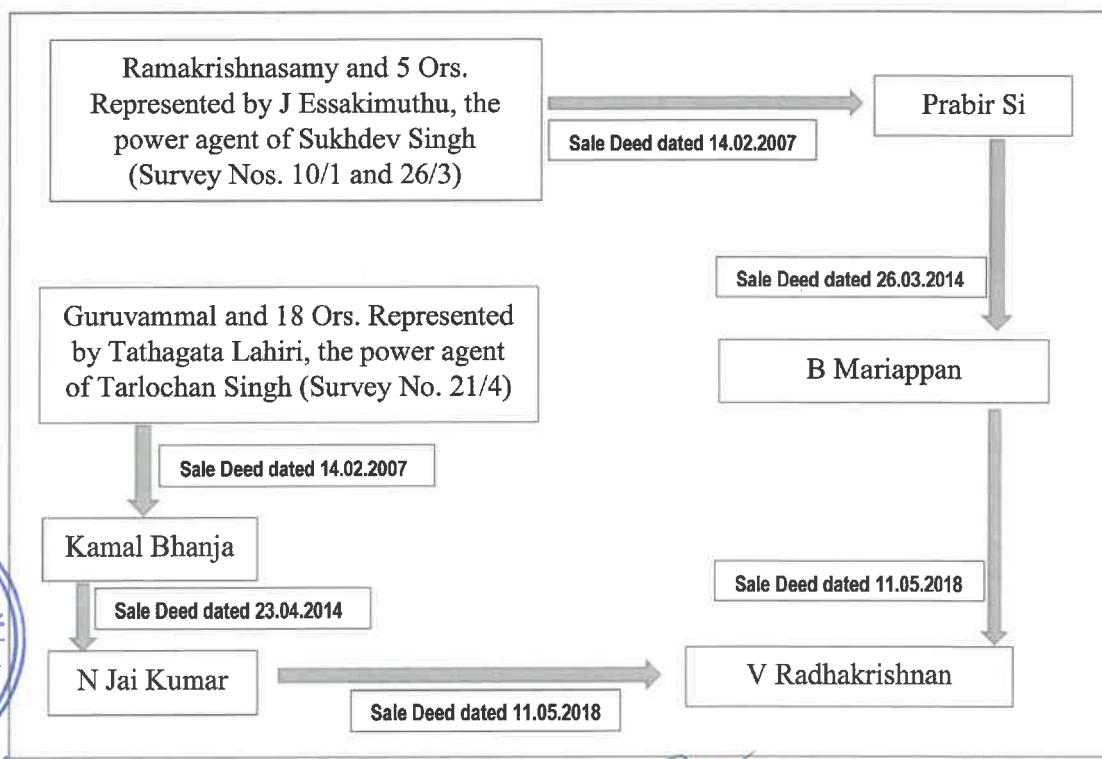
न्यायमूर्ति (सेवानिवृत्त) आर.एम. लोढा समिति
Justice (Retd.) R. M. Lodha Committee
(पीएसीएल लि. के मामले से संबंधित / in the matter of PACL Ltd.)

संदर्भ सं. जेआरएमएलसी/पीएसीएल/
Ref. No. JRMLC/PACL/

*Order on the Objection filed by V. Radhakrishnan
SEBI/PACL/RO/BKM/RD-3/ORD/3/2026*

Document Details	Seller	Buyer	Property Description	Consideration	Registration
Sale Deed dated 23.04.2014 (Document No. 1243/2014)	1. V Chelladurai, S/o. Vellaiyan, Residing at Chinnakkannupuram, Tuticorin Town, Tuticorin District. 2. Kamal Bhanja, S/o Pratap Bhanja residing at Singada village, Sulaiabada, Mayurbhanja (represented by Mr. Mahesh, S/o Mr. Manoharan, residing at Wahaman Via Dhusarabhavan, Peer Road Taluk, Edukki, Kerala)	N Jai Kumar, S/o Neelakandarao, Vizhalkatti Pillaiyar Koil Street, Chidambaram, Cuddalore, Tamil Nadu	Land comprised in Survey Nos. 1/1A1A (297 Acres 15 Cents) located at Zameenchengalpadai, Vilathikulam Taluk, Tuticorin, and 21/4 (3 Acres 73 Cents) at Paraikuttam Village, Ottapidaram Taluk, Thoothukudi District, Tamil Nadu	Rs. 7,60,940/-	Yes
Sale Deed dated 11.05.2018 (Document No. 881/2018)	1. B Mariappan S/o Baby Pillai, Residing at Sivasiva Nagar, Chidambaram Town, Cuddalore, Tamil Nadu 2. N Jaikumar, S/o Neelakandarao, Residing at Vizhalkatti Pillaiyar Koil Street, Chidambaram, Cuddalore, Tamil Nadu	V Radhakrishnan (Objector)	10/1 (2 Acres 35 Cents), 26/3 (3 Acres 75 Cents), and 21/4 (3 Acres 73 Cents) at Paraikuttam Village, Ottapidaram Taluk, Thoothukudi District, Tamil Nadu	Rs. 1,98,000/-	Yes

15. The chain of title in respect of the impugned property as relied on by the Objector is depicted in the chart below:



पता (केवल पत्राचार हेतु) / Address for correspondence only:

सेबी भवन, प्लॉट सं. सी4-ए, 'जी' ब्लॉक, बांद्रा कुर्ला कॉम्प्लेक्स, बांद्रा (पूर्व), मुंबई - 400051
SEBI Bhavan, BKC, Plot No. C4-A, 'G' Block, Bandra-Kurla Complex, Bandra (East), Mumbai - 400051

न्यायमूर्ति (सेवानिवृत्त) आर.एम. लोढा समिति
Justice (Retd.) R. M. Lodha Committee
(पीएसीएल लि. के मामले से संबंधित / in the matter of PACL Ltd.)

संदर्भ सं. जेआरएमएलसी/पीएसीएल/
Ref. No. JRMLC/PACL/

*Order on the Objection filed by V. Radhakrishnan
SEBI/PACL/RO/BKM/RD-3/ORD/3/2026*

16. As can be noted from the table and chart given above, the Objector had purchased the impugned property vide Sale Deed No. 881/2018. Some peculiarities of this sale transaction is as under:

- i. The parent title documents (Sale Deeds Nos. 287/2007 and 282/2007) reveal that the original landowners appointed PACL agents (Sukhdev Singh and Tarlochan Singh) and their sub-agents (Tathagata Lahiri and J. Essakimuthu) to manage the property. This confirms that the landowners had granted authority to PACL agents to control the impugned property. The chain of title involves unusual circumstances where PACL agents executed deeds in favour of vendors (Prabir Si and Kamal Bhanja) who were residents of Orissa. Prabir Si and Kamal Bhanja subsequently transferred the impugned property, through their power agent Magesh, to B. Mariappan and N. Jaikumar in 2014. Despite the suspicious modus operandi of the Objector's predecessors-in-title, the Objector purchased the impugned property. It further shows that Objector was least bothered about the chain of title documents of vendors/transferors, at the time of purchasing property. This suggests the Objector was "hand in glove" with PACL Ltd. and fully aware that the vendors were benamidars holding the impugned property on behalf of PACL and its investors.
- ii. The transaction is highly suspicious due to undervaluation of the impugned property. The Objector purchased the property for only Rs. 1,98,000, despite the Sale Deed's own stated market value being Rs. 39,31,880 and the government guideline rate being Rs. 29,49,000. Similarly, prior transfers in 2014 to B. Mariappan and N. Jaikumar were also executed below prevailing guideline rates, indicating these transfers were not in the normal course and were not genuine. The covenants of the sale deed state the consideration was paid in cash. However, the Objector has failed to produce any receipt or memo of consideration to prove



न्यायमूर्ति (सेवानिवृत्त) आर.एम. लोढा समिति
Justice (Retd.) R. M. Lodha Committee
(पीएसीएल लि. के मामले से संबंधित / in the matter of PACL Ltd.)

संदर्भ सं. जेआरएमएलसी/पीएसीएल/
Ref. No. JRMLC/PACL/

Order on the Objection filed by V. Radhakrishnan
SEBI/PACL/RO/BKM/RD-3/ORD/3/2026

that payment was actually made, reinforcing the claim that the transfer was not genuine.

iv. The Sale Deed No. 881/2018 (dated May 11, 2018) is null and void as it was executed in direct violation of the Hon'ble Supreme Court's order dated July 25, 2016, in *Subrata Bhattacharya vs. SEBI (Supra)*, which attached PACL properties. In the case of *Balwantbhai Somabhai Bhandari vs. Hiralal Somabhai Contractor (Deceased) Rep. by Lrs. & Ors (Judgement dated 06.09.2023 in Civil Appeal No. 4955 of 2022)*, the Hon'ble Supreme Court has declared that it is a settled principle of law that any alienation of property in defiance of a court order confers no right, title, or interest to the transferee and must be treated as non-existent.

17. From a perusal of the aforesaid documents, we find that the Objector purchased the impugned property on 11.05.2018 from B Mariappan and N Jaikumar. Prior to the purchase by the Objector, on 26.03.2014, B Mariappan had purchased the land in survey nos. 10/1 and 26/3 in the impugned property (along with Survey Nos. 1/1A1A and 15/2) from V Chelladurai and Prabir Si represented by Mahesh for a total consideration of Rs. 15,66,160/-. On 23.04.2014, N Jaikumar purchased the land in survey no. 21/4 in impugned property (along with Survey No. 1/1A1A) from V Chelladurai and Kamal Bhanja represented by Mahesh for a total consideration of Rs. 7,60,940/-. Ultimately, the Objector purchased the impugned property on 11.05.2018 from B Mariappan and N Jaikumar for a total consideration of 1,98,000/-.

18. We have perused the documents seized by CBI under the relevant MR Nos. 16630/16, 31406/16, 14622/16, 28013/16, 28014/16, and 34189/16, having connection with the impugned property, and the said documents are summarized as under:



m

Page 10 of 26

C

L

पता (केवल पत्राचार हेतु) / Address for correspondence only:

सेबी भवन, प्लॉट सं. सी4-ए, 'जी' ब्लॉक, बांद्रा कुर्ला कॉम्प्लेक्स, बांद्रा (पूर्व), मुंबई - 400051
SEBI Bhavan, BKC, Plot No. C4-A, 'G' Block, Bandra-Kurla Complex, Bandra (East), Mumbai - 400051

न्यायमूर्ति (सेवानिवृत्त) आर.एम. लोढा समिति
Justice (Retd.) R. M. Lodha Committee
(पीएसीएल लि. के मामले से संबंधित / in the matter of PACL Ltd.)

संदर्भ सं. जेआरएमएलसी/पीएसीएल/
Ref. No. JRMLC/PACL/

*Order on the Objection filed by V. Radhakrishnan
SEBI/PACL/RO/BKM/RD-3/ORD/3/2026*

Document Details	Seller	Buyer	Property Description	Consideration	Registration
MR. No. 16630/16 Registered GPA dated August 13, 2005	Ramakrishnasamy, S/o Alwarsamy Naickker, residing at Shanmugapuram, Melapandiapuram Vill., Ottapidaram Taluk, Thoothukudi District, Tamil Nadu	Sukhdev Singh, S/o Raghbir Singh, residing at Ropar, Punjab	Agricultural land at Paraikuttam Village, Ottapidaram Taluk, Thoothukudi District, Tamil Nadu (Survey Nos. 10/1 - 2.35 acres, 26/3 - 3.75 acres, 31/3 - 0.70 acres, 36/1 - 2.44 acres, 39/3 - 0.70 acres)	---	Yes
MR. No. 16630/16 ATS dated June 16, 2004	Ramakrishnasamy, S/o Alwarsamy Naickker, residing at Shanmugapuram, Melapandiapuram Vill., Ottapidaram Taluk, Thoothukudi District, Tamil Nadu	PACL India Ltd., represented by Lalit Sharma	Agricultural land at Paraikuttam Village, Ottapidaram Taluk, Thoothukudi District, Tamil Nadu (Survey Nos. 10/1 - 2.35 acres, 26/3 - 3.75 acres, 31/3 - 0.70 acres, 36/1 - 2.44 acres, 39/3 - 0.70 acres)	Rs. 2,99,791/- (Part paid Rs. 75,000/- Rs. 2,24,791/- balance paid and receipt present)	No
MR. No. 31406/16 Registered Sale Deed dated February 14, 2007	1. Ramakrishnasamy, S/o Alwarsamy Naickker, residing at Shanmugapuram, Melapandiapuram Vill., Ottapidaram Taluk, Thoothukudi District, Tamil Nadu 2. Valliammal, W/o Chelliah, Residing at K Thalaivapuram Village, Ottapidaram Taluk, Thoothukudi District, Tamil Nadu 3. Amaravathi, W/o Marimuthu, residing at Nedungaraipatti Village, Pandalgudi Panchayat, Aruppukkottai Taluk, Virudhunagar, Tamil Nadu 4. Pitchairaj, S/o Seenivas Naickkar, residing at Sankarankovil Town & Taluk, Tirunelveli District, Tamil Nadu 5. Thangavel Asari, S/o Eswaramoorthi Asari, residing at Pugaivandi Nialai Street, Srivakundam Town & Taluk, Tuticorin, Tamil Nadu	Prabir Si, S/o Chandra Mohan Si Represented by Jagadish Chandra Dhal, S/o Santosh Kumar Dhal	Agricultural land at Paraikuttam Village, Ottapidaram Taluk, Thoothukudi District, Tamil Nadu (Survey Nos. 10/1, 26/3, 31/3, 36/1, 39/3, 2/3, 3/3, 30/3, 36/2, 21/1, 52/1, and 280/1 ad-measuring 35.55 acres)	Rs. 2,87,520/- (Consideration paid. Receipt is present.)	Yes



**न्यायमूर्ति (सेवानिवृत्त) आर.एम. लोढा समिति
Justice (Retd.) R. M. Lodha Committee
(पीएसीएल लि. के मामले से संबंधित / in the matter of PACL Ltd.)**

संदर्भ सं. जेआरएमएलसी/पीएसीएल/
Ref. No. JRMLC/PACL/

*Order on the Objection filed by V. Radhakrishnan
SEBI/PACL/RO/BKM/RD-3/ORD/3/2026*

Document Details	Seller	Buyer	Property Description	Consideration	Registration
	6. Ayyavoo Naickkar, S/o Bommaiya Naickkar, residing at Paraikuttam Village, Ottapidaram Taluk, Thoothukudi District, Tamil Nadu (all represented by J Essakimuthu, S/o Mr. Jacob who was in turn authorized by Sukhdev Singh, Power Agent of the vendors vide the GPAs dated 08.07.2005 and 13.08.2005)				
MR. No. 14622/16 Registered Sale Deed dated February 14, 2007 (*also present in MR No. 31406/16)	1. Ramakrishnasamy, S/o Alwarsamy Naickker, Residing at Shanmugapuram, Melapandiapuram Vill., Ottapidaram Taluk, Thoothukudi District, Tamil Nadu 2. Valliammal, W/o Chelliah, Residing at K Thalaivapuram Village, Ottapidaram Taluk, Thoothukudi District, Tamil Nadu 3. Amaravathi, W/o Marimuthu, Residing at Nedungaraipatti Village, Pandalgudi Panchayat, Aruppukkottai Taluk, Virudhunagar, Tamil Nadu 4. Pitchairaj, S/o Seenivasa Naickkar, Residing at Sankarankovil Town & Taluk, Tirunelveli District, Tamil Nadu 5. Thangavel Asari, S/o Eswaramoorthi Asari, Residing at Pugaivandi Nialai Street, Srivaikundam Town & Taluk, Tuticorin, Tamil Nadu 6. Ayyavoo Naickkar, S/o Bommaiya Naickkar, Residing at Paraikuttam Village, Ottapidaram Taluk, Thoothukudi District, Tamil Nadu (all represented by J Essakimuthu, S/o Mr. Jacob who was in turn authorized by Sukhdev Singh, Power Agent of the vendors vide the GPAs dated 08.07.2005 and 13.08.2005)	Prabir Si, S/o Chandra Mohan Si Represented by Jagadish Chandra Dhal, S/o Santosh Kumar Dhal	Agricultural land at Paraikuttam Village, Ottapidaram Taluk, Thoothukudi District, Tamil Nadu (Survey Nos. 10/1, 26/3, 31/3, 36/1, 39/3, 2/3, 3/3, 30/3, 36/2, 21/1, 52/1, and 280/1 ad-measuring 35.55 acres)	Rs. 2,87,520/- (Consideration paid. Receipt is present.)	Yes

न्यायमूर्ति (सेवानिवृत्त) आर.एम. लोढा समिति
Justice (Retd.) R. M. Lodha Committee
(पीएसीएल लि. के मामले से संबंधित / in the matter of PACL Ltd.)

संदर्भ सं. जेआरएमएलसी/पीएसीएल/

Ref. No. JRMLC/PACL/

*Order on the Objection filed by V. Radhakrishnan
SEBI/PACL/RO/BKM/RD-3/ORD/3/2026*

Document Details	Seller	Buyer	Property Description	Consideration	Registration
MR. No. 28013/16 Registered ATS dated December 19, 2012	<p>1. Sarat Chandra Si, S/o Keshab Si, residing at Samapura, Deuli Grama Panchayat, Chandua, Mayurbhanj, Orissa</p> <p>2. Prabir Si, S/o Chandra Mohan Si, residing at Singada, Baghada Grama Panchayat, Suliapada, Mayurbhanj, Orissa (both represented by GPA Gurunathan, S/o Perumalsamy, Thiruvalluvar Main Street, Mullai Nagar, Madurai, Tamil Nadu)</p>	GGS Homes Builders Pvt Ltd., Punjab, represented by S Muthamil Kannan, Anna Nagar, Pettai, Tirunelveli, Tamil Nadu	Agricultural land in Paraikuttam Village, Ottapidaram Taluk, Tuticorin District, Tamil Nadu (Survey Numbers: 189/6, 216/3, 289/1C, 173/7, 149/2C, 155/8, 254/1, 155/3B, 191/4, 210/5, 149/3, 192/2, 195/2, 237/1, 255/3C, 255/6B, 10/1, 26/3, 31/3, 36/1, 39/3, 2/3, 3/3, 30/3, 36/2, 21/1, 52/1, 280/1 ad-measuring 72.17 acres)	Rs. 6,42,060/- (Consideration received)	Yes
MR. No. 28014/16 Registered ATS dated December 19, 2012	<p>1. Kamal Bhanja, S/o Prathap Bhanja, residing at Singada, Baghada Grama Panchayat, Suliapada, Mayurbhanja, Orissa.</p> <p>2. Sujit Sethi, S/o Rabindra Sethi, residing at Singida, Baghada Grama Panchayat, Suliapada, Mayurbhanja, Orissa.</p> <p>3. Durgacharan Das, S/o Hadibandhu Das, residing at Dumuri, Uphalagadia Grama Panchayat, Suliapada, Mayurbhanj, Orissa (all represented by GPA Gurunathan, S/o Perumalsamy)</p>	GTB Colonisors Pvt. Ltd., Punjab represented by S Muthamil Kannan, Anna Nagar, Pettai, Tirunelveli, Tamil Nadu	Agricultural land in Paraikuttam Village, Ottapidaram Taluk, Tuticorin District, Tamil Nadu (Survey Numbers: 21/4, 28/2, 3/4, 67/3, 91/2, 16/1, 98/1, 98/4B, 91/3, 91/4, 263, 266/1, 287/1, 287/2, 170/4, 277/4A, 274/1, 274/2, 191/3, 265/1C, 265/1B, 188/4, 191/1, 245/1B, 280/3A, 282/2, 230/1, 219/3 ad-measuring 92.36 acres)	Rs. 9,06,550/- (Consideration received)	Yes
MR. No. 34189/16 Registered GPA dated February 2, 2005	<p>1. Guruvammal, W/o Devaraj, residing at Paraikuttam Village, Ottapidaram Taluk, Thoothukudi District, Tamil Nadu</p> <p>2. Rejina alias Venkidalakshmi, W/o Ramasubbu, residing at Lakshmipuram, K Shanmugapuram, Ottapidaram Taluk, Thoothukudi District, Tamil Nadu</p> <p>3. Renganathan, S/o Seenivenkidachala Perumal, residing at Kasilingapuram, Singathakuruchi, Tuticorin, Tamil Nadu</p> <p>4. Prabakaran, S/o Seenivenkidachala Perumal residing at Lakshmipuram, K Shanmugapuram, Ottapidaram Taluk, Thoothukudi District, Tamil Nadu</p>	Tarlochan Singh, Director, PACL	Agricultural land in Paraikuttam Village, Ottapidaram Taluk, Thoothukudi District, Tamil Nadu (Survey No. 21/4, Area: 3.73 acres)	--	Yes



पता (केवल पत्राचार हेतु) / Address for correspondence only:

सेबी भवन, प्लॉट सं. सी4-ए, 'जी' ब्लॉक, बांद्रा कुर्ला कॉम्प्लेक्स, बांद्रा (पूर्व), मुंबई - 400051

SEBI Bhavan, BKC, Plot No. C4-A, 'G' Block, Bandra-Kurla Complex, Bandra (East), Mumbai - 400051

न्यायमूर्ति (सेवानिवृत्त) आर.एम. लोढा समिति
Justice (Retd.) R. M. Lodha Committee
(पीएसीएल लि. के मामले से संबंधित / in the matter of PACL Ltd.)

संदर्भ सं. जेआरएमएलसी/पीएसीएल/

Ref. No. JRMLC/PACL/

*Order on the Objection filed by V. Radhakrishnan
SEBI/PACL/RO/BKM/RD-3/ORD/3/2026*

Document Details	Seller	Buyer	Property Description	Consideration	Registration
MR. No. 34189/16 ATS dated February 28, 2004	1.Guruvammal, W/o Devaraj, residing at Paraikuttam Village, Ottapidaram Taluk, Thoothukudi District, Tamil Nadu 2.Rejina alias Venkidalakshmi, W/o Ramasubbu, residing at Lakshmipuram, K Shanmugapuram, Ottapidaram Taluk, Thoothukudi District, Tamil Nadu 3.Renganathan, S/o Seenivenkidachala Perumal, residing at Kasilingapuram, Singathakuruchi, Tutticorin, Tamil Nadu 4.Prabakaran, S/o Seenivenkidachala Perumal residing at Lakshmipuram, K Shanmugapuram, Ottapidaram Taluk, Thoothukudi District, Tamil Nadu	PACL India Ltd., represented by Rajeev Kumar Mishra	Agricultural land in Paraikuttam Village, Ottapidaram Taluk, Thoothukudi District, Tamil Nadu (Survey No. 21/4, Area: 3.73 acres)	Rs. 1,12,497/- (Part paid Rs. 30,000/-, Rs. 82,497/- balance paid and payment receipt is present)	No

19. As shown in the chain of title emerging from the documents seized under the aforementioned MR Nos., the impugned property was part of a larger plot of land in Paraikuttam Village, Ottapidaram Taluk. A series of GPAs and ATS was executed in 2004 and 2005 involving groups of landowners and PACL India Ltd. During this time, in respect of survey nos. 10/1, 26/3, 31/3, 36/1, 39/3, 2/3, 3/3, 30/3, 36/2, 21/1, 52/1, and 280/1 one group of owners—specifically, Ramakrishnasamy, Valliammal, Pitchairaj, Thangavel Asari, and Ayyavoo Naickkar, represented by J Essakimuthu, S/o Mr. Jacob who was in turn authorized by Sukhdev Singh, Power Agent of the vendors vide the GPAs dated 08.07.2005 and 13.08.2005—entered into GPAs with PACL agents and Agreements to Sell (ATS) with PACL India Ltd, which was represented by individuals such as Lalit Sharma and Rajeev Kumar Mishra. This group of landowners (represented by J Essakimuthu) executed a Sale Deed dated 14.02.2007 in favour of Prabir Si (resident of Orissa, represented by Jagdish Chandra Dhal). It is noteworthy that the Prabir Si, the purchaser, is not a resident of Thoothukudi, Tamil Nadu.

20. The other group of landowners—specifically, Guruvammal, Rejina alias Venkidalakshmi, Renganathan, Prabakaran—executed GPA with Tarlochan Singh, and



**न्यायमूर्ति (सेवानिवृत्त) आर.एम. लोढा समिति
Justice (Retd.) R. M. Lodha Committee
(पीएसीएल लि. के मामले से संबंधित / in the matter of PACL Ltd.)**

संदर्भ सं. जेआरएमएलसी/पीएसीएल/
Ref. No. JRMLC/PACL/

*Order on the Objection filed by V. Radhakrishnan
SEBI/PACL/RO/BKM/RD-3/ORD/3/2026*

also executed Agreement to Sell (ATS) with PACL India Ltd represented by Rajeev Kumar Mishra during 2004 and 2005, in respect of Survey No. 21/4 ad measuring 3.73 acres. These agreements covered the survey nos. in the impugned property. Therefore, it can be concluded that by executing these legal instruments, the said landowners granted authority to PACL and its agents, to control and manage the impugned property and the larger plot whereof.

21. As noted above, on February 14, 2007, a Registered Sale Deed was executed to transfer the title of these lands to a private individual named Prabir Si, who was one of the many agents of PACL through whom PACL operated its scheme. On February 14, 2007, the landowners—Ramakrishnasamy, Valliammal, Amaravathi, Pitchairaj, Thangavel Asari, and Ayyavoo Naickkar—were represented by a single agent, J. Essakimuthu, who was in turn authorized by Sukhdev Singh, the power agent of these vendors. They collectively sold the land in survey nos. 10/1, 26/3, 31/3, 36/1, 39/3, 2/3, 3/3, 30/3, 36/2, 21/1, 52/1, and 280/1, in Paraikuttam Village, measuring 35.55 acres to Prabir Si, a resident of Orissa, who was himself represented by Jagdish Chandra Dhal, also based in Orissa. The activity of PACL was undertaken through numerous such agents and this was PACL's *modus operandi* in respect of its properties across the country, as highlighted by SEBI's order dated 22.08.2014. Thus, Prabir Si, though not himself a resident of Tamil Nadu, operated on behalf of PACL to purchase the said property located in Tamil Nadu, from the local landowners. The function of Prabir Si was to be a nominal holder of the property on behalf of PACL, and thereby PACL could hold such vast lands in various states without violating land ceiling laws in force across the country such as Tamil Nadu Land Reforms (Fixation of Ceiling on Land) Act, 1961.

Subsequently, vide two Registered Agreements to Sell, the land was sold to corporate entities based in Punjab. First, Prabir Si and Sarat Chandra Si, both residents of Orissa (both represented by GPA Gurunathan) agreed to sell 72.17 acres—which included the



पता (केवल पत्राचार हेतु) / Address for correspondence only:

सेबी भवन, प्लॉट सं. सी4-ए, 'जी' ब्लॉक, बांद्रा कुर्ला कॉम्प्लेक्स, बांद्रा (पूर्व), मुंबई - 400051
SEBI Bhavan, BKC, Plot No. C4-A, 'G' Block, Bandra-Kurla Complex, Bandra (East), Mumbai - 400051

न्यायमूर्ति (सेवानिवृत्त) आर.एम. लोढा समिति
Justice (Retd.) R. M. Lodha Committee
(पीएसीएल लि. के मामले से संबंधित / in the matter of PACL Ltd.)

संदर्भ सं. जेआरएलसी/पीएसीएल/
Ref. No. JRMLC/PACL/

Order on the Objection filed by V. Radhakrishnan
SEBI/PACL/RO/BKM/RD-3/ORD/3/2026

lands purchased by Prabir Si in 2007 (i.e. inclusive of survey nos. 10/1 and 26/3 of impugned property and other lands)—to GGS Homes Builders Pvt Ltd, represented by S. Muthamil Kannan, for an astonishingly minimal consideration of Rs. 6,42,060/-. Simultaneously, another group of sellers, including Kamal Bhanja, Sujit Sethi, and Durgacharan Das, entered into a registered agreement to sell 92.36 acres to GTB Colonisors Pvt Ltd. This second transaction included Survey No. 21/4 of the impugned property, which had originally been tied to Guruvammal & Ors. and the 2005 GPA executed by them in favour of Tarlochan Singh. Both GTB Colonisors Pvt Ltd. and GGS Homes Builders Pvt Ltd. are PACL group entities. Thus, the impugned property along with other parcels of land in Paraikuttam Village, Ottapidaram Taluk, Tuticorin District, Tamil Nadu were brought under PACL's control.

23. It was submitted by the objector that he is a bona fide purchaser for value without notice that the property belonged to PACL and that the vendors were owners of the property as per the land records. The Objector has relied upon Sale Deed No. 287/2007 dated 14.02.2007 which was also seized by CBI under MR No. 31406/16 in support of the objection. It is mentioned in the recitals of the aforementioned Sale Deed 287/2007 that the 6 vendors therein had executed GPAs dated 13.08.2005, 08.07.2005 and thereby constituted Sukhdev Singh (who was a director of PACL as per SEBI's Order dated 22.08.2014) as their power agent for the purpose of selling the impugned land and receiving sale consideration on their behalf. Further, we also note that the Objector has relied upon Sale Deed No. 282/2007 dated 14.02.2007 wherein the recitals of the deed state that the 19 vendors had constituted Tarlochan Singh (who was a director of PACL as per SEBI's Order dated 22.08.2014) as their power agent for the purpose of selling the impugned land. Thus, we note that the Objector had noticed that the impugned land had been in prior possession of persons associated with or employed as agents of PACL. In this regard, reference can also be made to the Order dated 22.08.2014 passed by SEBI wherein it has been observed as under:

न्यायमूर्ति (सेवानिवृत्त) आर.एम. लोढा समिति
Justice (Retd.) R. M. Lodha Committee
(पीएसीएल लि. के मामले से संबंधित / in the matter of PACL Ltd.)

संदर्भ सं. जेआरएमएलसी/पीएसीएल/
Ref. No. JRMLC/PACL/

Order on the Objection filed by V. Radhakrishnan
SEBI/PACL/RO/BKM/RD-3/ORD/3/2026

“At this stage, I note from the details submitted during the course of investigation that PACL had mobilized funds from its customers to the tune of Rs 44,736 crores till March 31, 2012. Further by its own admission, it has collected Rs 4364,78,08,345 from 39,97,357 customers during the period of February 26, 2013 to June 15, 2014. The total amount mobilized comes to a whooping Rs. 49,100 crore. This figure could have been even more if PACL would have provided the details of the funds mobilized during the period of April 01, 2012 to February 25, 2013. The collection of such huge finds suggests that PACL has many more customers than the stated 1.22 crore. In this regard, I also refer to the proposal of PACL and its directors as forwarded to SEBI through their advocates and note that it has 4,63,13,342 customers to whom the land has not yet been allotted. Thus, a quick calculation of the total number of the customer of PACL comes to around 5.85 crore which includes the customers who said to have been allotted land and who are yet to be allotted the land. ... (at pp. 71-72)

“...From the above, it is noted that PACL has very limited stock of lands in its name and that most of the lands are held through General Power of Attorney/through Agreement to Sale/through associate companies. PACL in its reply has informed that the said associate companies are controlled by its friends and nears and dears of the management of PACL. I observe that PACL enters into an MOU with the associate companies for the purchase of land. The MoU inter-alia, states that as PACL is unable to purchase the land in its own name beyond certain limits due to the land laws and other applicable laws of the land in different States of the country, PACL has nominated the associate company to purchase the land for PACL and get the sale deed executed in the name of associate company.. (at p. 80)

...
PACL uses agents to carry out its business. Depending on the years of experience, the agents are entitled to various designations. The agent in turn engages field associates who interact with the potential customers and explain the plans for purchase of land. As the business of PACL is propelled through word-of-mouth, it is important to incentivize the agents and field associates appropriately by way of commission. In the process, PACL often makes payment to the field associates directly as per the understanding with the agent in order to ensure that the field associates are not deprived of their commission, after deducting the requisite amount from the commission paid to the relevant agents. The large amount of commission, reflected in the balance sheet not only constitutes the commissions paid to the agents/field associates, but also other commissions paid in relation to the procurement of the land by PACL and sale



न्यायमूर्ति (सेवानिवृत्त) आर.एम. लोढा समिति
Justice (Retd.) R. M. Lodha Committee
(पीएसीएल लि. के मामले से संबंधित / in the matter of PACL Ltd.)

संदर्भ सं. जेआरएमएलसी/पीएसीएल/
Ref. No. JRMLC/PACL/

Order on the Objection filed by V. Radhakrishnan
SEBI/PACL/RO/BKM/RD-3/ORD/3/2026

of spaces in residential and commercial projects developed by PACL in the ordinary course of business.”

24. From the foregoing, we find that multiple ATS, GPAs and Sale Deeds were seized by CBI wherein vendors had authorized PACL, or its agents/directors/associate companies to deal in the impugned property. Further, title documents relied on by the Objector also show that the vendors in these documents were agents of PACL. As noted in the aforementioned SEBI order, these agents were transacting in the impugned property on behalf of PACL, as PACL was unable to own lands in its own name beyond certain limits due to the land laws of the country. Thus, we find that the impugned property, like so many other properties owned by PACL Ltd., was purchased by PACL Ltd. out of the funds collected from its investors.

25. The Objector has contended that he had purchased the impugned land through the registered sale deeds. Regarding registered documents, the Hon'ble Supreme Court has held that there is a presumption that a registered document is validly executed¹. A registered document, therefore, *prima facie* would be valid in law. The onus of proof, thus, would be on a person who leads evidence to rebut the presumption. Thus, registration of document, which is required by law to be registered, is *prima facie* evidence of its valid execution, however, whether such document satisfies other requirements of law or not, can always be tested. In this regard, reference may also be made to Section 4 of the Transfer of Property Act, 1882 (“TPA”) which provides as under:

“4. Enactments relating to contracts to be taken as part of Contract Act and supplemental to the Registration Act. —

The chapters and sections of this Act which relate to contracts shall be taken as part of the Indian Contract Act, 1872 (9 of 1872).

¹ *Prem Singh & Ors vs Birbal & Ors*, 2006 (5) SCC 353.

न्यायमूर्ति (सेवानिवृत्त) आर.एम. लोढा समिति
Justice (Retd.) R. M. Lodha Committee
(पीएसीएल लि. के मामले से संबंधित / in the matter of PACL Ltd.)

संदर्भ सं. जेआरएमएलसी/पीएसीएल/
Ref. No. JRMLC/PACL/

Order on the Objection filed by V. Radhakrishnan
SEBI/PACL/RO/BKM/RD-3/ORD/3/2026

And sections 54, paragraphs 2 and 3, 59, 107 and 123 shall be read as supplemental to the Indian Registration Act, 1908 (16 of 1908)."

26. In view of Section 4 of the TPA, any sale deed of immovable property being a contract for sale of immovable property, is also required to comply with the requirements of Section 10 of Indian Contract Act, 1872 ("ICA") which provides as under:

"10. What agreements are contracts. — All agreements are contracts if they are made by the free consent of parties competent to contract, for a lawful consideration and with a lawful object, and are not hereby expressly declared to be void.

Nothing herein contained shall affect any law in force in India and not hereby expressly repealed by which any contract is required to be made in writing or in the presence of witnesses, or any law relating to the registration of documents."

27. Section 10 of ICA, provides as to when an agreement becomes contract and consequently, an agreement enforceable by law [as per Section 2(h) of ICA]. As per Part I of Section 10 of ICA, free consent of parties, competency of parties, lawful consideration, lawful object and not expressly declared void by contract Act, are the requirements which makes an agreement a contract. Regarding compliance with Section 10, in case of sale deeds relied upon by the Objector, it is noted that no details of payment made by the Objector have been captured, nor any such details have been provided with the objection petitions, in the form of bank statements, etc. All the sale deeds relied upon by the Objector, merely, mention that consideration has been paid in cash by the Objector to the vendors/transferors. Further, during the various hearings, on being asked about the details of the consideration paid for the purchase of the aforesaid land parcels, it was submitted by the authorised representative of the Objector that the consideration was paid in cash by the Objector. Besides, no other proof of payment of consideration viz.: receipt issued by the respective vendors/transferors towards payment of consideration, bank account statements of the Objector from where moneys were



न्यायमूर्ति (सेवानिवृत्त) आर.एम. लोढा समिति
Justice (Retd.) R. M. Lodha Committee
(पीएसीएल लि. के मामले से संबंधित / in the matter of PACL Ltd.)

संदर्भ सं. जेआरएलसी/पीएसीएल/
Ref. No. JRMLC/PACL/

Order on the Objection filed by V. Radhakrishnan
SEBI/PACL/RO/BKM/RD-3/ORD-3/2026

withdrawn for payment, etc., have been submitted to substantiate the claim of payment of money. This gives rise to an inference that no such consideration was at all paid by the Objector and the statement about payment of consideration is just mentioned as formality to extend legitimacy to such sale deeds. In terms of Section 25 of ICA, an agreement without consideration is expressly declared as void. Therefore, such sale deeds are not in conformity with Section 10, and consequently these sale deeds are void under Section 25 of ICA. Further, in the sale deeds, on the basis of which title to the property is claimed by the Objector have been entered into after the date of passing of SEBI order on 22.08.2014 and Hon'ble Supreme Court's order dated 02.02.2016 and 25.07.2016 in the matter of *Subrata Bhattacharya vs. SEBI (Supra)*, which prohibited PACL Ltd. from disposing of its assets. Thus, the vendors/transferors with whom Objector has entered into Sale Deed dated 11.05.2018, being implied agents of PACL Ltd., were disqualified to enter into any such sale deeds relating to properties of PACL Ltd., after passing of aforesaid orders dated 22.08.2014 by SEBI and the Hon'ble Supreme Court. In terms of Section 11 of ICA, such disqualified persons are not competent to contract, as required under Section 10 of ICA, for creating an enforceable agreement.

28. If an agreement is not in conformity with Section 10 of ICA, it does not become contract and is thus not enforceable by law. Accordingly, sale deeds relied upon by the Objector may be registered which is one of the requirement (read with Section 54 of TPA) for making an agreement as contract, however, due to non-fulfilment of other requirements viz: presence of consideration and competence of parties, such sale deeds remain agreement, not enforceable by law. Therefore, such sale deeds cannot sustain the claim made by the Objector.

29. Viewed from another angle, assuming without admitting, that vendors/transferors being agent of the PACL Ltd. had sold the impugned land parcel to the Objector with the



न्यायमूर्ति (सेवानिवृत्त) आर.एम. लोढा समिति
Justice (Retd.) R. M. Lodha Committee
(पीएसीएल लि. के मामले से संबंधित / in the matter of PACL Ltd.)

संदर्भ सं. जेआरएमएलसी/पीएसीएल/
Ref. No. JRMLC/PACL/

*Order on the Objection filed by V. Radhakrishnan
SEBI/PACL/RO/BKM/RD-3/ORD/3/2026*

authority of the PACL Ltd., then it is noted that there was an implied agency between vendors/transferors and PACL Ltd., for the purposes of sale and purchase of land in the state of Tamil Nadu. In terms of Section 188 of ICA, authority of an agent extends to do all lawful acts. Such, implied agency came to an end when the principal i.e. PACL Ltd. itself ceased to be competent to transfer its assets by virtue of directions given in the order dated 22.08.2014 of SEBI. Therefore, vendors/transferors were incompetent to transfer the impugned property in favour of Objector after 22.08.2014, even with the full authority/consent of PACL Ltd. because as on that date PACL Ltd. itself had ceased to possess any such authority by virtue of SEB1's order dated 22.08.2014.

30. The Objector has invoked the protection of Section 41 of the Transfer of Property Act, 1882, claiming to be a *bona fide* purchaser for value without notice. In this regard, we find it pertinent to refer to Section 41 of Transfer of Property Act, 1882 ('TPA') which reads as under:

"Section 41. Transfer by ostensible owner.

Where, with the consent, express or implied, of the persons interested in immoveable property, a person is the ostensible owner of such property and transfers the same for consideration, the transfer shall not be violable on the ground that the transferor was not authorised to make it:

Provided that the transferee, after taking reasonable care to ascertain that the transferor had power to make the transfer, has acted in good faith."

31. As the documents pertaining to the title of Prabir Si and Kamal Bhanja have been seized by CBI from the possession of PACL Ltd., therefore there is a presumption that the impugned land belonged to PACL Ltd. and said Prabir and Kamal were holding the impugned land on behalf of PACL Ltd. Thus, PACL was the real owner of the impugned land, while Prabir Si and Kamal Bhanja were ostensible owners who were holding the land on behalf of PACL. The protective umbrella of Section 41 extends to a transfer made by the ostensible owner, only if such transfer satisfies the tests of "reasonable



न्यायमूर्ति (सेवानिवृत्त) आर.एम. लोढा समिति
Justice (Retd.) R. M. Lodha Committee
(पीएसीएल लि. के मामले से संबंधित / in the matter of PACL Ltd.)

संदर्भ सं. जेआरएमएलसी/पीएसीएल/
Ref. No. JRMLC/PACL/

Order on the Objection filed by V. Radhakrishnan
SEBI/PACL/RO/BKM/RD-3/ORD/3/2026

care" and "good faith" of the transferee, as required under the proviso to Section 41. In terms of said proviso, transferee should have acted in good faith and taken reasonable care to ascertain that the transferor had authority to make the transfer, in order to take benefit of Section 41. The proviso to Section 41 places a strict burden on the transferee to prove they took "reasonable care" to ascertain the transferor's power to transfer.

32. Viewed from another angle, in terms of order dated 02.02.2016 passed by the Hon'ble Supreme Court, the Committee has been authorised for selling the properties of PACL Ltd. and for making refund to its investors. Thus, the prohibition created by Section 41 on questioning the authority of ostensible owner by the real owner, does not apply to the Committee and the Committee in discharge of its mandate given to it by the Hon'ble Supreme Court, can always question the authority of the ostensible owner in making transfer and bonafides of the transferee, without being bound by or without any reference to, Section 41.

33. Assuming without admitting that transfer made by the vendors/transferors (agents of PACL Ltd.) in favour of Objector attracts Section 41 and thus prohibits even the Committee, even then under Section 41 itself, a transfer made by the ostensible owner, in order to attract Section 41, has to satisfy the tests of "reasonable care" and "good faith" of the transferee, required under the proviso to Section 41. In terms of said proviso, transferee should have acted in good faith and taken reasonable care to ascertain that the transferor had authority to make the transfer, in order to take benefit of Section 41. To demonstrate that the Objector had acted in good faith by taking reasonable care to ascertain authority of the transferors to make the transfers, the Objector has submitted that they had verified the land records which showed vendors/transferors as the owners of the property. Verifying the land records is one of the measures to ascertain the title of the transferor. In case of an ostensible owner, it is but obvious that the property would reflect in the name of the ostensible owner in land records. However, if the



न्यायमूर्ति (सेवानिवृत्त) आर.एम. लोढा समिति
Justice (Retd.) R. M. Lodha Committee
(पीएसीएल लि. के मामले से संबंधित / in the matter of PACL Ltd.)

संदर्भ सं. जेआरएमएलसी/पीएसीएल/
Ref. No. JRMLC/PACL/

*Order on the Objection filed by V. Radhakrishnan
SEBI/PACL/RO/BKM/RD-3/ORD/3/2026*

circumstances of the case demands, which, as explained later, in this case were, then the transferee is required to show that he made further inquiries to demonstrate reasonable care and good faith required under the proviso to Section 41.

34. Here, as is evident from the Sale Deed dated 11.05.2018 and the title documents of the Objector's predecessors-in-title through which the Objector is claiming title to the impugned property, the previous owners of the impugned property had authorised PACL agents to execute deed of conveyance in the impugned land. In the instant case, the Objector has relied upon the parent title documents, specifically Sale Deed No. 287/2007 and Sale Deed No. 282/2007. A cursory perusal of the recitals in Sale Deed No. 287/2007 reveals that the vendors had constituted Sukhdev Singh, a resident of Punjab, as their power agent while the property was situated in Tamil Nadu. Similarly, Sale Deed No. 282/2007 explicitly records that the vendors constituted Tarlochan Singh, a resident of Punjab, as their power agent. Tarlochan Singh and Sukhdev Singh further authorised their agents, Tathagata Lahiri and J. Essakimuthu to control and manage the impugned property. Therefore, it can be concluded that by executing these legal instruments, the said landowners granted authority to PACL and its agents, to control and manage the impugned property. Tathagata Lahiri and J. Essakimuthu signed the Sale Deeds Nos. 282 and 287 dated 14.02.2007 in favour of the vendors/transferors—Prabir Si and Kamal Bhanja, both represented by Jagadish Chandra Dhal, who were residents of Orissa. Thus, the executants of Sale Deed No. 287/2007 and Sale Deed No. 282/2007 were not residents of Thoothukudi, Tamil Nadu. Subsequently, the said Prabir Si and Kamal Bhanja executed Sale Deeds dated 26.03.2014 and 23.04.2014 through their power agent, Magesh in favour of B. Mariappan and N Jai Kumar, from whom the Objector had subsequently purchased the impugned property on 11.05.2018. These circumstances were very unusual.



lws

U

1

**न्यायमूर्ति (सेवानिवृत्त) आर.एम. लोढा समिति
Justice (Retd.) R. M. Lodha Committee
(पीएसीएल लि. के मामले से संबंधित / in the matter of PACL Ltd.)**

संदर्भ सं. जेआरएमएलसी/पीएसीएल/
Ref. No. JRMLC/PACL/

*Order on the Objection filed by V. Radhakrishnan
SEBI/PACL/RO/BKM/RD-3/ORD/3/2026*

35. Further, as noted from the seized documents under the aforementioned MR Nos., in 2012, the impugned property alongwith other lands amounting to 164.53 acres were agreed to be sold by Kamal Bhanja and Prabir Si under registered ATS documents dated 19.12.2012 in favour of associate entities of PACL, viz. GGS Homes Builders Pvt Ltd., Punjab, and GTB Colonisors Pvt. Ltd., Punjab. As per the said registered ATS documents, the said vast property was agreed to be sold to these associate entities of PACL for a paltry amount of Rs. 15,48,610/- which was far lower than the prevailing guideline rate whereby the survey nos. 10/1, 26/3, and 21/4 were valued at Rs. 49,32,694. Thus, Kamal Bhanja and Prabir Si had undervalued the impugned property in the said registered ATS.

36. AR has submitted that state registration department's registration of the sale deed and collection of required stamp duty on the stated market value proves that the recorded consideration in the Sale Deed No. 881/2018 dated 11.05.2018 was not undervalued. In this regard, on a perusal of the Sale Deed No. 881/2018 dated 11.05.2018, it is observed that the impugned property was sold by B. Mariappan and N. Jaikumar to the Objector for Rs. 1,98,000/-. The statement of market value annexed to the aforesaid Sale Deed states that the market value of the impugned property is Rs. 39,31,880/- but as stated in the covenants of the Sale Deed, the Objector purchased the impugned property for only Rs. 1,98,000/-. The prior purchases by B. Mariappan and N. Jaikumar, from Kamal Bhanja and Prabir Si, vide Sale Deeds dated 26.03.2014 and 23.04.2014 were at Rs. 15,66,160/- and Rs. 7,60,940/- which were below the prevailing guideline rate of Rs. 49,32,694. Further, as per the state government's prevailing guideline rate in 2018 concerning the impugned property, the property was valued at Rs. 29,49,000. Thus, the Objector purchased the impugned property at a price which was lower than the stated market value as well as the state government's guideline rate. Thus, the aforesaid vendors and the Objector had purchased the property at an undervalued price. Further, as per the covenants of the said sale deed produced by Objector, the consideration was



न्यायमूर्ति (सेवानिवृत्त) आर.एम. लोढा समिति
Justice (Retd.) R. M. Lodha Committee
(पीएसीएल लि. के मामले से संबंधित / in the matter of PACL Ltd.)

संदर्भ सं. जेआरएमएलसी/पीएसीएल/
Ref. No. JRMLC/PACL/

Order on the Objection filed by V. Radhakrishnan
SEBI/PACL/RO/BKM/RD-3/ORD/3/2026

paid in cash. No receipt or memo of consideration is produced by the Objector as proof of payment of consideration.

37. These facts should have raised apprehension in the mind of any ordinary person regarding the authority of the vendors/transferors to transfer the property and to call for initiation of further inquiry, viz: why the impugned land was sold to the vendors/transferors at a price below the state government's guideline rate, why the prior vendors/transferors in 2007 constituted Sukhdev Singh and Tarlochan Singh (who were not even present in Tamil Nadu) as their power agents who then executed subsequent sale deed through another power agent appointed by them, why these power agents executed conveyance in favour of persons based in Orissa who were not even present during execution of the sale deed and instead acted through their power agent (also based in Orissa), why Kamal Bhanja and Prabir Si entered into Registered ATS in respect of the impugned property in favour of associate entities of PACL at a price below the state's guideline rate, etc.

38. Despite the suspicious modus operandi of the Objector's predecessors-in-title, The Objector has failed to produce anything to show that further inquiry was made by him in the present case. Absence of any such further inquiry shows that the Objector was aware that the vendors/transferors were holding the property on behalf of PACL Ltd. who were holding this property on behalf of its investors. These facts cast aspersions regarding the presence of good faith and exercise of reasonable care, as required in terms of proviso to Section 41.

39. All these facts also go on to suggest that these transfers were not in the normal course and were not genuine. It further shows that Objector was least bothered about the chain of title documents of vendors/transferors, at the time of purchasing property, as Objector were fully aware that these properties were held by PACL Ltd. in the name of its benamidars and knowing so they purchased these properties from these benamidars, thus, pointing to the bad faith of the Objector. These facts further suggest that Objector



न्यायमूर्ति (सेवानिवृत्त) आर.एम. लोढा समिति
Justice (Retd.) R. M. Lodha Committee
(पीएसीएल लि. के मामले से संबंधित / in the matter of PACL Ltd.)

संदर्भ सं. जेआरएमएलसी/पीएसीएल/
Ref. No. JRMLC/PACL/

Order on the Objection filed by V. Radhakrishnan
SEBI/PACL/RO/BKM/RD-3/ORD/3/2026

was hand in glove with PACL Ltd. and its agents, and by these transfers appropriated properties of PACL Ltd. which belonged to its investors, and which stood attached *qua* orders passed by Hon'ble Supreme Court in *Subrata Bhattacharya vs. SEBI (Supra)*.

40. In the case of *Balwantbhai Somabhai Bhandari vs. Hiralal Somabhai Contractor (Deceased) Rep. by Lrs. & Ors* (Judgement dated 06.09.2023 in Civil Appeal No. 4955 of 2022), the Hon'ble Supreme Court has declared that it is a settled principle of law that any alienation of property made in defiance of an order of the Court confers no right, title or interest to the transferee, and the same is null and void in the eyes of law.² The Sale Deed No. 881/2018 on May 11, 2018 having been executed in violation of the orders of the Hon'ble Supreme court in *Subrata Bhattacharya vs. SEBI (Supra)* must be treated as non-existent. Therefore, the Sale Deed No. 881/2018 on May 11, 2018, having been executed in violation of the order dated July 25, 2016, confers no right, title or interest to the Objector and is null and void.

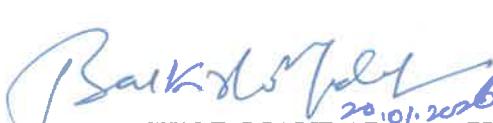
ORDER:

41. Given all the above, the objection raised by the Objector is liable to be disallowed and is accordingly disallowed.

Place: Mumbai

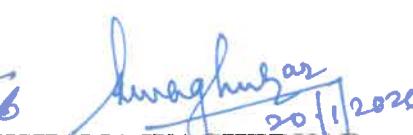
Date: January 20, 2026

For and on behalf of Justice (Retd.) R. M. Lodha
Committee (in the matter of PACL Ltd.)


BAL KISHOR MANDAL

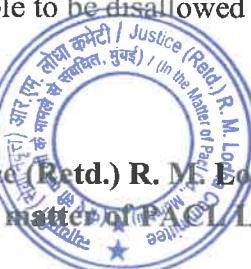
Recovery Officer

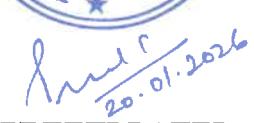
बाल किशोर मंडल / BAL KISHOR MANDAL
उप महाप्रबन्धक एवं वसूली अधिकारी
Deputy General Manager & Recovery Officer
न्यायमूर्ति (सेवानिवृत्त) आर.एम. लोढा कमेटी
Justice (Retd.) R. M. Lodha Committee
(पी.एसी.एल.सी.के.मामले से संबंधित, मुंबई) / (In the Matter of PACL Ltd. Mumbai)


KSHAMA WAGHERKAR

Recovery Officer

क्षमा प्र. वाघेरकर / KSHAMA P. WAGHERKAR
महाप्रबन्धक एवं वसूली अधिकारी
General Manager & Recovery Officer
न्यायमूर्ति (सेवानिवृत्त) आर.एम. लोढा कमेटी
Justice (Retd.) R. M. Lodha Committee
(पी.एसी.एल.सी.के.मामले से संबंधित, मुंबई) / (In the Matter of PACL Ltd. Mumbai)




PREETI PATEL
Recovery Officer

प्रीति पटेल / PREETI PATEL
उप महाप्रबन्धक एवं वसूली अधिकारी
Deputy General Manager & Recovery Officer
न्यायमूर्ति (सेवानिवृत्त) आर.एम. लोढा कमेटी
Justice (Retd.) R. M. Lodha Committee
(पी.एसी.एल.सी.के.मामले से संबंधित, मुंबई) / (In the Matter of PACL Ltd. Mumbai)

² 2023 INSC 805