

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 in respect of the objection filed by Mr. S. Subramanian
SEBI/PACL/OBJ/NS/00115/2024*

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/00115/2024
Name of the Objector(s)	Mr. S. Subramanian
MR No.	15441/16, 33294/16

Background:

1. Securities and Exchange Board of India (hereinafter referred to as "SEBI") on August 22, 2014 had passed an order against PACL Ltd., 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 August 12, 2015, with a direction to the appellants to refund the amounts collected from the investors within three months. Aggrieved by the order dated August 12, 2015 passed by the Hon'ble SAT, PACL Ltd. and its directors had filed appeals before the Hon'ble Supreme Court of India.
3. The Hon'ble Supreme Court did not grant any stay on the aforementioned impugned order dated August 12, 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

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 in respect of the objection filed by Mr. S. Subramanian
SEBI/PACL/OBJ/NS/00115/2024*

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 December 11, 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 December 11, 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 February 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.
6. Also, the Hon'ble Supreme Court vide its order dated July 25, 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.

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 in respect of the objection filed by Mr. S. Subramanian
SEBI/PACL/OBJ/NS/00115/2024

7. In the recovery proceedings mentioned in para 3 above, the Recovery Officer issued an attachment order dated September 07, 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 November 15, 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 April 30, 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 March 01, 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 April 30, 2019.
10. Vide order dated August 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:

.....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



[Signature]

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 in respect of the objection filed by Mr. S. Subramanian
SEBI/PACL/OBJ/NS/00115/2024*

*dispose them of as per the provisions contained under Section-28(A) of the SEBI
Act.....”*

11. In compliance with the aforesaid order dated August 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 Officers attached to the Committee.
12. Accordingly, the present objection with respect to the properties of PACL Ltd., are being heard and adjudicated upon by a Panel consisting of three Recovery Officers attached to the Committee.

Present Objection:

13. The instant objection has been filed by Mr. S. Subramanian s/o Mr. Somuthevar, residing at Door No. 14, Kamaraj Nagar, Naranammalpuram, Sankar Nagar, Thirunelveli Taluka, Thirunelveli District, Tamil Nadu (hereinafter referred to as the “Objector”), through Mr. M. P. Vasandharam and Mr. A. Sivanupandian, Advocates (hereinafter referred to as “Authorised Representative” or “AR”), objecting the attachment of land in Survey Nos. 726/1 admeasuring 0.80.0 Ares, 726/3A admeasuring 0.08.5 Ares, 726/3C admeasuring 01 Hec 0.05.5 Ares, 726/4A admeasuring 0.84.0 Ares, 726/4C admeasuring 0.50.0 Ares, 727/1A admeasuring 01 Hec 0.93.0 Ares, 727/1C admeasuring 0.50.0 Ares, 752/1 admeasuring 01 Hec 0.52.0 Ares, 757/2 admeasuring 01 Hec 0.39.0 Ares, all situated at Kattarimangalam Village, Sathankulam Taluk, Nazareth Sub Registration District, Palayamkottai Registration District, Tirunelveli District, Tamil Nadu (hereinafter referred as the “impugned properties”) covered in MR Nos. 15441/16 and 33294/16 by the Committee.



Ar.

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 in respect of the objection filed by Mr. S. Subramanian
SEBI/PACL/OBJ/NS/00115/2024*

14. It is the case of the Objector that the impugned property at Survey No. 757/2 originally formed ancestral property of Mr. V. Subramanian Nadar s/o Mr. Velkan Nadar, while the remaining impugned properties at Survey Nos. 726/1, 726/3A, 726/3C, 726/4A, 726/4C, 727/1A, 727/1C and 752/1 constituted the ancestral property of Mr. J. Parnaboss s/o Mr. Yesebu Nadar. On December 14, 2007, all the impugned properties were acquired by Mr. K. Thirunavukarasu - Survey No. 757/2 through Sale Deed bearing no. 1417/2007 executed by Mr. V. Subramanian Nadar, and the remaining impugned properties through two Sale Deeds bearing nos. 1412/2007 and 1418/2007 executed by Mr. J. Parnaboss. Subsequently, Mr. K. Thirunavukarasu conveyed the impugned properties to Dr. V. Pappa Rajendhiran by way of Sale Deed bearing no. 1124/2010 dated July 12, 2010. Thereafter, Dr. V. Pappa Rajendhiran sold it to the Objector by way of Sale Deed bearing no. 759/2013 dated May 20, 2013. Pursuant to the said transactions, the Objector became lawful and absolute owner of the impugned properties and has remained in uninterrupted possession and enjoyment thereof since the date of purchase. Patta No. 3256 issued in favor of the Objector has been placed on record for substantiating the claim of the Objector.

15. It is further submitted that in October 2022, when the Objector visited the Sub-Registrar Office, Nazareth for obtaining documents relating to another property, the Objector became aware of the attachment of the impugned properties. Consequently, the Objector has filed the present petition seeking release of the impugned properties from the attachment.

16. A hearing before the Panel of Recovery Officers attached to the Committee was granted to the Objector on November 13, 2025. On the said date, the AR appeared on behalf of the Objector and reiterated the submission made in the objection petition. During the hearing, the AR submitted that the objector had acquired the impugned properties through Sale Deed bearing no. 759/2013 for a sale consideration of Rs. 10,00,000/-, which was paid in cash. Relying upon PACL's reply filed before Mr. R.S. Virk, District Judge (Retd.), the AR argued that the documents reflected under the MR Nos., cited by PACL in support of

**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 in respect of the objection filed by Mr. S. Subramanian
SEBI/PACL/OBJ/NS/00115/2024*

its ownership claim, consists only of certain General Power of Attorney (GPA) and unregistered Agreements to Sell (ATS), neither of which conveys any title or ownership in immovable property. The AR further submitted that PACL has failed to produce any registered title document/sale deed in its favor, and therefore lacks any valid claim or right over the impugned properties. Since the Encumbrance Certificate (EC) submitted initially covered records only from year 1999 onwards, the AR was advised to submit EC records for the entire period i.e. from inception till date. A week's time was provided to make the additional submission. Pursuant to this, the AR, vide email dated November 20, 2025 forwarded additional reply along with the complete EC records and reiterated that the Objector has already furnished all title documents necessary to establish his title/ownership over the impugned properties. The AR also submitted that the GPA relied upon by PACL was executed before a different Sub-Registrar Office, and after its registration, the said document ought to have been forwarded to the concerned Sub-Registration Office viz., Nazareth, through a memo of re-registration as mandated under the Registration Act. PACL, however, failed to comply with his requirement. Additionally, it has been specifically reiterated that PACL's reliance on unregistered ATS does not transfer any title, and, moreover, does not attract the safeguard provided under Section 53-A of the Transfer of Property Act.

17. In order to further examine the present objection, the documents in the MR Nos. 15441/16 and 33294/16 seized by CBI from the possession of PACL Ltd. and thereafter, attached by the Committee were perused and the following was observed:

(i) MR No. 15441/16 consists of the following documents:

- GPA bearing no. 23/2000 dated March 31, 2000 executed by Mr. J. Parnabas in favor of Mr. Sandeep Chona in respect of various properties including the impugned properties excluding at Survey Nos. 726/1, 726/3A, 726/3C, 726/4A, 726/4C, 727/1A, 727/1C and 752/1.

**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 in respect of the objection filed by Mr. S. Subramanian
SEBI/PACL/OBJ/NS/00115/2024*

- ATS dated March 31, 2000 executed by Mr. Sandeep Chona in favor of M/s. PACL Ltd. in respect of impugned properties at Survey Nos. 726/1, 726/3A, 726/3C, 726/4A and 726/4C.
- ATS dated March 31, 2000 executed by Mr. Sandeep Chona in favor of M/s. PACL Ltd. in respect of impugned properties at Survey Nos. 727/1A, 727/1C and 752/1.

(ii) MR No. 33294/16 consists of the following documents:

- GPA bearing no. 148/2000 dated September 07, 2000 executed by Mr. Subramanian s/o Mr. Velkannu Nadar in favor of Mr. Vijay Teotia in respect of impugned property at Survey No. 757/2.
- Special Power of Attorney dated August 23, 2000 executed by Mr. Subramanian s/o Mr. Velkannu Nadar in favor of Mr. Vijay Teotia in respect of the impugned property at Survey No. 757/2.
- ATS dated September 07, 2000 executed by Mr. Subramanian s/o Mr. Velkannu Nadar in favor of M/s. PACL Ltd. in respect of the impugned property at Survey No. 757/2.

18. It is noted from above paragraphs that, the various GPAs executed in respect of the impugned properties were registered, whereas the corresponding ATS executed in favour of PACL India Ltd. remained unregistered. In this regards, it is pertinent to refer to Section 54 of Transfer of Property Act, 1882 (TPA), which defines a contract for sale of immoveable property as an agreement that sale of such property shall take place on terms settled between the parties. Such a contract, by itself, does not create any interest in or charge upon the said property.

19. Further, regarding the transfer of title through a GPA and an unregistered ATS, reference may also be made to the judgement passed by the Hon'ble Supreme Court in the case of *Suraj Lamp & Industries Pvt. Ltd. v. State of Haryana (2012) 1 SCC 656*, wherein the



(R)
A

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 in respect of the objection filed by Mr. S. Subramanian
SEBI/PACL/OBJ/NS/00115/2024*

Court expressly discouraged the practice of transferring an immovable property by way of executing a GPA / Agreement to Sell / Will by observing as under:

"24. We therefore reiterate that immovable property can be legally and lawfully transferred/conveyed only by a registered deed of conveyance. Transactions of the nature of "GPA sales" or "SA/GPA/will transfers" do not convey title and do not amount to transfer, nor can they be recognised or valid mode of transfer of immovable property. The courts will not treat such transactions as completed or concluded transfers or as conveyances as they neither convey title nor create any interest in an immovable property. They cannot be recognised as deeds of title, except to the limited extent of Section 53-A of the TP Act. Such transactions cannot be relied upon or made the basis for mutations in municipal or revenue records. What is stated above will apply not only to deeds of conveyance in regard to freehold property but also to transfer of leasehold property. A lease can be validly transferred only under a registered assignment of lease. It is time that an end is put to the pernicious practice of SA/GPA/will transactions known as GPA sales."

20. In view of the law laid down by the Hon'ble Supreme Court in *Suraj Lamp's case (supra)*, unregistered ATS does not convey any title in the immovable property covered thereunder, in favour of the purchaser. Furthermore, mere execution of a GPA alone does not transfer any title and cannot be regarded to be a *valid* mode of conveyance of any immovable property.
21. Additionally, with respect to the GPAs executed in favor of different individual viz. Mr. Sandeep Chona and Mr. Vijay Teotia, it is noted that Section 17(1)(h) of the Registration Act, 1908, as applicable in the State of Tamil Nadu with State amendments, makes registration of instruments of Power of Attorney relating to immovable property other than those executed outside India compulsory. Thus, in the present case the GPAs were required to be registered, as it related to immovable properties which are situated in State of Tamil Nadu. It is observed that, the GPAs in the present case were registered at SRO, Moolaikaraipatti and Nanguneri, Tamil Nadu. Regarding the correct place of registration of GPA, reference may be made to Section 28 of the Registration Act, 1908 which provides for place for registration of documents relating to land. It is noteworthy to mention here



Shri... C

**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 in respect of the objection filed by Mr. S. Subramanian
SEBI/PACL/OBJ/NS/00115/2024*

that State of Tamil Nadu has made certain amendments to Section 28 and in its application to the State of Tamil Nadu. Section 28 is reproduced below for reference:

"28. Place for registering documents relating to land.—Save as in this Part otherwise provided, - (a) every document mentioned in clauses (a), (b), (c), (d), (e), (f), (g), (h) and (i) of sub-section (1) and sub-section (2) of section 17, in so far as such document affects immovable property and in clauses (a), (b) (c) and (cc) of section 18, shall be presented for registration in the office of a Sub-Registrar within whose sub-district the whole or some portion of the property to which such document relates is situate in the State of Tamil Nadu; and

Provided that every document mentioned in clause (h) of sub-section (1) of Section 17 may also be presented for registration in the office of the Sub-Registrar within whose jurisdiction the principal ordinarily resides.

(b) any document registered outside the State of Tamil Nadu in contravention of the provisions of clause (a) shall be deemed to be null and void."

22. From the aforesaid provision of law, it is clear that the correct place of registration of any GPA pertaining to immovable property situated in the State of Tamil Nadu would be the office of the Sub-Registrar within whose sub-district the whole or part of the property to which the GPA relates, is situated in the said State. In the present case, the GPAs executed between the parties thereto pertained to immovable properties which fell in the jurisdiction of SRO, Nazareth, Tamil Nadu and not in the jurisdiction of SRO, Moolaikaraipatti and Nanguneri, Tamil Nadu where the GPAs were actually registered. Thus, the registration of the present GPAs was in contravention of the provisions of Section 28(a) of the Registration Act, 1908 and consequently, by virtue of Section 28(b) of the Registration Act, 1908, is to be deemed as *null and void*.

23. On the other hand, upon perusal of the objection along with the documents produced in support of the claims made therein, it is noted that in the EC records, the Sale Deeds through which the Objector claims to have purchased the impugned properties are found to be reflecting in the said records. Further, the entries for the documents forming part of



[Signature]

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 in respect of the objection filed by Mr. S. Subramanian
SEBI/PACL/OBJ/NS/00115/2024

the chain of title pertaining to the impugned properties, as produced by the Objector, are also reflecting in the said EC records. Thus, the entries in the EC, coupled with Patta No. 3256 in respect of the impugned properties duly issued in favor of the Objector and the fact that the Objector is in possession of the impugned properties, collectively corroborates his claim.

ORDER:

24. Given the above, the objection raised by the Objector is liable to be allowed and is accordingly, allowed.

Place: Mumbai

Date: December 19, 2025



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


19.12.2025
MS. RESHMA GOEL
RECOVERY OFFICER

रेशमा गोयल / RESHMA GOEL
उप महाप्रबन्धक एवं वसूली अधिकारी
Deputy General Manager & Recovery Officer
न्यायमूर्ति (सेवानिवृत्त) आर.एम. लोढा कमेटी
Justice (Retd.) RM Lodha Committee
(पी.एसी.एल.लि के मामले से संबंधित, मुंबई / In the Matter of PACL Ltd. Mumbai)


19.12.2025
MR. 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.लि के मामले से संबंधित, मुंबई) / (In the Matter of PACL Ltd. Mumbai)


19.12.2025
MS. 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.लि के मामले से संबंधित, मुंबई) / (In the Matter of PACL Ltd. Mumbai)