PANEL OF RECOVERY OFFICERS
APPOINTED UNDER SECTION 28A OF THE SEBI ACT, 1992
DISCHARING FUNCTIONS IN TERMS OF THE ORDERS PASSED BY THE HON'BLE SUPREME COURT OF INDIA DATED 08.08.2024 AND 19.02.2026
IN THE MATTER OF PACL LTD.

IA Nos.	**25883 of 2024, 224363 of 2024 and 25887 of 2024**
File No.	**SEBI/PACL/OBJ/RG/00726/2026**
Name of the Objector(s)	**M/s KMK Developers Private Limited**
MR Nos.	**24700/16, 24719/16, 24833/16 & 24846/16**

Background:

1. Securities and Exchange Board of India (hereinafter referred to as "**SEBI**") on 22.08.2014 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. By 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 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 Hon'ble SAT, PACL Ltd. and its directors filed appeals before the Hon'ble Supreme Court of India.

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3. The Hon'ble Supreme Court did not grant any stay on the aforesaid Impugned Order dated 12.08.2015 of Hon'ble SAT; however, PACL Ltd. and its promoters/directors did not refund the money to its 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 hearing on the aforesaid civil appeals filed by the PACL Ltd. and its directors (i.e. Civil Appeal No. 13301 of 2015 – Subrata Bhattacharya Vs. SEBI and other connected matters), the Hon'ble Supreme Court vide its order dated 02.02.2016, directed SEBI to constitute a committee under the Chairmanship of Hon'ble 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, the direction for refund and the direction regarding restraint on the PACL Ltd. and its promoters and directors from disposing, alienating or selling the assets of the PACL Ltd., as given in the order, continue 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. Further, 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

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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 paragraph 4 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 document purporting to deal with the 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 C. A. No. 13301/2015 and connected matters directed that all the grievances/objections pertaining to properties of PACL Ltd. would be taken up by Shri R. S. Virk, District Judge (Retired).

9. On 30.04.2019, in the recovery proceedings initiated against PACL Ltd. & 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. The Hon'ble Supreme Court vide order dated 08.08.2024, in *Civil Appeal No. 13301 of 2015 – Subrata Bhattacharya Vs. SEBI and other connected matters* 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 dispose them of as per the provisions contained under Section-28(A) of the SEBI Act............"*

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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, District Judge (Retired) and all new objections, are now to be dealt with by the Recovery Officers attached to the Committee.

12. Subsequently, the Hon'ble Supreme Court, vide order dated 19.02.2026, in the matter of *Subrata Bhattacharya vs. SEBI (Civil Appeal No. 13301 of 2015)* directed, *inter alia*, that all interlocutory applications/Transferred Cases falling under Category B, i.e. 106 sets of Interlocutory Applications, filed against the recommendations of Shri R.S. Virk, District Judge (Retired) dismissing the objections raised by the Applicants, be placed before the Recovery Officers appointed under Section 28A of the SEBI Act, 1992. Accordingly, the set of 106 Interlocutory Applications, including the instant application, is now to be examined by the Recovery Officers appointed under Section 28A of the SEBI Act, 1992, in the matter of PACL Ltd.

Present Interlocutory Applications:

13. The present Interlocutory Application Nos. 25883 of 2024, 224363 of 2024 and 25887 of 2024 (hereinafter referred to as the "**I.As**") have been filed by M/s. KMK Developers Private Limited (hereinafter referred to as the "**Objector/Applicant**"), challenging the common order dated 30.11.2023 passed by Shri R. S. Virk, District Judge (Retired) (hereinafter referred to as the "**impugned order**") in File Nos. 1151, 1152, 1153 and 1154, whereby the objection petitions seeking delisting of the properties admeasuring 3 acres 37 guntas in Sy. No.107/2 (hereinafter referred to as the "**impugned property no. 1**"), 13 guntas in Sy. No.108 (hereinafter referred to as the "**impugned property no. 2**"), 80 guntas in Sy. No.108 (hereinafter referred to as the "**impugned property no. 3**") and 1 acre 14.5 guntas in Sy. No. 107 (hereinafter referred to as the "**impugned property no. 4**"), all situated in Village Kumbena Agrahara, Tehsil Bidarahalli Hobli, District Bengaluru Urban, Karnataka (hereinafter collectively referred to as the "**impugned properties**"), covered in MR

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Nos.24700/16, 24719/16, 24833/16 and 24846/16, which stand attached by the Committee, were dismissed as found being without any merit.

14. The Objector/Applicant had initially filed objections before the Justice R.M. Lodha Committee, which were subsequently placed before Shri R. S. Virk, District Judge (Retired) in compliance with the order dated 15.11.2017 passed by the Hon'ble Supreme Court. The Objector/Applicant sought delisting of the impugned properties on the ground that the Applicant is the lawful and registered owner of the impugned properties, having purchased them through registered sale deeds from the original owners/their legal heirs, and that PACL or its associates had no right, title or interest over the said properties.

15. After hearing the parties, Shri R. S. Virk, District Judge (Retired), *vide* the impugned order dated 30.11.2023, dismissed the objection petitions of the Objector/Applicant. The primary grounds for dismissal were:

(a) With respect to File No. 1151 pertaining to impugned property no. 1, i.e. property admeasuring 3 acres 37 guntas in Sy. No.107/2, the Applicant had not produced the death certificate of Shri. Chikkamuniyappa or legal heir certificate to prove that he had died prior to the execution of the GPA No. 151 dated 12.11.2010 in favour of M/s NSB Real Estates Pvt. Ltd. and further, on the factually incorrect averment qua the area claimed in the objection petition;

(b)With respect to File Nos. 1152 & 1153 pertaining to impugned property nos. 3 & 4 i.e. property admeasuring 13 guntas and 80 guntas respectively in Sy. No.108, the GPAs executed in favour of M/s NSB Real Estates Pvt. Ltd. were irrevocable and could not have been unilaterally cancelled. Further, the GPA dated 08.04.2011 was also accompanied with execution of Agreement to Sell (ATS) favouring M/s NSB Real Estates Pvt. Ltd wherein there is an acknowledgement of an amount of Rs. 10,00,000/- by cheque out of the total sale consideration of Rs. 46,80,000/- and therefore, the recitals in the sale deed no. 15708/2022 dated 14.07.2022 relied upon by the Objector company is factually incorrect and does not clothe the Objector Company with absolute title thereto; and

(c) With respect to File No. 1154 pertaining to impugned property no. 4 i.e. 1 acre 14.5 guntas in Sy. No.107, the Applicant was wrongly claiming title to land which was not covered by its sale deed no. 1592 dated 22.05.2017.

(d) The relevant extract from the impugned order is reproduced as under:

"17. (a) (i) In the backdrop of facts and circumstances enumerated above, I now proceed to deal individually with objections in the four objection petitions in hand and thus firstly coming to the plea raised by the objector company in File No. 1151 regarding the predecessor in interest named Chikkamuniyappa of the executants of sale deed no. 1592/17 dated 22/05/2017 had expired in the year 1999 long prior to the alleged execution by him of GPA No. 151 dated 12/11/2010 in favour of M/s NSB Real Estates Pvt Ltd and the said GPA being thus a forged document, it may be noticed that no death certificate of the above named Chikkamuniyappa or legal heir certificate has been produced on record to establish the factum of death of Chikkamuniyappa above named and therefore the mere mention in para no. 2 of annexure C (copy of order dated 17/07/2002 passed by High Court of Karnataka in writ petition no. 711/2002 title Venkataswamy and Jayappa sons of Chikkamuniyappa versus Land Tribunal and others) appended to the said petition that there is an averment in the said writ petition regarding Chikkamuniyappa above named having expired in the year 1999 is not conclusive and cannot be acted upon more so when in the writ petition filed by Venkataswamy and Jayappa sons of Chikkamuniyappa above named they had mentioned only the year of his death as 1999 but in the agreement of sale dated 08/05/2015 (Annexure E at page no. 43 of the petition) whereto the above named Venkataswamy and Jayappa are parties, they have mentioned the year of death of their father Chikkamuniyappa to have occurred in 1998. It is indeed surprising that they have not mentioned the date of death of their father and they are not even certain of the year of his death.

(ii) It is argued inter-alia that the purported GPA No. 151 (annexure A) is an unregistered document and nor was it acted upon by M/s NSB Real Estate Pvt Ltd whereas the objector herein is relying upon registered GPA No. 100/2015-16 (annexure F), agreement of sale dated 08/05/2015 (annexure E), followed by registered sale deed no. 1592/17 dated 22/05/2017 (annexure H). However, it may be noticed that the agreement of sale dated 08/05/2015 (annexure E) mentions that Venkataswamy and Jayappa "being the only legal heirs of Chikkamuniyappa" had filed OS No. 1015/2002 against Shri Muniyappa, Shri Munireddy and Shri Ramaiah in the court of Additional Civil Judge (Sr. Div.) Bangalore, Rural District wherein an out of court settlement was arrived at whereby an area measuring 4 acres 3 guntas out of 6 acres 3 guntas in survey no. 107, now identified as survey no. 107/2 was confirmed in favour of legal heirs of Chikkamuniyappa out of which also, the legal heirs of Chikkamuniyappa had inherited land measuring 3 acres 37 guntas comprised in survey no. 107/2 which forms the subject matter of the said agreement of sale dated 08/05/2015 followed by registered sale deed no. 1592/2017 dated 22/05/2017 (annexure H) executed by Smt. Chikkamma and 22 others. However, the objector herein is claiming title for the entire area measuring 6 acres 3 guntas comprised in survey no. 107/2 ! The said contention being thus

based on factually incorrect averment is untenable qua the area in excess of 3 acres 37 guntas and qua which area also the objection petition in hand is not maintainable for the various reasons already adverted to above.

(b) (i) Next coming to the contentions raised by the objector company in File No. 1152, learned counsel for the objector company has argued that the ATS dated 08/04/2011 (annexure A) is an unregistered document and moreover an amount of Rs. 10,00,000/- only was paid through cheque against agreed sale consideration of Rs. 46,80,000/- mentioned therein which document cannot thus be acted upon. However, the question of non-receipt of the balance sale consideration could have either been raised by the previous owners namely Smt. Rajamma and others (who have not done so) or by the objector herein provided the previous owners namely Smt. Rajamma and others had made any such averment in the sale deed no. 15708/22 dated 14/07/2022 (annexure H) authorizing the objector herein to raise such a plea but no such averment or plea finds mention in the said sale deed and for which reason GPA No. 21 dated 08/04/2011 also cannot be excluded from consideration.

(ii) Qua public notice at page no. 56 of the petition and revocation vide registered deed dated 22/03/2014 (copy whereof is appended to the petition as annexure C) of earlier agreement of sale and GPA, both dated 08/04/2011 (copies whereof are appended to the said petition as annexures A and B) by Rajamma wife of late Ramachandrappa and her three children named therein, it may be noticed that the GPA No. 21 dated 08/04/2011 is an irrevocable general power of attorney and revocation thereof vide revocation deed dated 22/03/2014 (annexure C) is invalid firstly because such unilateral revocation is impermissible in as much as M/s NSB Real Estates Pvt Ltd in whose favour the above referred GPA dated 08/04/2011 was executed is not a party to the registered revocation deed, and secondly because the said GPA dated 08/04/2011 was also accompanied with execution of agreement of sale between the above named Rajamma wife of late Ramachandrappa and her three children named therein favouring M/s NSB Real Estates Pvt Ltd wherein there is acknowledgment of an amount of Rs. 10,00,000/- by cheque out of the total sale consideration of Rs. 46,80,000/- and therefore the recital in clause nos. 3.3 and 3.7 of the sale deed no. 15708/2022 dated 14/07/2022 relied upon by the objector herein that no other entity has any right, title or interest in the schedule property is factually incorrect and does not clothe the objector company with absolute title thereto.

(c) (i) Further coming to the contention raised by the objector company in File No. 1153, learned counsel for the objector has argued that the registered GPA No. 0021 dated 08/04/2011 (annexure B) executed by Smt. Rajamma and others in favour of M/s NSB Real Estate Pvt Ltd is an invalid document in as much as no sale consideration was passed on in pursuance thereof by the said company to the above named vendors but I find myself unable to accept this argument because the question of non-receipt of the sale consideration could have either been raised by the previous owners namely Smt. Rajamma and others (who have not done so) or by the objector herein provided the previous owners namely Smt. Rajamma and others had made any such averment in the ATS dated 04/09/2018 (annexure D) and GPA also dated 04/09/2018 (annexure E) authorizing the objector herein to raise such a plea but no such averment or plea finds mention in the said ATS and GPA both dated 04/09/2018 and

nor in the sale deed no. 9057/18 dated 07/09/2018 (annexure F) and therefore recital in clauses 8 and 9 of para no. 4 of the said sale deed no. 9057/18 dated 07/09/2018 to the effect that no other person/entity has any right, title or interest in the schedule property comprised in survey no. 108 (2 acres) is factually incorrect and does not clothe the objector company with absolute right therein.

(ii) Qua revocation by Munegowda son of Venkatappa vide registered cancellation deed dated 07/08/2012 (copy whereof is appended to the petition as annexure B) of earlier GPA No. 198 dated 27/10/2010 (copy whereof is appended to the said petition as annexure A) it may be noticed that the said GPA dated 27/10/2010 is an irrevocable general power of attorney and revocation thereof vide cancellation deed no. 72/2012-13 dated 07/08/2012 (annexure B) is invalid because such unilateral revocation is impermissible in as much as M/s NSB Real Estates Pvt Ltd in whose favour the above referred GPA dated 27/10/2010 was executed is not a party to the registered cancellation deed dated 07/08/2012.

(d) Lastly, coming to the contention raised by the objector company in File No. 1154 regarding the objector herein having acquired title to an area measuring 1 acre 14.5 guntas comprised in survey no. 107 situated in the above named village by virtue of registered sale deed no. 1592/2017 dated 22/05/2017 (annexure G), it may be recalled that in File No. 1151 (facts whereof have been adverted to above) the objector company had mentioned that this sale deed no. 1592/2017 dated 22/05/2017 executed by Smt. Chikkamma and 22 others was preceded by agreement of sale dated 08/05/2015 wherein it is mentioned that Venkataswamy and Jayappa "being the only legal heirs of Chikkamuniyappa" had filed OS No. 1015/2002 against Shri Muniyappa, Shri Munireddy and Shri Ramaiah in the court of Additional Civil Judge (Sr. Div.) Bangalore, Rural District wherein an out of court settlement was arrived at whereby an area measuring 4 acres 3 guntas out of 6 acres 3 guntas in survey no. 107, now identified as survey no. 107/2 was confirmed in favour of legal heirs of Chikkamuniyappa, out of which also the legal heirs of Chikkamuniyappa had inherited land measuring 3 acres 37 guntas which forms the subject matter of the said agreement of sale dated 08/05/2015. However, the objector company in petition no. 1154 is claiming title to land measuring 1 acre 14.5 guntas comprised in old survey no. 107 (which stands sub-divided into survey no. 107/2 as per above referred agreement of sale dated 08/05/2015) and even otherwise the schedule of property at page no. 109 of the sale deed no. 1592/2017 dated 22/05/2017 (annexure G) mentions the area being thus sold to be measuring 3 acres 37 guntas in survey no. 107/2, with no reference whatsoever therein to land measuring 1 acre 14.5 guntas comprised in survey no. 107 whereto the objector company is wrongly claiming title in this petition no. 1154 ! If the said claim of the objector herein is to be considered correct, it would mean that the objector company has purchased 3 acres 37 guntas in survey no. 107/2 and another 1 acre 14.5 guntas in survey no. 107 thus totalling 4 acres 51.5 guntas (which as per the own admission of the objector company stands bifurcated into survey no. 107/1 and 107/2) whereas the total land which fell to the share of LRs of Chikkamuniyappa was only 3 acres 37 guntas comprised in survey no. 107/2 as so mentioned by them in the application dated 28/10/2015 submitted before the Deputy Commissioner Bangalore (annexure F) with no further reference therein regarding another parcel of land measuring 1 acre 14.5 guntas comprised in old survey no. 107 (prior to its

bifurcation into survey no. 107/1 and 107/2) having also fallen to their share and even the sale deed no. 1592/2017 dated 22/05/2017 (annexure G) pertains to area measuring 3 acre 37 guntas only comprised in survey no. 107/2 and therefore the objector company cannot by any stretch of imagination be considered to have acquired title to another parcel of land measuring 1 acre 14.5 guntas similarly comprised in survey no. 107/2 more so when no other document evidencing transfer of title of the area measuring 1 acre 14.5 guntas in survey no. 107/2 is relied upon or produced by the objector company."

16. The Applicant, being aggrieved by the aforesaid order dated 30.11.2023 passed by Shri R. S. Virk, District Judge (Retired), has filed the present I.As. before the Hon'ble Supreme Court in the matter of *Subrata Bhattacharya vs. SEBI (Supra),* challenging the same.

17. The Hon'ble Supreme Court, *vide* order dated 19.02.2026, while taking note of the segregation of the interlocutory applications (I.As) into five distinct categories, i.e. Category A to E, observed that the issues arising in the identified 106 I.As require a detailed scrutiny of documentary material to determine the true nature and ownership of the properties in question and thus, directed that such matters ("Category B" applications, i.e., applications challenging dismissal of objections by Shri R. S. Virk, District Judge (Retired)) be placed before Recovery Officers appointed under Section 28A of the SEBI Act, 1992, for examination. In view of the same, the present I.A has been transmitted to the Panel of Recovery Officers.

18. Upon perusal of the I.As. filed by the Objector/Applicant and the documents placed on record, it is noted that the Objector/Applicant has, *inter alia*, made the following common contentions with regards to the impugned properties:

18.1. The Applicant is the actual and rightful owner of the impugned properties and that the dismissal of the objection petitions by Shri R. S. Virk, District Judge (Retired), is based on erroneous findings.

18.2. The Applicant had purchased the impugned property no. 1 from the legal heirs of late Shri Chikkamuniyappa *(i.e. his wife, viz., Smt. Chikkaakamma and his children, viz, Shri Venkataswamy, Shri Jayappa and Shri Rajappa)* through a registered ATS dated

08.05.2015 and a registered Sale Deed No. 1592 dated 22.05.2017 for a total consideration of Rs.6,90,83,999/-.

18.3. The Applicant had purchased the impugned property no. 2 from the legal heirs of late Shri R. Ramachandrappa *(i.e. his wife, viz, Smt. Rajamma and children Smt Manjula, Smt. Prameela, Shri Ashok and Shri R. Manjunath)* through a registered ATS dated 21.08.2021 and a registered GPA dated 21.08.2021 executed by the said legal heirs in favor of Shri K. Manjunath. Thereafter, Shri K Manjunath, acting as the GPA holder for the legal heirs, executed a registered Sale Deed No. 15708 dated 14.07.2022 in favour of the Applicant for a consideration of Rs.60,00,000/-.

18.4. The Applicant had purchased the impugned property no. 3 from Shri Munegowda through a registered ATS dated 04.09.2018, a registered GPA dated 04.09.2018 and a registered Sale Deed No. 9057 dated 07.09.2018 for a consideration of Rs.4,20,00,000/-.

18.5. The Applicant has stated that the GPAs dated 08.04.2011 and 27.10.2010 executed in favour of M/s NSB Real Estates Pvt. Ltd. with respect to impugned property nos. 2 & 3 were never acted upon and were subsequently cancelled by registered cancellation deeds. The GPA dated 08.04.2011 executed by the legal heirs of Shri R. Ramachandrappa was cancelled by a registered Cancellation/Revocation Deed dated 22.03.2014, and a public notice was also issued. Further, the GPA dated 27.10.2010 executed by Shri Munegowda was cancelled by a registered Deed of Cancellation dated 07.08.2012. Thus, the impugned order wrongly held that the GPAs being irrevocable could not have been unilaterally cancelled.

18.6. With respect to the impugned property no. 4, the Applicant has stated that the impugned order incorrectly held that the Applicant was wrongly claiming title to this land.

18.7. The Applicant is a *bona fide* purchaser for value, having paid the entire consideration through banking channels. Further, the Applicant has also relied upon the judgment of the Hon'ble Supreme Court in ***Suraj Lamp & Industries (P) Ltd. v. State of Haryana, (2012) 1 SCC 656***, to submit that a GPA is not an instrument of transfer in regard to any right, title or interest in an immovable property, and that even an irrevocable GPA does not have the effect of transferring title to the Grantee.

18.8. The Applicant has, thus, sought the following reliefs in his I.As:

i. To set aside the Order dated 30.11.2023 passed by Shri R.S. Virk, District Judge (Retd.) in File Nos. 1151, 1152, 1153, and 1154;

ii. To grant ad-interim ex-parte stay of the Order dated 30.11.2023 passed by Shri R.S. Virk, District Judge (Retd.) in File No. 1151, 1152, 1153, and 1154 pending disposal of the present Application;

iii. To grant ad-interim ex-parte stay of the auction in relation to the lands belonging to the Applicant which are the subject matter of Order dated 30.11.2023 passed by Shri R.S. Virk, District Judge (Retd.) in File No. 1151, 1152, 1153, and 1154 pending disposal of the present Application;

iv. To issue appropriate directions to SEBI to remove / release / delete the properties belonging to the Applicant situated at Sy. No. 107/2 (land measuring 3 acres and 37 guntas (including 1 acre and 14.5 guntas)) and Sy No. 108 (lands measuring 13 guntas and 80 guntas) at Kumbena Agrahara Village from the auction list of PACL's properties;

v. To issue appropriate directions to SEBI to issue a No Objection Certificate in regard to the properties of the Applicant, namely, land measuring 3 acres and 37 guntas (including 1 acre and 14.5 guntas) at Sy. No. 107/2 and land measuring 13 guntas at Sy. No. 108. and also land measuring 80 guntas at Sy. No. 108, all at Kumbena Agrahara Village, Bidarahalli, Bengaluru; and

vi. To delist the impugned property from the list of properties as one of the PACL's properties attached by the Hon'ble Mr. Justice R.M. Lodha Committee for sale.

vii. To pass such other and further order(s) as deemed fit and proper in the facts and circumstances of the case.

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19. In compliance with the order dated 19.02.2026 passed by the Hon'ble Supreme Court, the Applicant was granted an opportunity of hearing before the Panel of Recovery Officers on 30.04.2026. During the hearing, the Applicant was represented by its Authorized Representative (AR), who reiterated the averments made in the I.As. and submitted that the Applicant is the *bona fide* purchaser of the impugned properties. The Applicant, *vide* email dated 23.04.2026, has submitted a compilation of documents titled *"SEBI- Convenience compilation"* before the date of hearing, which has also been taken on record. It was submitted during the hearing that the Applicant is the absolute owner of land admeasuring 3 Acres 37 Guntas in Sy. No. 107/2 and 2 Acres 13 Guntas in Sy. No. 108, both situated at Kumbena Agrahara Village, Bidarahalli Hobli, Bengaluru East Taluk, Karnataka. It was submitted that PACL or its associate, M/s NSB Real Estates Pvt. Ltd., have no right, title, or interest over the said lands. Regarding the property in Sy. No. 107/2 (3 Acres 37 Guntas), it was submitted that the GPA dated 12.11.2010, purportedly executed between Shri Chikkamuniyappa and M/s NSB Real Estates Pvt. Ltd., which is the basis of PACL's claim, is a forged and fraudulent document as it was purportedly executed by a person who has already passed away in the year 2001/1999. The AR further submitted that the Applicant acquired absolute title through a chain of registered documents from all legal heirs of late Shri Chikkamuniyappa, including a registered ATS and GPA dated 08.05.2015, followed by a registered Sale Deed dated 22.05.2017 for a total consideration of Rs. 6,90,83,999/-. With respect to the discrepancy in the year of death of Shri Chikkamuniyappa, the AR submitted that the official Death Certificate is conclusive proof of the date of death being 30.05.2001. It was submitted that the reference to the year 1999 in the High Court order was based on the averments made by the legal heirs at that time, which was an approximation. With regards to the area claimed in Survey no. 107/2, the AR submitted that the total area of Sy. No. 107/2 as on date is only 5 Acres 3 Guntas, and the Applicant is not claiming the excess area. The AR clarified that the Applicant's title and possession are only over 3 Acres 37 Guntas in Sy No. 107/2.

20. Regarding the property in Sy. No. 108 (2 Acres 13 Guntas), the AR submitted that the Applicant purchased the land *via* two registered Sale Deeds:

(i) Sale Deed No. 15708 dated 14.07.2022 for 13 Guntas (consideration Rs. 60,00,000/-), and

(ii) Sale Deed No. 9057 dated 07.09.2018 for 80 Guntas (consideration Rs. 4,20,00,000/-).

Further, it was submitted that the GPA No. *BDH-4-00021-2011-12* dated 08.04.2011 and GPA No. *42003/2010* dated 27.10.2010 in favour of M/s NSB Real Estates Pvt. Ltd. were subsequently cancelled by registered cancellation deed nos. *BDH-4-00042-2013-14* dated 22.03.2014 and *72/2012-13* dated 07.08.2012, respectively, copies of which are placed on record. The AR relied upon the Hon'ble Supreme Court's judgment in ***Suraj Lamp (Supra)*** to submit that a GPA is not an instrument of transfer of title. It was also submitted that since PACL's claim rests solely on unregistered or registered GPAs, and not on any registered sale deed, no title has ever passed to PACL or its associates.

21. Based on the submissions made and discussions held during the hearing, the AR for the Objector/Applicant was advised to produce the Bank Statements for the relevant periods, Encumbrance Certificates, Land Tax Payment Receipts, Post Conversion Revenue Records and any other documents supporting the Applicant's claim, along with the additional written submission, if any, within a period of one week from the date of the hearing, *i.e.* by 30.04.2026. Accordingly, the Applicant, *vide* emails dated 11.05.2026 & 19.05.2026, has submitted the requisite documents, which have been taken on record.

22. Before proceeding further with the adjudication of the claim made by the Applicant, it is felt appropriate to refer to the relevant provision under the Transfer of Property Act, 1882 (TPA) which states on what constitutes a valid 'sale'. In terms of Section 54 of the TPA, a "sale" is defined as a transfer of ownership in exchange for a price paid or promised or part-paid or part-promised. 'Contract for sale' of immovable property is a contract that a sale of such property shall take place on the terms settled between the parties. Para 2 of Section 54 of TPA, however, provides that for tangible immovable property worth Rs. 100 or more, the transfer must be made through a registered instrument, while for property valued less than Rs. 100, the transfer can be made either by a registered instrument or by delivery of possession; essentially meaning that a sale of significant value requires a registered document, to be legally valid. Section 54 of the said Act reads as under:

"54. "Sale" defined.—"Sale" is a transfer of ownership in exchange for a price paid or promised or part-paid and part-promised.

Sale how made — Such transfer, in the case of tangible immoveable property of the value of one hundred rupees and upwards, or in the case of a reversion or other intangible thing, can be made only by a registered instrument.

In the case of tangible immoveable property of a value less than one hundred rupees, such transfer may be made either by a registered instrument or by delivery of the property.

Delivery of tangible immoveable property takes place when the seller places the buyer, or such person as he directs, in possession of the property.

Contract for sale .— A contract for the sale of immoveable property is a contract that a sale of such property shall take place on terms settled between the parties. It does not, of itself, create any interest in or charge on such property."

23. Now, in order to adjudicate the claim of the Objector with respect to each of the impugned properties and for ease of convenience, it is felt appropriate to examine and deal with the facts and documents available on record for each of the impugned properties, in detail, separately. Accordingly, the examination of facts along with the documentary evidence produced by the Objector and analysis of the documents contained in the respective MR Nos. available with the Committee, impugned property-wise, is as under.

Impugned Property No.1 – Sy. No.107/2 (3 acres 37 guntas)

24. Upon examination of the facts mentioned in the I.As. and the documents placed on record by the Applicant for the said impugned property no. 1, the Panel of Recovery Officers observe as under:

24.1. The Objector/Applicant has placed on record documents showing the complete chain of title for the impugned property no. 1. It is noted that the chain of title begins with a Dharkast Grant *vide* Order bearing *C. No.18/1070-71* dated 23.07.1970, pursuant to which, the Grant Certificate dated 31.07.1970 was issued by the Tahsildar, Hoskote

Taluk, in favour of one Shri Chikkamuniyappa for land measuring 6 acres 3 guntas in Sy. No.107. Shri Chikkamuniyappa had purportedly executed a GPA dated 12.11.2010 in favour of M/s NSB Real Estates Pvt. Ltd, associate company of PACL Ltd. (*document under MR No. 24700/16*). It is the case of the Applicant that the said GPA dated 12.11.2010 is forged and fabricated document as Shri Chikkamuniyappa had died much before the date of execution of the said GPA. Thereafter, it is submitted by the Applicant that Sy. No.107 was bifurcated into Sy. No.107/1, 107/2, etc., and the impugned property was assigned Sy. No.107/2.

24.2. In support of the said submission, the Applicant has placed on record the Death Certificate of Shri Chikkamuniyappa dated 04.01.2024 showing that Shri Chikkamuniyappa had died on 30.05.2001. Further, on perusal of the order dated 17.07.2002 passed by the Hon'ble Karnataka High Court in *W.P. No.711/2002 (LR)* considered by Shri R. S. Virk, District Judge (Retd.) while giving his recommendation in File No. 1151, it is noted that the date of death of Shri Chikkamuniyappa is mentioned to be in the year 1999. The relevant extract of the Karnataka High Court order dated 17.07.2002 is also reproduced as under:

"..According to the petition averments, the petitioners' father died in the year 1999... The reasons given for delay are that the father of the petitioners was not aware of this order... It is further to be seen that in the year 1999, the father of the petitioners died..."

24.3. Thus, there appears to be a discrepancy with respect to the date of death of Shri Chikkamuniyappa mentioned in the Death Certificate and the order dated 17.07.2002 passed by the Hon'ble High Court of Karnataka. However, both dates indicate that Shri Chikkamuniyappa had died much prior to the date of execution of the purported GPA which is 12.11.2010. Even if either of these dates of death are considered, the fact that Shri Chikkamuniyappa was not alive on 12.11.2010 i.e. when the GPA was purportedly executed between Shri Chikkamuniyappa and M/s NSB Real Estates Pvt. Ltd cannot be ignored. Having said that, it is a settled position that legally recognized primary document to prove a person's death is the official Death Certificate issued by the

Registrar of Births and Deaths under the municipal and/or local authorities. In cases related to insurance claims, property claims, pension settlements, etc. the document which is legally accepted as a valid proof of death of a person is a Death Certificate issued by the aforementioned authority/ies. Upon perusal of the Death Certificate of Shri Chikkamuniyappa produced by the Applicant, it is noted that the same is issued by the Chief Registrar of Births and Deaths, Government of Karnataka. Further, the English translation of the said Death Certificate produced by the Applicant clearly mentions the name of Shri Chikkamuniyappa as the name of the deceased and the date of death is mentioned as 30.05.2001. Therefore, considering that the instant objection pertains to a property dispute and transfer of property, the Panel is relying on the Death Certificate, which is a statutory document issued by the competent authority and the date of death recorded therein is taken to be the proper date of death of Shri Chikkamuniyappa. The snapshot of the death certificate dated 30.05.2001 is reproduced as under:

ನಂ.
No.

ನಮೂನೆ – 6
Form – 6

Government of India

ಕರ್ನಾಟಕ ಸರ್ಕಾರ
GOVERNMENT OF KARNATAKA

ಜನನ ಮತ್ತು ಮರಣಗಳ ಮುಖ್ಯ ರಿಜಿಸ್ಟ್ರಾರರು
Chief Registrar of Births and Deaths

ಮರಣ ಪ್ರಮಾಣ ಪತ್ರ
DEATH CERTIFICATE
(Issued under Section 12/17 of the RBD Act, 1969 and Rule 8/13 of the KRBD Rules, 1999)

[illegible] ಗ್ರಾಮ/ಪಟ್ಟಣ [illegible] ತಾಲ್ಲೂಕಿನ [illegible] (ಗ್ರಾಮ/ಪಟ್ಟಣ)ದ ರಿಜಿಸ್ಟರಿನಲ್ಲಿರುವ ಮರಣ ಸಂಬಂಧವಾದ ಮೂಲ ದಾಖಲೆಯಿಂದ ತೆಗೆದುಕೊಳ್ಳಲಾಗಿದೆಯೆಂದು ಪ್ರಮಾಣೀಕರಿಸಲಾಗಿದೆ.

This is to certify that the following information has been taken from the original record of death which is the register for .... (village/town) of ....taluk of ....district of Karnataka State.

(1) ಹೆಸರು Name [illegible]
UID No: ....

(2) ಲಿಂಗ Sex [illegible]

(3) ಮರಣದ ದಿನಾಂಕ Date of Death 30/05/2001

(4) ಮರಣದ ಸ್ಥಳ Place of Death ....

(5) ತಾಯಿಯ ಹೆಸರು Name of Mother ....
UID No: ....

(6) ತಂದೆಯ ಹೆಸರು Name of the Father [illegible]
UID No: ....

(7) ಗಂಡನ / ಹೆಂಡತಿ ಹೆಸರು Name of the Husband/Wife ....
UID No: ....

(8) ಮರಣದ ಸಮಯದಲ್ಲಿ ಮೃತರ ವಿಳಾಸ Address of the deceased at the time of death: [illegible]

(9) ಮೃತರ ಖಾಯಂ ವಿಳಾಸ Permanent address of the deceased [illegible]

(10) ನೋಂದಣಿ ಸಂಖ್ಯೆ Registration No 05

(11) ನೋಂದಣಿ ದಿನಾಂಕ Date of Registration 31/05/01

(12) ಷರಾ (ಯಾವುದಾದರೂ ಇದ್ದಲ್ಲಿ) Remarks(if any) ....

(13) ಪ್ರಮಾಣಪತ್ರ ನೀಡಿದ ದಿನಾಂಕ Date of issue 24/01/2024

(14) ಪ್ರಮಾಣ ಪತ್ರ ನೀಡುವ ಪ್ರಾಧಿಕಾರಿಯ ಸಹಿ Signature of the issuing authority

(15) ಪ್ರಮಾಣ ಪತ್ರ ನೀಡುವ ಪ್ರಾಧಿಕಾರಿಯ ವಿಳಾಸ Address of the issuing authority ....

ಮೊಹರು/ Seal

"ಜನನ ಮತ್ತು ಮರಣ ನೋಂದಣಿಯನ್ನು ಖಚಿತಪಡಿಸಿಕೊಳ್ಳಿ"
"Ensure registration of every birth and death"

No disclosure shall be made of particulars regarding the cause of death as entered in the Register. See proviso to Section 17(1).

24.4. It is noted that after the death of Shri Chikkamuniyappa, his legal heirs i.e. his wife, viz, Smt. Chikkaakkamma and his children viz, Shri Venkataswamy, Shri Jayappa and Shri Rajappa, along with their respective spouses and children, inherited the impugned property no. 1. The Applicant has also placed on record a family tree dated 02.05.2015 certified by the Tehsildar, Village Chikkabanahalli, Hobli Bidarahalla showing that the aforementioned entities are the legal heirs of Shri Chikkamuniyappa, a Compromise Decree dated 01.08.2008 in *O.S. No.1015/2002* and a Mutation Register Extract bearing MR No. H38/11-12, which contains a record that the aforementioned legal heirs of Shri Chikkamuniyappa inherited the said land measuring 3 acres 37 guntas in Sy. No.107/2.

24.5. From the chain of title documents available on record, it is noted that on 08.05.2015, the legal heirs of Shri Chikkamuniyappa had executed a registered ATS in favour of the Objector/Applicant to sell the impugned property no. 1 consisting of 3 acres 37 guntas in Sy No. 107/2. The recitals of the ATS record that the Sellers are the absolute owners and that the Objector/Applicant paid part consideration of Rs. 1,25,00,000/- in favour of the sellers i.e. the legal heirs of Shri Chikkamuniyappa and further, the sellers even acknowledge the receipt of the said amount. The total sale consideration agreed upon was Rs. 1,95,00,000/-. On the same day, the legal heirs of Shri Chikkamuniyappa had also executed a registered GPA in favour of the Objector/Applicant. It is noted that the Objector/Applicant had thereafter applied to the Deputy Commissioner, Bangalore District for conversion of the said impugned property from agricultural to non-agricultural for use of the said property for residential purpose. The land was accordingly converted from agricultural to residential purpose *vide* conversion order dated 18.02.2017 passed by the Deputy Commissioner, Bangalore. Thereafter, on 22.05.2017, the legal heirs of Shri Chikkamuniyappa had executed a registered Sale Deed No. 1592 in the office of Sub-Registrar, Mahadevapura in favour of the Objector/Applicant and the impugned property no. 1 was purchased by the Objector for a total consideration of Rs.6,90,83,999/-. The Sale Deed records that the Applicant/ Objector has paid the entire sale consideration and possession of the said property was also handed over to the Objector on the said date.

The details of payment of the sale consideration made by the Applicant/Objector to the legal heirs of Shri Chikkamuniyappa are tabulated below:

S. No.	Payment Method (as per Sale Deed)	Cheque No.	Date	Amount (Rs.)	Bank (as per Sale Deed)
1	Cheque	682	22.05.2017	25,00,000	HDFC Bank
2	Cheque	698	22.05.2017	50,00,000	HDFC Bank
3	Cheque	30539	22.05.2017	15,00,000	YES Bank
4	Cheque	30549	22.05.2017	10,00,000	YES Bank
5	Cheque	30523	22.05.2017	35,00,000	YES Bank
6	Cheque	686	22.05.2017	1,00,000	HDFC Bank
7	Cheque	30524	22.05.2017	9,66,666	YES Bank
8	Cheque	30525	22.05.2017	50,00,000	YES Bank
9	Cheque	683	22.05.2017	10,00,000	HDFC Bank
10	Cheque	684	22.05.2017	10,00,000	HDFC Bank
11	Cheque	685	22.05.2017	4,00,000	HDFC Bank
12	Cheque	7991	22.05.2017	40,00,000	ICICI Bank
13	Cheque	7992	22.05.2017	10,00,000	ICICI Bank
14	Cheque	687	22.05.2017	30,00,000	HDFC Bank
15	Cheque	34075	22.05.2017	31,00,000	YES Bank
16	Cheque	34076	22.05.2017	50,00,000	YES Bank
17	Cheque	34077	22.05.2017	50,00,000	YES Bank
18	Cheque	34078	22.05.2017	25,00,000	YES Bank
19	Cheque	34080	22.05.2017	5,66,666	YES Bank
20	Cheque	689	22.05.2017	3,00,000	HDFC Bank
21	Cheque	691	22.05.2017	1,00,000	HDFC Bank
22	Cheque	690	22.05.2017	1,00,000	HDFC Bank
23	Cheque	688	22.05.2017	15,00,000	HDFC Bank
24	Cheque	34081	22.05.2017	80,00,000	YES Bank
25	Cheque	30547	22.05.2017	20,00,000	YES Bank
26	Cheque	676	22.05.2017	19,00,000	HDFC Bank
27	Cheque	681	22.05.2017	2,00,000	HDFC Bank
28	Cheque	34083	22.05.2017	6,66,666	YES Bank
29	Cheque	677	22.05.2017	1,00,000	HDFC Bank
30	Cheque	7994	22.05.2017	15,00,000	ICICI Bank
31	Cheque	679	22.05.2017	1,00,000	HDFC Bank
32	Cheque	7995	22.05.2017	15,00,000	ICICI Bank
33	Cheque	680	22.05.2017	1,00,000	HDFC Bank
34	Cheque	7996	22.05.2017	15,00,000	ICICI Bank
35	Cheque	720	22.05.2017	10,00,000	HDFC Bank
36	Cheque	721	22.05.2017	15,00,000	HDFC Bank

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

37	Cheque	712	22.05.2017	2,00,000	HDFC Bank
38	Challan	16997	22.05.2017	2,02,667	SBI Bank
39	Challan	2117	22.05.2017	2,11,667	SBI Bank
40	Challan	2124	22.05.2017	2,69,667	SBI Bank
Total				**6,90,83,999**	

24.6. In order to establish that the payment of consideration was made by the Applicant/Objector using banking channels, the Applicant/Objector has submitted its bank account statements for the accounts held with Yes Bank and ICICI Bank for the relevant period. Upon examining the said statements, it is noted that while some of the entries match with the cheques appearing in the Sale Deed towards payment of consideration, some of the entries are not matching with the final total payments made to the legal heirs of Shri Chikkamuniyappa. However, the Applicant has placed on record the receipt of the settlement executed by the vendors on stamp paper(s), which evidences the consideration amount being finally settled and accepted by the vendors in full and final discharge of all claims relating to the impugned property, thereby reconciling the discrepancies in the said table. Thus, it is established that the Objector/ Applicant had made payment through legitimate banking channels to the legal heirs of Shri Chikkamuniyappa. The Applicant has also placed on record an Encumbrance Certificate for Sy. No.107/2 for the period from 01.04.1970 to 02.05.2026, which reflects the Sale Deed No. 1592 dated 22.05.2017 executed in favour of the Objector/Applicant by the legal heirs of Shri Chikkamuniyappa, who was the original Grantee of the impugned property. Further, the RTC extract also reflects the name of the Applicant as the owner.

25. In order to further examine the present application with respect to the impugned property no. 1, the Panel perused the MR Document seized by CBI from the possession of PACL Ltd., basis which the impugned property no. 1 has been attached by the Committee. It is observed that MR No. 24700/16 consists of the same irrevocable GPA dated 12.11.2010 which has been discussed in preceding para no. 24.1 which was purportedly executed by Shri Chikkamuniyappa (who was not alive on the date of the execution of this GPA) in favour of M/s NSB Real Estates Pvt. Ltd., an associate company of PACL.

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

28. Further, even assuming without admitting that the GPA was executed by Shri Chikkamuniyappa in favour of M/s NSB Real Estates Pvt. Ltd, it was never acted upon, and no steps were taken by M/s NSB Real Estates Pvt. Ltd. or PACL to enforce the same or to complete the transfer of title by executing a conveyance deed. As held in ***Suraj Lamp (Supra),*** and as discussed in Paragraph No. 27, a Power of Attorney is not an instrument of transfer and cannot be treated as a completed conveyance. The mandatory requirement under Section 54 of the TPA read with the Registration Act, 1908, is that a transfer of tangible immovable property worth more than Rs. 100 must be effected only through a registered instrument. In the absence of a registered Sale Deed in favour of PACL or its associate company, no title could have been ever passed to them. Therefore, the Panel is of the view that PACL has no right, title or interest in the said impugned property.

Impugned Property No. 2 – (Sy. No.108 – 13 guntas)

29. Upon examination of the facts mentioned in the I.As. and the documents placed on record by the Applicant, the Panel of Recovery Officers observe as under:

29.1. The Objector/Applicant has placed on record documents showing the complete chain of title for the impugned property no. 2. The land was originally granted to one Shri R. Ramachandrappa by the Land Tribunal, Hoskote *vide* Common Order dated 27.6.1981 passed in proceedings bearing No. *LRF (B) KA: 201, 202, 203: 1979-80 and 1190/1977-78* under Section 48(A) of the Karnataka Land Reforms Act, 1961. Pursuant thereto, the Special Tahsildar issued the Certificate of Registration on 30.3.1982 under Section 55(I) of the Karnataka Land Reforms Act, 1961. Thereafter, an entry bearing MR No.5 of 1986-87 was made in the Mutation Register granting permission to change the khata in respect of the land admeasuring 13 guntas in Sy. No. 108 in the name of Shri R. Ramachandrappa. Thereafter, it is noted that Shri R. Ramachandrappa died on 30.12.1996, and his legal heirs i.e. his wife *viz.* Smt Rajamma and children viz, Smt. Manjula, Smt. Prameela, Shri Ashok and Shri R. Manjunath inherited the said property.

29.2. After the death of Smt Rajamma (*wife of Shri R. Ramachandrappa*) on 17.11.2019, the remaining legal heirs of Shri R. Ramachandrappa i.e. Smt. Manjula, Smt. Prameela, Shri

Ashok and Shri R. Manjunath executed a registered ATS dated 21.08.2021 (*Document No. BDH-1-01906-2021-22*) and a registered GPA dated 21.08.2021 (*Document No. BDH-4-00058-2021-22)* in the office of the Sub-Registrar, Shivajinagara (Bidarahalli), Bengaluru in favour of Shri K. Manjunath, who thereafter executed a registered Sale Deed No. 15708/2022-23 dated 14.07.2022 in favour of the Objector/Applicant for a total sale consideration of Rs.60,00,000/-. It is stated by the Objector/Applicant that it has paid the entire sale consideration and is in possession of the said impugned property. The details of the consideration paid by the Objector/Applicant are tabulated below:

S. No.	**Payment Method**	**Reference No.**	**Date**	**Amount (Rs.)**	**Bank (drawn on)**
1	DD	305316	14.07.2022	20,00,000	City Union Bank, Indira Nagar, Bengaluru
2	DD	305317			
3	DD	305318			
		Total		**60,00,000**	

29.3. The Objector/Applicant has produced the bank statements for the bank account held with the City Union Bank for the relevant period to establish that it had paid the entire sale consideration for purchase of the impugned property No. 2 through banking channels. Upon perusal of the said statements, it is noted that the same reflect the above transactions, confirming that the Applicant has made payments through legitimate banking channels. The Applicant has also placed on record an Encumbrance Certificate for Sy. No.108 for the period 01.04.1970 to 06.04.2026, Khata Certificate and Extract issued by Bruhath Bengaluru Mahanagara Palike ("BBMP") and RTC extract, all of which reflect the name of the Objector/Applicant as the owner. The Applicant has also placed on record the endorsement of payment of property tax in the revenue records to establish possession of the impugned property.

Deed No. 15708/2022-23 dated 14.07.2022 in favour of the Objector/Applicant for a total sale consideration of Rs.60,00,000/-. It is stated by the Objector/Applicant that it has paid the entire sale consideration and is in possession of the said impugned property. The details of the consideration paid by the Objector/Applicant are tabulated below:

S. No.	**Payment Method**	**Reference No.**	**Date**	**Amount (Rs.)**	**Bank (drawn on)**
1	DD	305316	14.07.2022	20,00,000	City Union Bank, Indira Nagar, Bengaluru
2	DD	305317			
3	DD	305318			
		Total		**60,00,000**	

29.3. The Objector/Applicant has produced the bank statements for the bank account held with the City Union Bank for the relevant period to establish that it had paid the entire sale consideration for purchase of the impugned property No. 2 through banking channels. Upon perusal of the said statements, it is noted that the same reflect the above transactions, confirming that the Applicant has made payments through legitimate banking channels. The Applicant has also placed on record an Encumbrance Certificate for Sy. No.108 for the period 01.04.1970 to 06.04.2026, Khata Certificate and Extract issued by Bruhath Bengaluru Mahanagara Palike ("BBMP") and RTC extract, all of which reflect the name of the Objector/Applicant as the owner. The Applicant has also placed on record the endorsement of payment of property tax in the revenue records to establish possession of the impugned property.

30. In order to further examine the present application, the Panel perused the MR Documents seized by CBI from the possession of PACL Ltd., basis which the impugned property no. 2 has been attached by the Committee. It is observed that MR No. 24719/16 contains an ATS and an irrevocable GPA, both dated 08.04.2011, executed by legal heirs of Shri Ramachandrappa (i.e. his *wife viz. Smt Rajamma and children viz. Smt. Manjula, Smt.*

Prameela, Shri *Ashok and* Shri *R. Manjunath*) in favour of M/s NSB Real Estates Pvt. Ltd. In the said ATS, a part payment of Rs. 10,00,000/- was made by M/s NSB towards to the legal heirs of Shri Ramachandrappa out of the total sale consideration of Rs. 46,80,000/-.

31. However, it is to be noted that the GPA dated 08.04.2011 was cancelled by a registered Cancellation/Revocation Deed dated 22.03.2014 executed by the legal heirs of Shri R. Ramachandrappa (i.e. his *wife viz. Smt Rajamma and children viz. Smt. Manjula, Smt. Prameela, Shri Ashok and Shri R. Manjunath*), and a public notice was also issued in this regard. The Objector/ Applicant has placed on record the said documents and upon perusing the same, it is noted that the Cancellation/Revocation Deed dated 22.03.2014 mentions the reason for cancellation as the attorney i.e. M/s NSB Real Estates Pvt. Ltd was trying to act detrimental to the interest of the executors i.e. legal heirs of Shri R. Ramachandrappa and did not do any act, deeds, things as stipulated in the GPA from three years and the GPA executed by the legal heirs stands still. Thus, vide the said order, the competent authority revoked the GPA dated 08.04.2011 registered as document No. BDH-4-00021-2011-12. With regards to the said cancellation, it is noted that the impugned order passed by Shri R.S. Virk, District Judge, Retd. has held that the GPA, being irrevocable, could not have been unilaterally cancelled.

32. In order to establish whether these general powers executed in the year 2011 by the legal heirs of Shri R. Ramachandrappa (i.e. his *wife, viz. Smt Rajamma and children viz. Smt. Manjula, Smt. Prameela,* Shri *Ashok and* Shri *R. Manjunath*), in favour of M/s NSB Real Estates Pvt. Ltd (*POA holder*) created any *'interest',* thereby making them irrevocable and hence legally binding, it is pertinent to first understand the basic principles governing the contract of *'agency'* as stated under Chapter X of the Indian Contract Act, 1872 and the provisions of the Power of Attorney Act, 1882. It is noted that *'Agency'* is a fiduciary relationship between two persons, where one explicitly or implicitly agrees that the other will act on their behalf to influence their legal relations with third parties, and the other similarly agrees to act in this capacity or does so based on an agreement. The relationship between the executant of a general power of attorney and the holder of the power is that of a principal and agent. A principal is bound by the acts done by an agent or the contracts made by him on behalf of the principal. Likewise, a power of attorney, in the nature of a contract of agency, authorizes the holder to do acts specified by the executant, or represent the executant in dealings with third persons. Section 1A of the Power of Attorney Act, 1882 defines *'Power-of-Attorney'* to include any instrument empowering a specified person to act for and in the name of the person executing it. The Hon'ble Supreme Court in the case of ***Syed Abdul Khader v. Rami Reddy & Ors., reported in (1979) 2 SCC 601,*** held that the relation between the donor of the power and the donee of the power is one of principal and agent having its genesis in a contract. It is well settled that a power of attorney is a creation of an agency by which the grantor /donor /executant authorizes the grantee /donee /holder /attorney to do the acts specified on his behalf, which will be binding on the executant as if the acts were done by him. Such agency stands determined or terminated in the circumstances mentioned in Section 201 of the Indian Contract Act, 1872. However, if such a GPA creates any *'interest'* in favour of the POA holder, then the agency becomes irrevocable by virtue of Section 202 of the Indian Contract Act, 1872, till the continuation or subsistence of such interest.

33. In a recent judgement passed by the Hon'ble Supreme Court in the case of ***M. S. Ananthamurthy & Anr Vs. J. Manjula Etc. (Civil Appeal Nos. 3266-3267 of 2025 arising out of SLP (C) Nos. 13618-13619 of 2020)*** dated 27.02.2025, the Hon'ble Court, while examining whether from the reading of the GPA involved therein, the holder of the POA had an interest in the subject matter of the agency *i.e.* the suit property, based on which the GPA can be said to be an irrevocable agency created, relied on the decision of the Hon'ble High Court of Delhi in ***Shri Harbans Singh Vs. Smt. Shanti Devi reported in 1977 SCC OnLine Del 102*** and laid down that the POA, if not coupled with interest, cannot be said to be irrevocable. Thus, the agency has to be specifically meant to secure the agent's benefit or interest and only then will it be said to be an irrevocable POA. The Hon'ble High Court in the case of ***Shri Harbans Singh*** (Supra) observed as under:

"All the conditions of irrevocability are satisfied in the present case. The authority to the agent was given for valuable consideration which proceeded from the respondent. It was given for the purpose of effectuating a security or protecting or securing the interest of the agent. For, the only

purpose of the agency was to ensure and secure the performance of the contract by the appellant in favour of the respondent for whom Shri Gulati was acting as the husband and the nominee and, therefore, a representative or an agent. Where the performance of the agency is not to secure the interest or the benefit of the agent then the agency is not irrevocable merely because the agent has an interest in the exercise of it or has a special property in or lien for advances upon the subject-matter of it."

(Emphasis supplied)

34. From the above, it can be seen that the conditions of irrevocability of a contract of agency can be said to be, (i) authority to agent given for valuable consideration; (ii) such valuable consideration was given for the purpose of effectuating a security or protecting or securing the interest of the agent; (iii) agency not being irrevocable merely because the agent has some interest in carrying it out or holds a special right, such as a lien or advance, over its subject matter. Thus, the agency has to be specifically meant to secure the agent's benefit or interest. Further, the interest of the agent can be inferred from the language of the document or from the course of business between the principal and agent.

35. In the present case, upon perusal of the recitals of the GPA dated 08.04.2011 executed by legal heirs of Shri R. Ramachandrappa (*i.e. wife viz. Smt Rajamma and children viz. Smt. Manjula, Smt. Prameela, Shri. Ashok and Shri R. Manjunath*) in favour of the POA holder viz. M/s NSB Real Estates Pvt. Ltd, it is observed that the GPA did not create any interest but only gave authority to the Donee (POA holder) to sell, mortgage, lease or alienate the impugned properties on behalf of the Donors and the title/ ownership of the impugned property no.2 vested with the Donors of the GPA. Therefore, the said GPA cannot be said to be irrevocable agency in the light of the judgment by the Hon'ble Supreme Court in the case of ***M.S. Ananthamurthy & Anr (Supra).***

36. Having said that, it is pertinent to address the submission regarding the part-payment of ₹10,00,000 paid by M/s NSB Real Estates P. Ltd. It is observed that the said payment was made under the ATS (also dated 08.04.2011) as part of the sale consideration for the proposed transfer of the property by M/s NSB Real Estates P. Ltd to the legal heirs of Shri Ramachandrappa. However, the GPA and an ATS are two distinct instruments. While the ATS records the contractual obligation and the part-payment, the GPA merely facilitates the

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execution of the sale. Even assuming, for the sake of argument, that the part-payment of ₹10,00,000 is treated as consideration flowing to the agency relationship, mere payment of consideration for a future sale does not, by itself, create "interest in the property" required under Section 202 of the Contract Act, 1872. As held by the Supreme Court in ***M.S. Ananthamurthy (Supra)***, the interest must be a proprietary or security interest in the subject matter of the agency, not merely a contractual right to seek specific performance or a debt obligation. Payment of ₹10,00,000/- was a contractual deposit and not a charge, lien, or security interest created over the property to protect M/s NSB Real Estates P. Ltd. Thus, in the absence of such a proprietary interest, the agency remained revocable.

37. Furthermore, the legal heirs of Shri Ramachandrappa i.e. Smt. Manjula, Smt. Prameela, Shri. Ashok and Shri R. Manjunath had executed a registered ATS and a registered GPA, both dated 21.08.2021 in favour of Shri K. Manjunath, appointing Shri K. Manjunath as their attorney to *inter alia* sell the said impugned property no. 2 in favour of any person and to deal in the said property. Based on the said GPA dated 21.08.2021, Shri K. Manjunath, executed a registered Sale Deed No. 15708/2022-23 dated 14.07.2022 in favour of the Applicant for a total sale consideration of Rs.60,00,000/-. Thus, the legal heirs of Shri Ramachandrappa sold the said property to the Objector/Applicant through their GPA holder Shri K. Manjunath. Furthermore, the GPA dated 08.04.2011 was never acted upon by M/s NSB Real Estate P. Ltd, which establish that the title of the said impugned property was never transferred to M/s NSB Real Estate P. Ltd.

38. As stated above, the GPA only authorized the Donee to transfer the properties on behalf of the Donor and the impugned property was under the ownership of the Donor. Thus, considering that the Donors themselves subsequently transferred the impugned property no. 2 by way of an ATS dated 21.08.2021 and a registered GPA dated 21.08.2021 in favour of Shri K. Manjunath, who thereafter executed a registered Sale Deed No. 15708/2022-23 dated 14.07.2022 in favour of the Applicant, the said GPA dated 08.04.2011 was rendered

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infructuous as the Donors themselves ceased to possess the authority which was given to exercise to the Donee through the said GPA.

39. Notwithstanding the same, even if one were to assume (without admitting) that the GPA dated 08.04.2011 was intended to create some interest in favour of the Donee, the same fails for two independent reasons: (i) the purported irrevocability is not established because the GPA was not executed to secure a debt or a proprietary interest of M/s NSB Real Estates P. Ltd, but merely to facilitate a conveyance; and (ii) by virtue of the judgement passed by the Hon'ble Supreme Court in the case of ***Suraj Lamp (Supra)***, which discouraged the practice of transferring an immovable property by way of executing a GPA / ATS / Will. Thus, it is clear established that mere execution of GPA does not convey any title and cannot be said to be a valid mode of transferring any immovable property.

40. In the present case, as already established above, the GPA dated 08.04.2011 did not create any proprietary interest in favour of M/s NSB Real Estates Pvt. Ltd. Further, the part-payment of ₹10,00,000, even if treated as consideration connected to the agency, was merely a deposit toward sale consideration and did not create a charge, mortgage, or lien over the property. The fact that M/s NSB Real Estates Pvt. Ltd. was not a party to the cancellation deed does not render the cancellation invalid since the agency was not coupled with interest, the principal (donors) retained the unfettered right to revoke it. Therefore, the GPA was revocable and the registered cancellation deed dated 22.03.2014 executed by the original owners is held as valid cancellation. In addition, even if the GPA was labelled irrevocable, the same was never acted upon and no steps were taken by M/s NSB Real Estates Pvt. Ltd. or PACL to enforce the GPA or to complete the transfer of title. Therefore, neither the associate company nor PACL can claim title over the said impugned property.

41. Furthermore, as submitted by the Applicant and on perusal of the ATS dated 08.04.2011 between the predecessors in title i.e. Smt Rajamma, wife of Shri R. Ramachandrappa and her children viz. Smt. Manjula, Smt. Prameela, Shri Ashok and Shri R. Manjunath and the M/s NSB Real Estates Pvt. Ltd., it is noted that indeed there was an agreement executed between

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the predecessors in title and the M/s NSB Real Estates Pvt. Ltd to sell the impugned property no. 2. However, it is noted that the said document *i.e.* the ATS executed between them is not a registered document. Thus, applying the provision as discussed in paragraph no. 22 to the instant case, an ATS, even though executed between the predecessors in title and the Purchaser viz. M/s N.S.B. Real Estate Pvt. Ltd., cannot by itself create any interest in or charge on such property in the absence of a registered sale deed.

42. Having said this, reference may be made to Section 53A of the TPA, which provides as under:

> *"53A. Part performance. - Where any person contracts to transfer for consideration any immoveable property by writing signed by him or on his behalf from which the terms necessary to constitute the transfer can be ascertained with reasonable certainty, and the transferee has in part performance of the contract, taken possession of the property or any part thereof, or the transferee, being already in possession, continues in possession in part performance of the contract and has done some act in furtherance of the contract, and the transferee has performed or is willing to perform his part of the contract, then, notwithstanding that, or, where there is an instrument of transfer, that the transfer has not been completed in the manner prescribed therefor by the law for the time being in force, the transferor or any person claiming under him shall be debarred from enforcing against the transferee and persons claiming under him any right in respect of the property of which the transferee has taken or continued in possession, other than a right expressly provided by the terms of the contract:*
> *Provided that nothing in this section shall affect the rights of a transferee for consideration who has no notice of the contract or of the part performance thereof."*

43. A plain reading of the said provision under the TPA shows that the said section protects the transferees, who have taken possession of the property on the basis of an agreement, by way of debarring the transferor or any person claiming under him from enforcing against the transferee and persons claiming under him any right in respect of the property of which the transferee has taken or continues to be in possession, other than a right expressly provided by the terms of the contract. However, following are the elements of the Doctrine of Part performance:

42.1 Existence of an Agreement, which is valid and enforceable under law.

42.2 Payment of consideration.

42.3 Taking possession or making improvements to the property.

का पैनल Panel of Recovery Officers
वसूली अधिकारियों का पैनल, पी ए सी एल के मामले से संबंधित, मुंबई / In the matter of Pacl Ltd Mumbai

44. In the instant case, the predecessors in title and the Purchaser have executed an ATS dated 08.04.2011, which shows the existence of an agreement. Further, it is noted from the ATS that as part payment towards consideration, a payment of Rs. 10,00,000/- was made by the Purchaser viz. M/s N.S.B. Real Estate Pvt. Ltd. to the predecessors in title through cheques. However, it is noted that the ATS dated 08.04.2011 is an 'unregistered' agreement which is not enforceable. In addition, even after execution of the said agreement, it is observed that the predecessors in title i.e. the legal heirs of Shri Ramachandrappa (*and subsequently the Applicant, through a registered sale deed*) are still in possession of the impugned property no. 2 and the Purchaser viz. M/s N.S.B. Real Estate Pvt. Ltd. never had any possession of the said property which is in contrast to the elements required for claiming protection under Section 53A of the TPA. In the absence of the existence of key elements to claim protection under the aforementioned provision of law, it is viewed that the Purchaser i.e. M/s N.S.B. Real Estate Pvt. Ltd. cannot claim the protection under Section 53A of the TPA and therefore, the said provision cannot be invoked by the associate company of PACL Ltd. in the light thereof.

45. Furthermore, it can be argued that the parties to the ATS dated 08.04.2011 (the predecessors in title and M/s NSB Real Estates Pvt. Ltd.) had a right to seek specific performance of such agreement under Section 10 of the Specific Relief Act, 1963. Also, the ATS stipulated that the balance sale consideration of Rs. 36,80,000/- was to be paid within a period of 6 months from the date of the agreement (i.e., by October 2011). However, despite making a payment of Rs. 10,00,000/- towards part-consideration, M/s N.S.B. Real Estate Pvt. Ltd. did not pay the balance consideration within the stipulated period. Further, there is nothing on record to show any correspondence between the parties with respect to the non-payment of balance consideration and execution of conveyance deed. The same shows that M/s NSB Real Estates P. Ltd was not willing to complete the transaction. In view thereof, subsequently, the GPA executed favouring M/s NSB Real Estates P. Ltd was sought to be cancelled by the legal heirs of Shri Ramachandrappa which was duly cancelled *vide* revocation/cancellation order dated 22.03.2014 as mentioned in preceding para nos. 31 and 40. Therefore, no suit seeking specific placed on record the endorsement of property tax, which establishes that the Applicant has been in actual, continuous and undisputed possession of the property. Further, it is pertinent to note that the Encumbrance Certificate do not reflect any charge, lien, or interest in favour of PACL or M/s NSB Real Estates Pvt. Ltd. at any point prior to the execution of the registered Sale Deed in favour of the Applicant in the year 2022.

48. In light of the foregoing analysis, considering that M/s NSB Real Estates Pvt. Ltd. had only a GPA and ATS in its name and no conveyance deed was ever executed, the Applicant being a bona fide purchaser had no notice of such transaction in the impugned property No. 2 while executing the Sale Deed No. 15708 dated 14.07.2022 with the predecessor in title. Accordingly, no right, title, or interest in the impugned property No. 2 ever vested in PACL or its associate company. The same is further substantiated by the fact that the Encumbrance Certificate provided by the Applicant for the period from 01.04.1970 to 06.04.2026 does not have any encumbrance in the name of PACL / M/s NSB Real Estates Pvt. Ltd. In view thereof, the sale deed executed by the Applicant, even though post the order dated 15.11.2017 passed by the Hon'ble Supreme Court, cannot be found fault with and is a valid transfer of title in favor of the Applicant.

Impugned Property No. 3 – (Sy. No.108 – 80 guntas/2 acres)

49. Upon examination of the facts mentioned in the I.As. and the documents placed on record by the Applicant, the Panel of Recovery Officers observe as under:

49.1. The Objector/Applicant has placed on record documents showing the complete chain of title for the impugned property no. 3. The land was originally granted to one Shri Munegowda by the Land Tribunal, Hoskote *vide* Common Order dated 27.06.1981 passed in proceedings bearing No. *LRF (B) KA: 201, 202, 203: 1979-80 and 1190/1977-78* under Section 48(A) of the Karnataka Land Reforms Act, 1961. Pursuant thereto, the Special Tahsildar issued the Certificate of Registration on 10.01.1985 under Section 55(I) of the Karnataka Land Reforms Act, 1961. The land was thereafter converted from agricultural to residential purposes *vide* Official Memorandum dated 25.4.2017 bearing No. ALN(EBK)SR/06/16-17 passed by the Deputy Commissioner, Bangalore.

48. In light of the foregoing analysis, considering that M/s NSB Real Estates Pvt. Ltd. had only a GPA and ATS in its name and no conveyance deed was ever executed, the Applicant being a bona fide purchaser had no notice of such transaction in the impugned property No. 2 while executing the Sale Deed No. 15708 dated 14.07.2022 with the predecessor in title. Accordingly, no right, title, or interest in the impugned property No. 2 ever vested in PACL or its associate company. The same is further substantiated by the fact that the Encumbrance Certificate provided by the Applicant for the period from 01.04.1970 to 06.04.2026 does not have any encumbrance in the name of PACL / M/s NSB Real Estates Pvt. Ltd. In view thereof, the sale deed executed by the Applicant, even though post the order dated 15.11.2017 passed by the Hon'ble Supreme Court, cannot be found fault with and is a valid transfer of title in favor of the Applicant.

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49.2. It is noted that Shri Munegowda had executed a registered ATS (*Document No. MDP-1-05505-2018-19)* and a registered GPA dated 04.09.2018 *(Document No. MDP-4-00245-2018-19)* in the office of the Sub-Registrar, Mahadevapura, Bengaluru, in favour of the Applicant. Thereafter, Shri Munegowda executed a registered Sale Deed No. 9057 dated 07.09.2018 in favour of the Applicant for a total sale consideration of

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Rs.4,20,00,000/-. As submitted by the Applicant, it has paid the entire consideration and is in possession of the said 80 guntas in Sy No. 108. It is noted that the Khata has also been mutated in the name of the Applicant *vide* order dated 03.08.2022 issued by BBMP. The details of the consideration paid by the Objector/Applicant to Shri Munegowda for purchase of the impugned property no. 3 are tabulated below:

S. No.	Payment Method	Reference No.	Date	Amount (Rs.)	Bank
1	Cash	-	-	1,000	-
2	Cheque	6913	03.05.2015	49,000	T.V.C Bank, Basaveshwara Nagar, Bangalore
3	Cheque	717	Not specified	35,00,000	HDFC Bank, Amaryjothi Layout, Domlur, Bangalore
4	Cheque	718	Not specified	14,50,000	HDFC Bank, Amaryjothi Layout, Domlur, Bangalore
5	DD	252739	13.08.2018	50,00,000	City Union Bank, Indiranagar Branch, Bangalore
6	DD	252738	13.08.2018	50,00,000	City Union Bank, Indiranagar Branch, Bangalore
7	Cheque	001440	Not specified	1,05,00,000	ICICI Bank, Domlur Branch, Bangalore
8	Cheque	001441	Not specified	1,05,00,000	ICICI Bank, Domlur Branch, Bangalore
9	Cheque	001442	Not specified	60,00,000	ICICI Bank, Domlur Branch, Bangalore
10	*TDS*	-	-	*4,20,000*	*Income Tax Department*
Total excluding TDS				**4,20,00,000**	

49.3. To substantiate the submission that the Objector has paid the entire sale consideration, it has placed on record the bank statement of the account held with City Union Bank for the relevant period. Upon examining the entries appearing therein, it is noted that the said statement reflects the above transactions for a sum of ₹3.10 crores. However, the entries for an amount of Rs. 1,10,00,000/- does not find any mention in the said statement. On seeking clarification for the unaccounted entries of ₹1,10,00,000 (as detailed in the table above), the Applicant has placed on record the bank statement which shows that the Applicant had made the said payment to one land aggregator through whom the Applicant/Objector was dealing and purchasing lands including the impugned property. The bank statement provided by the Applicant reflects payments being made to the said land aggregator during the relevant period which confirms that the Applicant made payments through banking channels. Also, there is nothing on record to show any dispute and/or litigation between the parties for non-payment of consideration amount. Further, the Applicant has also placed on record an Encumbrance Certificate for the period 01.04.1970 to 06.04.2026, Khata Certificate and RTC extract which reflects its name as the owner of the impugned property no. 3. Specifically, the Encumbrance Certificate reveals Entry No. 05, which reflects the sale of the property from Shri Munegowda, as the original land owner, to the Applicant. These documents collectively reflect the name of the Applicant as the owner. The Applicant has also placed on record endorsement of property tax, which also mentions the name of the Applicant as the owner of the impugned property no. 3.

50. In order to further examine the present application, the Panel perused the MR Document seized by CBI from the possession of PACL Ltd., basis which the impugned property no. 3 has been attached by the Committee, and it is observed that MR No. 24833/16 consists of an irrevocable GPA dated 27.10.2010 executed by Shri Munegowda in favour of M/s NSB Real Estates Pvt. Ltd.

51. However, the Applicant/Objector has submitted that the said GPA dated 27.10.2010 was cancelled by a registered Cancellation/Revocation Deed dated 07.08.2012 by Shri Munegowda and the reason for cancellation of the said GPA is stated to be that the Executant, i.e. Shri Munegowda became capable of looking after the said property himself and that Shri Munegowda did not need anyone to look after the said property. However, the impugned order

वसूली अधिकारियों का पैनल Panel of Recovery Officers पी ए सी एल लि के मामले से संबंधित, मुंबई/In the matter of PACL Ltd Mumbai held that the GPA, being irrevocable, could not have been unilaterally cancelled. However, the issue of irrevocability of a GPA and the legal principles governing the same have already been examined and established in detail in the analysis of Impugned Property No. 2, more specifically at preceding para nos. 32 to 40. Applying the same principles, it is held that the GPA dated 27.10.2010 did not create any interest in favour of M/s NSB Real Estates Pvt. Ltd. and was never acted upon. Therefore, the same was revocable and the registered cancellation deed dated 07.08.2012 is held to be valid and binding.

52. Further, in terms of the judgment of the Hon'ble Supreme Court in ***Suraj Lamp (Supra)***, a GPA does not convey any title in immovable property. PACL has failed to produce any registered sale deed or conveyance deed in its favour. The Applicant, on the other hand, holds a registered sale deed and is in exclusive possession of the impugned property no. 3. Therefore, neither M/s NSB Real Estates Pvt. Ltd. nor PACL has any right, title or interest in the said property.

Impugned Property No. 4 – (Sy. No.107 – 1 acre 14.5 guntas)

53. Upon examination of the facts mentioned in the I.As. and the documents placed on record by the Applicant, the Panel observes as under:

53.1. The Applicant has consistently contended, and specifically stated in the relief clause, that the land admeasuring 1 acre 14.5 guntas in Sy. No.107 *(old survey number)* is included within the larger extent of 3 acres 37 guntas in Sy. No.107/2, which forms the subject matter of registered Sale Deed No. 1592 dated 22.05.2017.

53.2. The RTC extracts, Encumbrance Certificate, and Khata records placed on record by the Applicant reflect the Applicant's title over the entirety of the said 3 acres 37 guntas in Sy No. 107/2. The Applicant has clarified that they are not claiming any additional land beyond the 3 acres 37 guntas, rather, the 1 acre 14.5 guntas is a constituent part of the said 3 acres 37 guntas.

53.3. Upon perusal of the schedule of property in Sale Deed No. 1592 dated 22.05.2017, it is noted that the total extent conveyed to the Applicant is 3 acres 37 guntas in Sy. No.107/2. It is noted that the old Sy. No.107 has been bifurcated into Sy. No.107/1, Court in ***Suraj Lamp (Supra)***, a GPA does not convey title in immovable property. There is nothing on record to show that the PACL associate company has executed any registered conveyance deed in the said impugned property.

57. It is noted that since the 1 acre 14.5 guntas is inherently part of the 3 acres 37 guntas in Sy. No.107/2, and this Panel has already held that the Applicant has established clear title over the 3 acres 37 guntas (*Impugned Property No. 1*), the attachment over the 1 acre 14.5 guntas *ipso facto* stands set aside. Therefore, separate adjudication of this parcel is not warranted and the Applicant's claim over this parcel is subsumed within the relief granted for Impugned Property No. 1.

58. Here, it is also pertinent to refer to the order dated 19.02.2026 passed by the Hon'ble Supreme Court wherein, while directing that the Category B applications be dealt with by the Recovery Officers appointed under Section 28A of the SEBI Act, 1992, the Hon'ble Supreme Court specifically stated as under:

> *"12. In view of the fact that the said applications are pending for a long time, we accordingly direct:*
>
> ……..
>
> *(iii) The remit of the Recovery Officers shall be confined to determining whether the properties subject matter of such applications were in fact purchased by PACL Limited or related to its associate entities, subsidiaries or sister concerns and whether the Applicants establish, on the basis of documentary materials & evidence, that the properties are held by them in their independent capacity.*
>
> …….
>
> *(vi) A party will not be denied a claim over a property solely for the reason, that at one point and time the property was owned by PACL or its associated entities and it is not clear as to what were the source of funds used by PACL & its sister entities, as the case may be, to purchase the properties, if otherwise it is clear that the party is a bona fide purchaser for value having actually paid the amounts through banking channels."*
>
> ……..

59. The Hon'ble Supreme Court, in the abovementioned order dated 19.02.2026, has thus directed that claims over a property are liable to be protected where it is evident that the claimant is a *bona fide* purchaser for value who has actually paid the consideration through legitimate the Applicant's claim over this parcel is subsumed within the relief granted for Impugned Property No. 1.

58. Here, it is also pertinent to refer to the order dated 19.02.2026 passed by the Hon'ble Supreme Court wherein, while directing that the Category B applications be dealt with by the Recovery Officers appointed under Section 28A of the SEBI Act, 1992, the Hon'ble Supreme Court specifically stated as under:

"12. In view of the fact that the said applications are pending for a long time, we accordingly direct:

....

(iii) The remit of the Recovery Officers shall be confined to determining whether the properties subject matter of such applications were in fact purchased by PACL Limited or related to its associate entities, subsidiaries or sister concerns and whether the Applicants establish, on the basis of documentary materials & evidence, that the properties are held by them in their independent capacity.

....

(vi) A party will not be denied a claim over a property solely for the reason, that at one point and time the property was owned by PACL or its associated entities and it is not clear as to what were the source of funds used by PACL & its sister entities, as the case may be, to purchase the properties, if otherwise it is clear that the party is a bona fide purchaser for value having actually paid the amounts through banking channels."

....

59. The Hon'ble Supreme Court, in the abovementioned order dated 19.02.2026, has thus directed that claims over a property are liable to be protected where it is evident that the claimant is a *bona fide* purchaser for value who has actually paid the consideration through legitimate means like banking channels. In the present cases, it is established that the Applicant, by way of registered sale deeds Nos. 1592 dated 22.05.2017, 15708 dated 14.07.2022 and 9057 dated 07.09.2018, has acquired the title to the impugned properties. The Applicant has paid the entire sale consideration through banking channels and has been in continuous possession of the impugned properties. Further, the impugned properties stand mutated in the name of the Applicant. Therefore, the Objector/Applicant is found to be a *bona fide* purchaser for value of the impugned properties.

Panel of Recovery Officers, In the matter of PACL Ltd., Mumbai

60. In view of the foregoing discussion, it is clear that the Applicant has established a clear title over the impugned properties by way of registered sale deeds, and that PACL or its associates have no right, title or interest in the said properties. Therefore, it is viewed that the impugned order dated 30.11.2023 passed by Shri R.S. Virk, District Judge (Retired), is based on erroneous findings and is thus liable to be set aside.

ORDER

61. Given the above findings, the I.A Nos. 25883 of 2024, 224363 of 2024, and 25887 of 2024 filed by the Objector/Applicant viz. M/s. KMK Developers Pvt. Ltd. are liable to be allowed and are hereby allowed. Accordingly, the impugned order dated 30.11.2023 passed by Shri R.S. Virk, District Judge (Retired) in File Nos. 1151, 1152, 1153 and 1154 are hereby set aside.

62. The I.A. Nos. 25883 of 2024, 224363 of 2024, and 25887 of 2024 are hereby, accordingly, disposed of.

Place: Mumbai
Date: July 31, 2026

31.07.2026 | 31.07.2026 | 31.07.2026

MS. RESHMA GOEL
RECOVERY OFFICER
रेशमा गोयल / RESHMA GOEL
उप महाप्रबंधक एवं वसूली अधिकारी
Deputy General Manager & Recovery Officer
(पी ए सी एल ली के मामले से संबंधित, मुंबई)/(In the matter of PACL Ltd. Mumbai)

MR. BAL KISHOR MANDAL
RECOVERY OFFICER
बाल किशोर मंडल / BAL KISHOR MANDAL
उप महाप्रबंधक एवं वसूली अधिकारी
Deputy General Manager & Recovery Officer
(पी ए सी एल ली के मामले से संबंधित) [In the matter of PACL Ltd.]

MS. PREETI PATEL
RECOVERY OFFICER
प्रीति पटेल /PREETI PATEL
उप महाप्रबंधक एवं वसूली अधिकारी
Deputy General Manager & Recovery Officer
(पी ए सी एल ली के मामले से संबंधित, मुंबई)/(In the Matter of PACL Ltd. Mumbai)

वसूली अधिकारियों का पैनल Panel of Recovery Officers
पी ए सी एल ली के मामले से संबंधित, मुंबई/In the matter of Pacl Ltd. Mumbai