

**BEFORE THE PANEL OF RECOVERY OFFICERS APPOINTED UNDER SECTION
28A OF THE SEBI ACT, 1992**

**DISCHARGING FUNCTIONS IN TERMS OF THE ORDERS PASSED BY THE
HON'BLE SUPREME COURT OF INDIA DATED 08.08.2024 AND 19.02.2026 IN
C.A. No. 13301 OF 2015 IN THE MATTER OF PACL LTD.**

I.A. No.	16190 of 2026, 16192 of 2026
File No.	SEBI/PACL/OBJ/SS/00770/2026
Name of the Objector(s)	Mr. P. Govardhanakumar
MR No.	24675-16, 24677 - 16

Background:

1. Securities and Exchange Board of India (hereinafter referred to as "SEBI") on 22.08.2014 passed an order against the 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. It was also directed vide the said order 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.
3. 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.
4. 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



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not refund the money to its investors. Accordingly, SEBI initiated recovery proceedings under Section 28A of 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.

5. 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, direction for refund and 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.
6. 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.
7. 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 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.
8. In the recovery proceedings mentioned in para 4 above, the Recovery Officer issued an attachment order dated 07.09.2016, against 640 associate companies of PACL Ltd. In



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the said order, *inter alia*, the registration authorities of all States and Union Territories were requested not to act upon any document 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.

9. 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 Mr. R. S. Virk, District Judge (Retired).
10. 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.
11. 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.....”



12. In compliance with 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 by the Recovery Officers attached to the Committee.

13. Subsequently, the Hon'ble Supreme Court passed the order dated 19.02.2026 in the matter of Subrata Bhattacharya vs. SEBI (Civil Appeal No. 13301 of 2015) directing,

inter alia, that all interlocutory applications/Transferred Case falling under Category B, i.e. 106 sets of applications including the instant application, challenging the recommendations of Shri R.S. Virk (Retd.), be placed before the Recovery Officers appointed under Section 28A of the SEBI Act, 1992. Accordingly, all such applications, including the instant application, are now to be dealt by the Recovery Officers appointed under Section 28A of the SEBI Act, 1992 in the matter of PACL Ltd. for discharging functions in terms of the Orders of the Hon'ble Supreme Court dated 08.08.2024 and 19.02.2026 in C.A. No. 13301 of 2015.

Present Interlocutory Application:

14. The instant interlocutory application (I.A.) has been filed by Mr. P. Govardhanakumar (hereinafter referred to as the “**Applicant**”) R/o 386, 8th main, M S Ramaiah City, J P Nagar, 8th phase, Bangalore - 560076 before the Hon'ble Supreme Court in the matter of *Subrata Bhattacharya vs. SEBI (Supra)* objecting the inclusion of Site No. 65, measuring 1200 square feet situated at M Medahalli Village, Attibele Hobli, Anekal Taluk, Bangalore Urban District, Karnataka (hereinafter referred to as the “**impugned land**”) in the list of properties proposed to be auctioned under tender document no. JRMLC/KARN/BENURB_1 dated 18.09.2025. Thereafter, as explained in the paragraph no. 13 of this order, this I.A. is being dealt by the Panel of Recovery Officers appointed under Section 28A of the SEBI Act, 1992.

15. The Applicant was granted an opportunity of hearing on 24.04.2026 before the Panel of Recovery Officers which was attended by the Authorised Representative (AR) of the Applicant. The AR reiterated the submissions made in the I.A. and further submitted that the said I.A. is a fresh application and that no other objection petition has been filed before Shri R.S. Virk (Retd.) or Justice (Retd.) R. M. Lodha Committee seeking the same relief.

16. In this context, reference may be made to order dated 19.02.2026 passed by Hon'ble Supreme Court which, while taking note of the proposed segregation of the interlocutory applications into five distinct categories, i.e. Category A to E, specified that Category 'B' applications are those which are filed challenging the recommendations of Shri R.S. Virk, District Judge (Retired). The Hon'ble Supreme



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Court observed that the issues arising in the said identified 106 sets of 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 the applications falling under Category 'B' be placed before the Recovery Officers appointed under Section 28A of the SEBI Act, 1992 for examination. The relevant part of the said order is reproduced as under:

"9.....So far as properties relating to auctioning the properties situated in the State of Punjab the issue whether Punjab Government be permitted or not is being considered. In the meanwhile, we are concerned with a batch of 106 sets of interlocutory applications/Transferred Case falling under Category B, filed against recommendations of Mr. R.S. Virk dismissing the objections raised by the applicants....."

10. After having examined a few of such applications and the issues arising therein, we are of the view that the applications require a detailed scrutiny of documentary material to determine the true nature and ownership of the properties in question. This enquiry can legitimately be conducted by adopting the mechanism provided under Section 28A of the SEBI Act, 1992, which incorporates the procedure for recovery as specified under Section 220 and the Second Schedule to the Income Tax Act, 1961, including the powers of a Recovery Officer. Accordingly, we deem it fit that the applications falling under Category B be placed before the Recovery Officers appointed under Section 28A of the SEBI Act, 1992, for examination."

17. Thus, it can be seen that the Recovery Officers appointed under Section 28A of the SEBI Act, 1992, in the matter of PACL Ltd. are empowered by the Hon'ble Supreme Court to deal with and decide such I.As. which have been filed against an order/recommendation passed by Shri R.S. Virk, District Judge (Retired). Upon perusal of the present I.A., it is noted that the present I.A. is a fresh application seeking exclusion of the impugned land from the list of properties proposed to be auctioned vide Tender Document No. JRMLC/KARN/BENURB_1 dated 18.09.2025 and the



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same is not challenging any order or recommendation passed by Shri R.S. Virk, District Judge (Retired) and therefore the same does not fall under Category B.

18. Considering that the present I.As. does not fall under Category B, the same is not maintainable before the Recovery Officers appointed under Section 28A of the SEBI Act, 1992. However, the Panel of Recovery Officers is of the view that the Applicant can approach Justice R.M. Lodha Committee as mentioned in paragraph 11 above by filing an objection before the said Committee.

Order:

19. Given the above, the instant I.A. Nos. 16190 of 2026 and 16192 of 2026 filed by the Applicant are liable to be disposed of without determination on merits as not maintainable and are hereby accordingly disposed of.

20. However, the Applicant is at liberty to file a fresh objection petition with the Justice (Retd.) R. M. Lodha Committee seeking delisting of the impugned lands from the attachment within a period of 90 days from the date of present order, failing which the PACL Committee shall be at liberty to auction the impugned property involved in the instant I.A.

Place: Mumbai

Date: June 01, 2026



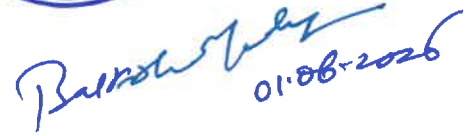
SAROJ KUMAR SAHU
Recovery Officer

सरोज कुमार साहु / SAROJ KUMAR SAHU
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.)



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) // (in the matter of PACL Ltd. Mumbai)



BAL KISHOR MANDAL
Recovery Officer

बाल किशोर मंडल / BAL KISHOR MANDAL
उप महाप्रबंधक एवं वसूली अधिकारी
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