

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

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

Order in respect of the objection filed by Shri. B. Eshwar and Ors.
SEBI/PACL/RO/PP/RD4/ORD/193/2026

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

File No.	SEBI/PACL/OBJ/AR/00217/2024
Name of the Objector(s)	Shri. B. Eshwar and Ors.
MR No.	18066/16

Background:

1. Securities and Exchange Board of India (hereinafter referred to as “SEBI”) on August 22, 2014 had passed an order against PACL Ltd., its promoters and directors, inter alia, holding the schemes run by PACL Ltd. as Collective Investment Scheme (“CIS”) and directing them to refund the amounts collected from the investors within three months from the date of the order. Vide the said order, it was also directed that PACL Ltd. and its promoters/directors shall not alienate or dispose of or sell any of the assets of PACL Ltd. except for the purpose of making refunds as directed in the order.
2. The order passed by SEBI was challenged by PACL Ltd. and four of its directors by filing appeals before the Hon’ble Securities Appellate Tribunal (“SAT”). The said appeals were dismissed by the Hon’ble SAT vide its common order dated August 12, 2015, with a direction to the appellants to refund the amounts collected from the investors within three months. Aggrieved by the order dated August 12, 2015 passed by the Hon’ble SAT, PACL Ltd. and its directors had filed appeals before the Hon’ble Supreme Court of India.

The Hon’ble Supreme Court did not grant any stay on the aforementioned impugned order dated August 12, 2015 of the Hon’ble SAT, however, PACL Ltd. and its promoters/



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

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directors did not refund the money to the investors. Accordingly, SEBI initiated recovery proceedings under Section 28A of the SEBI Act, 1992 against PACL Ltd. and its promoters/ directors vide recovery certificate no. 832 of 2015 drawn on December 11, 2015 and as a consequence thereof, all bank/ demat accounts and folios of mutual funds of PACL Ltd. and its promoters/ directors were attached by the Recovery Officer vide attachment order dated December 11, 2015.

4. During the hearing on the aforesaid civil appeals filed by PACL Ltd. and its directors (Civil Appeal No. 13301 of 2015 – Subrata Bhattacharya Vs. SEBI and other connected matters), the Hon'ble Court vide its order dated February 02, 2016 directed SEBI to constitute a committee under the Chairmanship of Hon'ble Mr. Justice R.M. Lodha, the former Chief Justice of India (hereinafter referred to as **"the Committee"**) for disposing of the land purchased by PACL Ltd. so that the sale proceeds can be paid to the investors, who have invested their funds in PACL Ltd. for purchase of the land. In the said civil appeals, the Hon'ble Supreme Court did not grant any stay on the orders passed by SEBI and the Hon'ble SAT. Therefore, directions for refund and direction regarding restraint on the PACL Ltd. and its promoters and directors from disposing, alienating or selling the assets of PACL Ltd., as given in the order, continues till date.
5. The Committee has from time to time requested the authorities for registration and revenue of different states to take necessary steps and issue necessary directions to Land Revenue Officers and Sub-registrar offices, to not effect registration/mutation/sale/transfer, etc. of properties wherein PACL Ltd. and/ or its group or its associates have, in any manner, right of interest.
6. Also, the Hon'ble Supreme Court vide its order dated July 25, 2016 restrained PACL Ltd. and/ or its Directors/Promoters/agents/employees/Group and/or associate companies from, in any manner, selling/transferring/alienating any of the properties wherein PACL Ltd. has, in any manner, a right/interest situated either within or outside India.

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7. In the recovery proceedings mentioned in para 3 above, the Recovery Officer issued an attachment order dated September 07, 2016 against 640 associate companies of PACL Ltd. In the said order, inter alia, the registration authorities of all States and Union Territories were requested not to act upon any documents purporting to be dealing with transfer of properties by PACL Ltd. and/or the group/ associate entities of PACL Ltd. mentioned in the Annexure to the said attachment order, if presented for registration.
8. The Hon'ble Supreme Court, vide its order dated November 15, 2017, passed in Civil Appeal No. 13301/2015 and connected matters directed that all the grievances/ objections pertaining to the properties of PACL Ltd. would be taken up by Mr. R.S. Virk, Retired District Judge.
9. On April 30, 2019, in the recovery proceedings initiated against PACL Ltd. and Ors., the Recovery Officer issued a notice of attachment in respect of 25 front companies of PACL Ltd. Thereafter, on March 01, 2021, the Recovery Officer issued another notice of attachment in respect of 32 associate companies of PACL Ltd., which included 25 front companies of PACL Ltd. whose accounts were attached vide order dated April 30, 2019.
10. Vide order dated August 08, 2024 passed in Civil Appeal No. 13301 of 2015 - Subrata Bhattacharya Vs. SEBI and other connected matters, the Hon'ble Supreme Court has directed as under:

“.....10. Since, we had directed in our order dated 25.07.2024, that no fresh applications or objections shall be filed before or entertained by Shri R.S. Virk, District Judge (Retd.) and that the same shall be filed before the Committee, the Committee may deal with such applications/ objections, if filed before it, and 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 August 08, 2024 passed by the Hon'ble Supreme Court, all objections with respect to properties of PACL Ltd., which were pending before Shri R.S. Virk, Retired District Judge and all new objections, are now to be dealt by the Recovery Officers attached to the Committee.
12. Accordingly, the present objection with respect to the properties of PACL Ltd., are being heard and adjudicated upon by a Panel consisting of three Recovery Officers attached to the Committee.

Present Objection:

13. The instant objection has been filed by Shri. B. Eshwar s/o Basappa (hereinafter referred as the “**Objector No. 1**”), Shri. Neelesh s/o Shri. B. Eshwar (hereinafter referred as the “**Objector No. 2**”) and Kumari Aishwarya d/o Shri. B. Eshwar (hereinafter referred as the “**Objector No. 3**”), all residing at Cheemangala Village, Jangamakote Hobali, Sidlaghatta Taluk, Chikkaballapur District, Karnataka – 562105 (hereinafter collectively referred to as the “**Objectors**”), through their Authorised Representative, Mr. V. Dhananjay, Advocate (hereinafter referred to as the “**AR**”), vide objection petition dated July 23, 2024 objecting to the attachment of agricultural land admeasuring 38 Guntas (out of 1 Acre 38 Guntas, towards the southern side) in Survey No. 51 (old Survey No. 41) situated at Kolimi Hosur Village, Jangamakote Hobali, Sidlaghatta Taluk, Chikkaballapur District, Karnataka (hereinafter referred as the “**impugned property**”) covered under MR 18066/16, which stands attached by the Committee.
14. It is the case of the Objectors, as submitted, that the impugned property forms a part of a larger portion of land admeasuring 1 Acre 38 Guntas (hereinafter referred as the “**parent land**”) originally belonging to the Government of Karnataka, which was, on application bearing No. LND RUC (J) 35/1998-99 being filed by Objector No. 1, was granted to him by the Tahsildar of Sidlaghatta Taluk and a Saguvalichiti/ Grant Certificate in Form No. 7

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dated March 23, 2002 was issued with a condition of non-alienation of the granted property for a period of 15 years from the date of issuance of certificate. Subsequently, the property was mutated in the name of Objector No. 1 and was accordingly entered in the revenue records vide Mutation Register No. RUOCR (j) 35/98-9.

15. The Objectors have further stated that they had executed a General Power of Attorney (GPA) bearing No. HBB-4-00107/2011-12 dated May 17, 2011, registered with the Sub-Registrar, Hebbal, Bengaluru, in favour of Mr. Diwakar Awasthi s/o late Dr. Surendra Kumar Awasthi, for the purpose of obtaining sale permission and other related documents from the Government. However, due to alleged misuse of the said GPA by the Power Agent viz. Mr. Diwakar Awasthi and his interference with the possession of the impugned property, the Objectors had issued a legal notice to him through an advocate, which was neither responded to nor complied with by him. Consequently, the Objectors had executed a deed of cancellation dated February 16, 2019, registered with the Sub-Registrar, Bengaluru on March 01, 2019 vide No. YAN-4-00491/2018-19 (CD No. YAND712), revoking the aforementioned GPA. The Objectors have further submitted that they are in possession and enjoyment of the impugned property without any interruption.
16. Upon finding out about the attachment of the impugned property, the Objectors have filed the present objection seeking removal of the impugned property from the list of properties attached by the PACL Committee and issuance of No Objection Certificate (NOC).
17. Upon perusal of the Objection petition and the documents annexed thereto, it is noted that the Objectors have, *inter alia*, contended as under:

- i. That the Objectors are the absolute owners and are in joint possession and enjoyment of the impugned property without any interference and have been paying land tax revenue;

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- ii. That the GPA was entered into in favour of Mr. Diwakar Awasthi for the limited purpose of management of the impugned property and for obtaining sale permission regarding the impugned property from the Government; the ownership rights, title or interest in the said property were not transferred to the GPA holder and the Objectors are in physical possession;
- iii. That the GPA holder misled the Objectors and got the said GPA forcibly executed before the Sub Registrar, Hebbala, Bangalore instead of the Sub-Registrar, Sidlaghatta Taluk; also took signatures of the Objectors on blank papers and tried to misuse the property; that the Objectors have not received any amounts towards the impugned property;
- iv. That the said GPA being a fabricated, manipulated and fraudulent document is void; That a cancellation deed dated March 01, 2019 was executed, pursuant to a legal notice being sent to the GPA holder, to cancel the said GPA; and
- v. That no documents pertaining to the impugned property have been uploaded on PACL Auction website, still the property has been attached being related to PACL/ its associate entities.

18. The Objectors were granted an opportunity of hearing before this Panel of Recovery Officers (“**Panel**”) on November 04, 2025, which was attended by the AR of the Objectors, virtually, who reiterated the averments made in the objection petition. Based on the submissions made, the AR was advised to submit the bank statements of the objectors along with written submissions. The written submissions were provided by the Objectors vide email dated November 04, 2025. Thereafter, another opportunity of hearing was granted on January 20, 2026, wherein the AR was again advised to provide the bank statements of the Objectors for the period from January 01, 2011 to June 30, 2011 along with copy of complaints filed for alleged fabricated/forged documents along with reply received, if any,

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from the concerned authorities to such complaint. Vide email dated January 31, 2026, the AR of the Objectors furnished the aforesaid documents. Further, vide email dated September 21, 2026, the Objectors were called upon to furnish copy of Grant Certificate dated March 23, 2002, Encumbrance Certificate from 1972 till date; copy of Legal Notice; and latest tax receipts, which were furnished by the AR vide email dated September 25, 2026.

19. In order to decide the objection, the Panel has perused the following documents placed on record:

Sr. No.	Particulars	Issued/ Executed by	In favour of
1	Saguvali Chit/ Grant Certificate in Form No. 7 dated 23.03.2002	Tahsildar, Sidlaghatta Taluk	Shri B. Eshwar (Objector No. 1)
2	Mutation Extract dated 23.03.2002	Revenue Department	Shri B. Eshwar (Objector No. 1)
3	RTC Extracts for the years 2001-02 to 2024-25	Revenue Department	Shri B. Eshwar (Objector No. 1)
4	Paid Receipt for the year 2026-27	Revenue Department	Shri B. Eshwar (Objector No. 1)
5	Encumbrance certificate	Sub-Registrar, Sidlaghatta	Shri B. Eshwar (Objector No. 1)
6	GPA dated 17.05.2011	Shri B. Eshwar, Shri Neelesh and Kumari Aishwarya (Objectors)	Shri Diwakar Awasthi
7	GPA cancellation deed executed on 16.02.2019	Shri B. Eshwar, Shri Neelesh and Kumari Aishwarya (Objectors)	Shri Diwakar Awasthi
8	Bank Statement for the period 20.08.2001 to 20.08.2011	Pragathi Gramin Bank, Cheemangala	Shri B. Eshwar (Objector No. 1)

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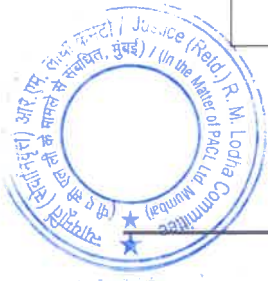
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Sr. No.	Particulars	Issued/ Executed by	In favour of
9	Letter dated 21.03.2023 regarding Crime No. 106/2022	Police Inspector, CEN Crime Police Station, Chikkaballapur	The Committee
10	Letter dated 10.07.2023	Nodal Officer cum Secretary, the Committee	Sub-Registrar Office, Shidlaghatta
11	Patta	Revenue Department	Shri B. Eshwar (Objector No. 1)

20. Further, in order to examine the title of the impugned property, the documents seized under MR No. 18066/16 were perused by the Panel. The particulars of the attachment are as under:

MR No.	Document No. & Date	Executed by (Principal)	In favour of	Property as per Schedule
18066/16	GPA No. HBB-4-00107/2011-12 dated 17.05.2011	Shri B. Eshwar s/o Basappa, Shri Neelesh s/o Shri B. Eshwar and Kumari Aishwarya d/o Shri B. Eshwar (Objector Nos. 2 and 3 represented by Objector No. 1 as natural guardian)	Shri Diwakar Awasthi s/o Late Dr. Surendra Kumar Awasthi, r/o No-18, 1st Main Road, GMR lay-out, Geddalahalli, Sanjaynagar post, Bangalore-94	Sy. No. 51 (38 guntas out of 1 acre 38 guntas, towards southern side) situated at Kolimi Hosur Village, Jangamakote Hobli, Shidlaghatta Taluk, Chikkaballapur District
	Unregistered ATS dated 12.01.2011	Shri B. Eshwar (for self and on behalf of minor Kumari Aishwarya) and Shri Neelesh	Shri H. Suresh s/o Hanumanthappa, r/o Sri Nivasa No. 9, 8th Cross, CIL lay out, Cholanayakanahalli, Bangalore (Purchaser)	



[Signature] *[Signature]*

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MR No.	Document No. & Date	Executed by (Principal)	In favour of	Property as per Schedule
	Unregistered ATS dated 15.05.2011	Shri B. Eshwar s/o Basappa, Shri Neelesh s/o Shri B. Eshwar and Kumari Aishwarya d/o Shri B. Eshwar (Objector Nos. 2 and 3 represented by Objector No. 1 as natural guardian)	Shri Diwakar Awasthi (Purchaser), with Shri H. Suresh as Confirming Party	
	Receipt dated 15.05.2011 (Rs. 2,75,000/-)	Shri B. Eshwar (also for his minor children)	Shri Diwakar Awasthi	
	Unregistered Will dated 15.05.2011	Shri B. Eshwar	Shri Diwakar Awasthi	

21. Upon perusal of the written arguments dated November 04, 2025, it is noted that the Objectors have reiterated the averments made in the objection petition. Furthermore, the Objectors have, *inter alia*, submitted as under:

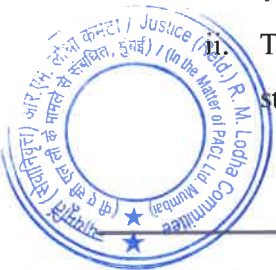
- i. That upon verification of the website www.auctionpacl.com, the Objectors found the following documents under MR No. 18066/16: (a) GPA dated 17.05.2011; (b) unregistered Agreements of Sale dated 12.01.2011 and 15.05.2011; (c) receipt dated 15.05.2011; and (d) unregistered Will dated 15.05.2011. The Objectors have submitted that, save the GPA, these documents were never executed, signed or authorised by them, that the signatures appearing thereon are forged, and that the same were created by Mr. Diwakar Awasthi in misuse of the GPA;

- ii. That the said documents suffer from irregularities such as use of different handwriting styles and inks, overwriting, erasures and corrections without authentication, absence

[Handwritten signatures]

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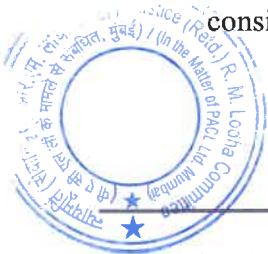
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- of attestation by witnesses, non-registration under the Registration Act, 1908 and mismatch in dates, inasmuch as certain agreements are shown as executed before the GPA was issued;
- iii. That the purported Will is ineffective as the testator, i.e. Objector No. 1, is alive, and that the Will purports to bequeath the property to a stranger having no familial connection with the Objectors;
- iv. That in view of the judgement of the Hon'ble Supreme Court in Suraj Lamp & Industries Pvt. Ltd. Vs. State of Haryana & Anr. (2012) 1 SCC 656, transfer of immovable property through GPA, Agreement to Sell or Will does not convey ownership or title, and that upon revocation of the GPA, all powers conferred thereunder ceased; and
- v. That the Objectors never executed any sale deed nor received any sale consideration from Mr. Diwakar Awasthi or PACL Ltd., and that the inclusion of the impugned property in the list of attached properties violates Article 300A of the Constitution of India.

22. Under MR No. 18066/16, five documents are seized. One document is the GPA bearing No. HBB-4-00107/2011-12 dated May 17, 2011 (as referred to in the objection by the Objectors), registered with the Sub-Registrar, Hebbal, Bengaluru on May 17, 2011. The said GPA is executed by the Objectors, as executors (Objector Nos. 2 and 3, being minors at the time, represented by Objector No. 1 as their natural guardian), in favour of Mr. Diwakar Awasthi, as GPA holder, in respect of the impugned property. It is noted that the said GPA recites the grant of the parent land in favour of Objector No. 1 and the condition of non-alienation for 15 years, and has been executed without any payment of consideration. However, the said GPA mentions that it is irrevocable.

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न्यायमूर्ति (सेवानिवृत्त) आर.एम. लोढा समिति
Justice (Retd.) R. M. Lodha Committee
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23. As the Objectors have submitted that the GPA was executed only for a limited purpose and did not convey any title, it is pertinent to firstly 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 one 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, power of attorney, in the nature of contract of agency, authorizes the holder to do acts specified by the executant, or represent the executant in dealings with third persons.
24. However, reference can be made to the 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 February 27, 2025, wherein the Hon'ble Apex Court, while examining whether from the reading of the GPA involved therein, the holder of the GPA 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 a 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 GPA, otherwise the same would be revocable.

25. In the present case, upon perusal of the GPA dated May 17, 2011, it is observed that the said GPA did not create any interest but only gave authority to the Donee (GPA holder) to,



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inter alia, pay taxes, supervise and make necessary developments, represent the Donors before Government offices, obtain No Objection Certificates and order of sale permission from the concerned authority, get the layout plan approved, form a residential layout and sell the sites to prospective buyers, sell the property and receive sale consideration, and present the sale deed for registration, with respect to the impugned property on behalf of the Donors (Executors), and the title/ ownership of the impugned property vested with the Donors of the GPA. Therefore, the said GPA cannot be said to be irrevocable in the light of the judgement by the Hon'ble Supreme Court in the case of M.S. Ananthamurthy & Anr (Supra). Notwithstanding the same, it is also noted that even if the said GPA was executed by the Objectors, subsequently, the same was cancelled by the Objectors by executing a Deed of Cancellation dated February 16, 2019, registered on March 01, 2019 vide No. YAN-4-00491/2018-19, thereby revoking the authority granted under the abovementioned GPA. In view of the same, upon such revocation of the power agency by the principals themselves, the authority given to Mr. Diwakar Awasthi under the said GPA stood terminated on an immediate basis and thus, the GPA holder did not possess any rights to even act on behalf of the Objectors after the said cancellation. Even otherwise, a GPA does not confer any right, interest or title in the scheduled property and only gives authority to the power agent to act on behalf of the executant. Therefore, execution of a GPA would not constitute transfer of title in a property.

26. It is further noted that as per the Saguvali Chit/ Grant Certificate dated March 23, 2002, the grantee shall not sell or otherwise transfer the granted land to any person for a period of 15 years from the date of taking possession, and shall not, without obtaining prior permission from the competent authority, sell or transfer the granted land, failing which the Government has the right to take back the land. The GPA itself recites the said non-alienation condition. All the documents under MR No. 18066/16 are of the year 2011, i.e. well within the said period of 15 years, and there is nothing on record to show that any

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permission for sale was obtained from the competent authority. Therefore, any purported agreement for sale of the impugned property in the year 2011 was contrary to the conditions of the grant.

27. Another document under MR No. 18066/16 is an unregistered Agreement to Sell (ATS) dated January 12, 2011, purportedly executed at Shidlaghatta by Shri B. Eshwar (for self and on behalf of his minor daughter Kumari Aishwarya) and Shri Neelesh, as Vendors, and Mr. H. Suresh, as Purchaser, in respect of the impugned property. Upon perusal of the recitals of the said ATS, it is observed that the said agreement was executed for a total sale consideration of ₹9,50,000/- and that a sum of ₹4,50,000/- was paid by way of cheque No. 004010 dated January 12, 2011 drawn on Axis Bank Ltd., Sahakarnagar Branch, Bangalore, with the balance of ₹5,00,000/- to be paid on the date of registration of the deed. However, no documentary evidence, such as receipts or acknowledgments, is available on record to support the aforesaid payment purportedly made to the Vendors by the Purchaser, and the bank statement of Objector No. 1 furnished by the Objectors does not reflect any credit of ₹4,50,000/- in or around January 2011. There is also nothing on record to show payment of the balance consideration and thereafter, any execution of conveyance deed by the parties.

28. It is a well settled position of law that in terms of Section 54 of the Transfer of Property Act, 1882 (TPA), "sale" is defined as a transfer of ownership in exchange for a price paid or promised or part-paid or part-promised. On the other hand, "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 at a future date. 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



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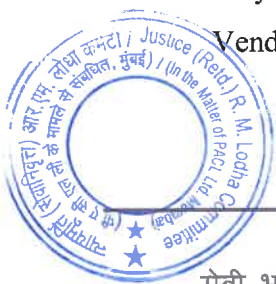
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meaning that a sale of significant value requires a registered document to be legally valid. Therefore, an agreement to sell, even though executed between the Objectors and Mr. H. Suresh, cannot be considered as giving any ownership to the purported Purchaser, in the absence of a registered sale deed. In sale, there is an actual transfer of ownership in exchange for a consideration whereas, in a Contract of sale, there is only a contract between the parties that the sale will take place on the agreed terms on a later date. A transfer of immoveable property by way of sale can only be by a deed of conveyance (sale deed). In the absence of a deed of conveyance (duly stamped and registered as required by law), no right, title or interest in an immoveable property can be transferred.

29. Another document seized under MR No. 18066/16 is one another unregistered ATS dated May 15, 2011, purportedly executed at Cholanayakanahalli, Bangalore between the Objectors (Objector Nos. 2 and 3 represented by Objector No. 1 as natural guardian), as Vendors, and Mr. Diwakar Awasthi, as Purchaser, in respect of the impugned property, with Mr. H. Suresh as Confirming Party. As per the recitals of the said ATS, it is noted that there is a mention of the Vendors having entered into an agreement of sale earlier with the confirming party i.e. Mr. H. Suresh and having received part sale consideration from him, and that the confirming party could not get the sale deed registered in his favour due to inconvenience. Thus, the Vendors and the confirming party had approached Mr. Diwakar Awasthi and offered to sell the impugned property to him by purportedly executing this ATS dated May 15, 2011.

30. Upon further perusal of the ATS dated May 15, 2011, it is noted that the said agreement was entered into for a total sale consideration of ₹10,45,000/- and that a sum of ₹2,75,000/- is mentioned to have been paid by the Purchaser through cheque bearing No. 813201 dated May 26, 2011 drawn on Axis Bank, M.G. Road Main Branch, Bangalore in favour of Vendor No. 1, i.e. Objector No. 1. It is further stated that, in total, the Vendors and the

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Confirming Party have collectively received a sum of ₹7,12,500/-, with a handwritten reference to cheque No. 813210 dated May 26, 2011 drawn on Axis Bank, M.G. Road. A receipt dated May 15, 2011, purportedly signed by Objector No. 1 (also for his minor children), is appended in the said MR No. acknowledging receipt of ₹2,75,000/- by way of cheque No. 813201 dated May 26, 2011 from Mr. Diwakar Awasthi. The balance sale consideration was agreed to be paid at the time of execution of the registered absolute sale deed. There is nothing on record to show payment of the balance consideration and thereafter, any execution of conveyance deed by the parties. It is also noted that the date of cheque payment as mentioned in the ATS (May 26, 2011) is subsequent to the date of execution of ATS (May 15, 2011). Further, all the details, including the sale consideration, amounts paid, cheque numbers and dates have been hand written in the said ATS and receipt, whereas the names of the parties, the recitals and the schedule of property have been typed using an electronic medium. The said facts raise a serious suspicion on the genuineness and authenticity of the said documents.

31. Another document seized under MR No. 18066/16 is an unregistered Will dated May 15, 2011 executed by Objector No. 1 in favour of Mr. Diwakar Awasthi in respect of the impugned property. As per Section 2(h) of the Indian Succession Act, 1925, 'Will' is the legal declaration of the intention of a testator with respect to his property which he desires to be carried into effect after his death. Thus, a Will is nothing but a document which is made by the testator in respect of the properties owned which he desires to be transferred and comes into effect only after his death. In the present case, the purported Will dated May 15, 2011, even if taken to be a valid document, is inconsequential as the testator, i.e. Objector No. 1, is still alive. Possession of the impugned property is also with the Objectors. It is also noted that the said Will describes Objector No. 1 as the sole and absolute owner of the impugned property, whereas the GPA and the ATS executed on or about the same date describe the Objectors as joint owners.

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32. In this regard, reliance is placed on the judgment passed by the Hon'ble Supreme Court in *Suraj Lamp and Industries Pvt. Ltd. Vs. State of Haryana & Anr.* (2012) 1 SCC 656 wherein the Hon'ble Supreme Court has observed as under:

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

33. In the light of the law laid down in the case of *Suraj Lamps (Supra)* by the Hon'ble Supreme Court which discouraged the practice of transferring an immovable property by way of executing a GPA/ ATS/ Will, it is clear that mere execution of ATS/Will does not convey any title and cannot be said to be a valid mode of transferring any immovable property. In the instant case, as only an ATS/Will/GPA has been executed without any final conveyance deed duly registered with the S.R.O. with payment of consideration, the same does not imply any transfer of interest and ownership rights in the impugned property. Similarly, the receipt dated May 15, 2011 merely acknowledges a part payment towards the said ATS and does not, by itself, create or transfer any right, title or interest in the impugned property.

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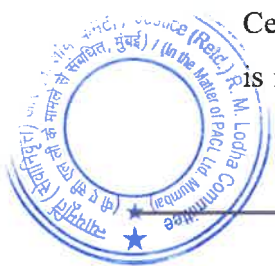
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34. From the foregoing, it is clear that the GPA bearing No. HBB-4-00107/2011-12 dated May 17, 2011, the unregistered ATS dated May 15, 2011, the receipt dated May 15, 2011 and the unregistered Will dated May 15, 2011 do not convey any title or interest in the impugned property in favour of Mr. Diwakar Awasthi. Similarly, the unregistered ATS dated January 12, 2011 also cannot convey any legal title or interest in the impugned property in favour of Mr. H. Suresh. Further, the fact that the GPA, ATS, receipt and Will in favour of Mr. Diwakar Awasthi all bear the date May 15, 2011 raises serious concerns regarding the authenticity and bona fides of the said instruments.
35. As regards the reliance placed by the Objectors on the orders dated June 20, 2024 passed by Shri R.S. Virk, District Judge (Retd.) in File Nos. 1299 and 1300, it is noted that the said orders are placed on similar lines wherein the properties were transferred through ATS/GPA. Shri R.S. Virk, District Judge (Retd.), in his orders/recommendations, has stated that GPA is not a valid document to transfer the title of any property. However, it may also be noted that the said orders have been passed on the facts and documents of those cases, which pertain to different properties and different instruments. The present objection has been examined independently on the basis of the documents placed on record and those seized under MR No. 18066/16.
36. It is noted that Objector No. 1 was granted the parent land (including the impugned property) by the Tahsildar of Sidlaghatta Taluk pursuant to his application bearing No. LNDRUC (J) 35/1998-99, and a Saguvalli Chit/ Grant Certificate in Form No. 7 dated March 23, 2002 was issued in his favour. The revenue records were duly mutated in his favour vide MR No. RUOCR (j) 35/98-9, the RTC extracts for the years 2001-02 to 2024-25 continue to reflect Objector No. 1 as the owner of the parent land (Objector No. 2 and 3 being minors at that time) and tax has been paid for the year 2026-27. The Encumbrance Certificates also do not reflect any transfer of the impugned property. Furthermore, there is no material on record to indicate that the Objectors have executed any sale deed with

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respect to the said impugned property in favour of PACL Ltd. or any of its associate entities, and the Objectors continue to be in possession of the impugned property as per the revenue records. Considering that the documents under MR No. 18066/16 do not confer any interest, right and/or title in the impugned property to any entity associated and/ or related to PACL Ltd. and in the light of the above stated facts, the objection is liable to be allowed.

ORDER:

37. Given all the above, the objection raised by the Objectors is liable to be allowed and is accordingly allowed.

Place: Mumbai

Date: October 21, 2026

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



Preeti Patel
21.10.2026

PREETI PATEL

RECOVERY OFFICER

Kshama P. Wagherkar
21/10/2026

KSHAMA WAGHERKAR

RECOVERY OFFICER

Saroj Kumar Sahu
21.10.26

SAROJ KUMAR SAHU

RECOVERY OFFICER

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

क्षमा प्र. वाघेरकर/KSHAMA P. WAGHERKAR
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General Manager & Recovery Officer
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सरोज कुमार साहु /SAROJ KUMAR SAHU
उप महाप्रबंधक एवं वसूली अधिकारी
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