

BEFORE THE PANEL OF RECOVERY OFFICERS APPOINTED UNDER SECTION 28A OF THE SEBI ACT, 1992 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 IN THE MATTER OF PACL LTD.

Interlocutory Application Nos.	35796/2021, 35800/2021 and 85496/2021
File No.	SEBI/PACL/IA/KW/00742/2026
Name of the Objector/Applicant	Shri K. N. Balaji
MR Nos.	11808-16 , 11809-16 and 11810-16

Background:

1. The Securities and Exchange Board of India (hereinafter referred to as "SEBI") on 22.08.2014 passed an order against Pearls Agrotech Corporation Limited (hereinafter referred to as "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 aforesaid order was challenged by PACL Ltd. and its directors by filing appeals before the Hon'ble Securities Appellate Tribunal (hereinafter referred to as "SAT"). Vide its order dated 12.08.2015, the said appeals were dismissed by Hon'ble SAT, with a direction to the appellants to refund the amounts collected from the investors within three months. Aggrieved by the aforesaid



Signature of Shri K. N. Balaji

order dated 12.08.2015, PACL Ltd. and its directors filed appeals before the Hon'ble Supreme Court of India in *Civil Appeal No. 13301 of 2015 – Subrata Bhattacharya Vs. SEBI* and other connected matters.

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 SEBI Act, 1992 against PACL Ltd. and its promoters/directors vide Recovery Certificate no. 832 of 2015 dated 11.12.2015 and as a consequence thereof, all bank/demat accounts and folios of mutual funds of PACL Ltd. and its promoters/directors were attached by the Recovery Officer vide attachment order dated 11.12.2015.
4. During the course of hearing on the aforesaid civil appeals filed by 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.



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 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 at para 3 above, the Recovery Officer issued an attachment order dated 07.09.2016, against 640 associate companies of PACL Ltd. In the said order, inter alia, the registration authorities of all States and Union Territories were requested not to act upon any 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.
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



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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....."

11. 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.

12. Subsequently, the Hon'ble Supreme Court passed an 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, District Judge (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 Panel of Recovery Officers appointed under Section 28A of the SEBI Act, 1992 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 in the matter of PACL Ltd.

Proceedings before Shri R.S. Virk, District Judge (Retd.)

13. Shri K. N. Balaji (hereinafter referred to as "Applicant") had filed an Objection petition before Shri R. S. Virk, District Judge (Retd.) inter alia seeking release from attachment, the agricultural land comprised in Survey Nos. 389/4, 392/1, 409/5, 399/1, 389/2 (part), 396 (part), 397 (part), 387/1B, 388/1, 388/3, 398, 403/1A, 403/1B, 403/1C, 403/1D, 403/3, 389/2, 388/2 (part), 422 (part), 394 (part), 395/2 (part) and 396 (part) admeasuring a total of 40.905 acres situated in R. Pudhukkottai and Kolathupatti Villages, Veda Sandur Taluk, Dindigul District, Tamil Nadu (hereinafter referred to as the 'impugned properties'). The impugned properties are attached by attached by the Committee under MR Nos. MR-11808/16, MR-11809/16, and MR-11810/16. The Applicant has claimed ownership through a chain of registered sale deeds and stated that the land stood in his name as per mutation of revenue records.
14. Upon notice issued by Shri R.S. Virk, District Judge (Retd.), PACL filed its reply inter alia stating that the land measuring 40.905 acres was purchased by PACL Ltd. through its associate Shri Palanisamy, which documents have been seized under the MR nos. 11808/16, 11809/16, and 11810/16 and that the said impugned properties were not sold by them or by associates and the said properties are standing in the name of PACL.





15. Shri R. S. Virk, District Judge (Retd.), vide order dated 03.12.2020, while dismissing the objection petition filed by the Objector / Applicant interalia found certain short comings and observed as under:
- i. The objector incorrectly stated that all three attorney deeds Nos. 29-31 were executed by Shri S. Kulanthaisamy. In fact, they were executed by three different persons namely, Shri T.S. Kulandaisamy, Shri S. Kulanthaisamy and Shri K.P. Nallasivam.
 - ii. Sale deed No. 722 dated 21.04.1997 was not produced, nor were its details furnished. Further, the alleged sale deeds through which the objector acquired 13.50 and 24.67 acres were not produced/details were not furnished.
 - iii. The existence of registered Sale Deeds (bearing Document Nos. 648, 649, and 650 of 2007) executed in favour of PACL's associate, Shri V. Palanisamy, predated the Applicant's 2012 purchase documents, creating a presumption of prior title and establishing a nexus to the company as an asset of PACL Ltd. The sale deed nos. 648, 649 and 650 all dated 14.02.2007 were registered on 12.06.2007 and were prior to the objector's later sale deeds of 2012 and 2013. There was no merit in the objection and that the later sale deeds relied upon by the objector could not be considered valid or acted upon in preference to PACL's earlier sale deeds.
 - iv. The three cancellation deeds terminating the power of attorney could not be treated as validly terminated because there was no material showing that the

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respective principals had served notice of cancellation upon attorney-holder, Shri Gurjant Singh.

Present Interlocutory Application (IA)

16. Aggrieved by the order of Shri R. S. Virk, District Judge (Retd.), the Applicant has filed the present Interlocutory Application no. 35800 of 2021 for direction, Interlocutory Application no. 35796 of 2021 for impleadment of applicant and Interlocutory Application no. 85496 of 2021 for seeking permission to file additional documents (hereinafter collectively referred to as the "IAs") within Civil Appeal No. 13301 of 2015 before the Hon'ble Supreme Court of India in the matter of *Subrata Bhattacharya vs. SEBI* challenging the dismissal of the order dated December 03, 2020 in Objection Petition No. 742, with respect to the impugned properties. The Applicant has inter alia raised the following contentions in his IAs:

- i. that the Applicant is the absolute owner of the impugned properties and has acquired title through two registered Sale Deeds namely, Document No. 2106/2012 dated 09.10. 2012 measuring a total extent of 42.79 ¼ cents and Document No. 182/2013 dated 03.10. 2012 measuring a total extent of 42.78 acres ½ cents including the irrigation wells, borewells and service connection in the both impugned properties.
- ii. That the portion of the aforesaid impugned properties measuring a total extent of Acres 40.905 cents comprised in survey no. 389/4, 392/1, 409/5, 399/1, 389/2 (part), 396 (part), 397 (part), 387/1B, 388/1, 388/3, 398, 403/1A, 403/1B, 403/1C, 403/1D, 388/2 (part), 422 (part), and 394 (part), 395/2 (part) and 396 (part) have been attached under MR. nos. 11808/16, 11809/16, and





11810/16 based on which it is purportedly taken to be properties claimed to be belonging to PACL company.

- iii. That the revenue records have been duly mutated in favour of Applicant in Patta no.3420 issued by the Tehsildar, Veda Sandur.
- iv. The alleged sale in favour of Shri Palanisamy by one delegated power agent and registered after the cancellation of power of attorneys of the principal attorney is a void transaction and does not convey any title in favour of said Shri Palanisamy. Further, the said Shri V. Palanisamy was not in possession of the impugned properties and at any time never claimed any right to the same.
- v. The Power of attorney deeds had been cancelled prior to the alleged sale deeds of 2007 i.e. 13.03.2007, with due notice to the power of attorney holder prior to the cancellation and post cancellation. The sale deeds seized were allegedly executed on 14.02.2007 and presented for registration on 23.03.2007, ten days after the cancellation of power of attorney in favour of Shri Gurjant Singh on 13.03.2007.
- vi. The Objector/Applicant carried out thorough and exhaustive due diligence of the public registry sheets and revenue records at the Sub-Registrar Office prior to the purchase, finding no pre-existing encumbrance, court stay, or attachment by SEBI or PACL Ltd. recorded against the land at that relevant point of time;



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- vii. Shri R. S. Virk, District Judge (Retd.) erroneously dismissed Objection Petition without fully appreciating the primary title records on record, treating rectifiable typographical and translation shortcomings as a failure of title, and ignoring the status of the Applicant as the lawful owner of the said property.

In view of the above, the Applicant has prayed for setting aside the impugned recommendation and dismissal of the order dated 03.12. 2020 passed by Shri R. S. Virk, District Judge (Retd.) in Objection Petition No. 742, removal of the attachments levied under MR No. 11808-16, MR No. 11809-16, and MR No. 11810-16, and to delist the impugned properties from the official auction lists of PACL Ltd.

17. In compliance with the order dated 19.02. 2026 passed by the Hon'ble Supreme Court in *Subrata Bhattacharya vs SEBI* (supra), the proceedings in respect of the IAs were initiated by the Panel of Recovery Officers and the Applicant was granted an opportunity of hearing on 06.04.2026. On the said date, the AR of the Applicant appeared virtually and made submissions on the lines of averments made in the said IA. Based on the submissions, the AR was advised to submit the following documents:
- Encumbrance Certificate, up to date, along with its English translation, wherein the name of the Applicant, wherever occurring, is highlighted;
 - Land Tax Payment Receipts;
 - Bank statements wherein the relevant transactions made by the Applicant are highlighted;
 - Table containing the genesis of all transactions.





- v. Any other document to substantiate his claim.
18. Accordingly, the AR vide email dated 12.04.2026, submitted the documents along with a brief note. Since certain clarifications were required in the matter, another hearing before the Panel of Recovery Officers was fixed on 11.05.2026. The AR of the Applicant appeared virtually and *interalia* submitted that the Applicant has purchased the impugned properties through banking channels as evident from the relevant bank entries of the bank statements of the applicant. The AR while referring to the encumbrance certificates stated that there is clear flow of title evidencing that the Applicant is the owner of the impugned properties. Based on the submissions, the AR was advised to submit the email received from Shri Partha Narayan Dutta to pay the amount of Rs. 15 lakhs to third party in lieu of the debt. The AR submitted a synopsis of objection filed by the Applicant vide email dated 14.05.2026 and submitted the aforesaid correspondence from Shri Partha Narayan Dutta vide email dated 28.07. 2026.
19. The Panel has perused the following documents available on record, namely, the IAs along with annexures, revenue records, the submissions of the AR along with supporting documents, details of which are tabulated below:

Sr. No.	Particulars of Document	Executed By / Issued By	In Favour of / Pertaining To
1	Encumbrance Certificate, Patta No. 3420, Chitta, and Adangal Registers	Revenue and Registration Departments, Government of Tamil Nadu	K. N. Balaji
2	Power of Attorney Cancellation Deeds dated 13.03.2007 (Document Nos. 11, 12, and 13 of 2007)	Shri S. Kulanthaisamy, Shri K. Kulanthaisamy, and Shri K.P. Nallasivam	Cancellation of General Power of Attorney granted to S.H. Gurjant Singh



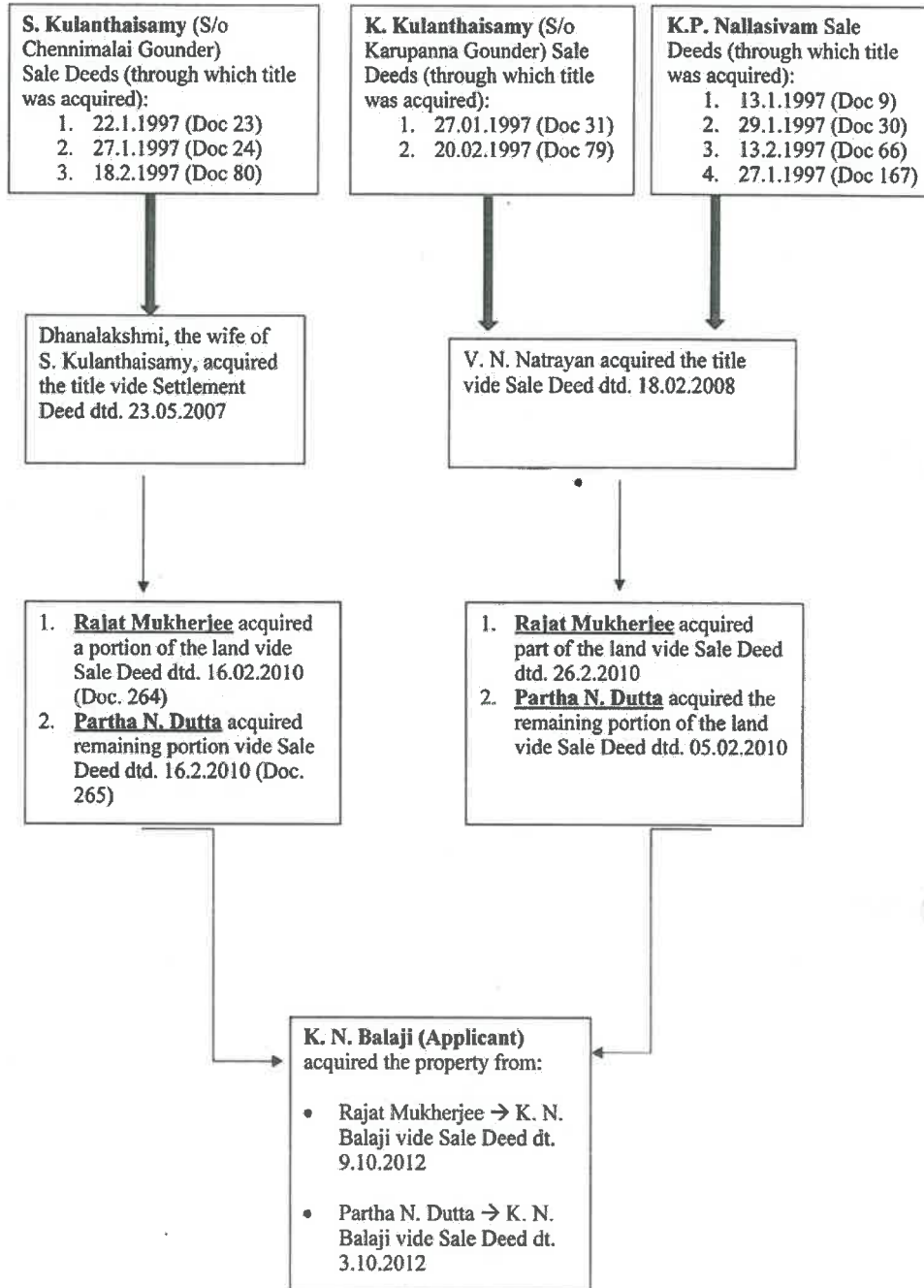


Sr. No.	Particulars of Document	Executed By / Issued By	In Favour of / Pertaining To
3	Settlement Deed dated 23.05.2007 (Document No. 549/2007)	Shri S. Kulanthaisamy	Ms. Dhanalakshmi w/o Shri S. Kulanthaisamy
4	Sale Deed dated 18.02.2008 (Document No. 211/2008)	Shri K. Kulandaisamy and Shri K.P. Nallasivam	Shri V.N. Natrayan
5	Sale Deed dated 05.02.2010 (Document No. 512/2010)	Shri V.N. Natrayan and others	Shri Partha Narayan Dutta (through PoA Surjo Narayan Dutta)
6	Sale Deed dated 16.02.2010 (Document No. 264/2010)	Shri Balasubramani (PoA holder of Ms. Dhanalakshmi)	Shri Partha Narayan Dutta (through PoA Surjo Narayan Dutta)
7	Sale Deed dated 16.02.2010 (Document No. 265/2010)	Ms. Dhanalakshmi and others (through PoA Shri Balasubramani)	Shri Rajat Mukherjee (through PoA Sekhar Mukerjee)
8	Sale Deed dated 26.02.2010 (Document No. 383/2010)	Shri V.N. Natrayan and others	Shri Rajat Mukherjee (through PoA Sekhar Mukerjee)
9	Sale Deed dated 03.10.2012 (Document No. 182/2013)	Shri Partha Narayan Dutta	Shri K. N. Balaji
10	Sale Deed dated 09.10.2012 (Document No. 2106/2012)	Shri Rajat Mukherjee PoA Shekhar Mukherjee	Shri K. N. Balaji
11	Sale Deeds dated 14.02.2007 (Document Nos. 648, 649, and 650 of 2007)	Mr. L. Thangavel (Sub-delegated GPA holder acting unilaterally after revocation)	Shri V. Palanichamy
12	Statement of Accounts (01.09.2012 to 22.09.2012)	IndusInd Bank Account	Prodigy Business Solutions (business concern of the Applicant's wife)
13	Proof of Payment for Agricultural Equipment (Rs. 2,42,500/- paid on 15.09.2012)	IndusInd Bank (via Prodigy Business Solutions)	Shri Rajat Mukherjee (Direct banking consideration flow)

20. Based on the above, the genesis of transactions in diagrammatic presentation in respect of the impugned properties is as under:

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21. From the above, it is noted that the impugned properties were originally owned by three persons namely, Shri S. Kulanthiasamy, Shri K. Kulanthiasamy and Shri K. P. Nallasivam which were sold in different extents under the different sale deeds to Shri Rajat Mukherjee and Shri Partha Naraya Dutta who were the vendors of the Applicant. The impugned properties are divided into 3 groups, the details of chain of transaction and sale deeds are as under:

Table A

A. Lands in Survey Nos. 398 403/1 403/3, 389/2, 388/2, 387/1B 388/3 and 388/1 of R.Pudhukottai Village – Originally owned by S. Kulanthaisamy s/o Sennimalai Gounder:

Owned by S. Kulanthaisamy, s/o Sennimalai Gounder	Purchased by Sale Deeds dated 27.01.1997 and 20.02.1997, registered as Doc Nos. 23/1997, 24/1997 and 80/1997
S. Kulanthaisamy ↓ Ms. Dhanalakshmi w/o S. Kulanthaisamy	Settlement Deed dated 23.05.2007, Doc. No. 549, Sub-Registrar, Kujiliamparai
Ms. Dhanalakshmi, through Power Agent Mr. Balasubramani ↓ ↓	
Partha Narayan Dutta Sale Deed dated 16.02.2010, Doc. No. 264, Sub-Registrar, Kujiliamparai (portion of the above lands)	Rajat Mukherjee, Sale Deed dated 16.02.2010, Doc. No. 265, Sub-Registrar, Kujiliamparai (apart from a portion of the above lands, along with lands in Kulathupatti) Mortgage in favour of State Bank of India on 01.11.2010 by Rajat Mukherjee



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From the above, it is noted that -

- i. Shri S.Kulanthaisamy purchased an extent of 24.67 Acres vide three registered Sale Deeds dated 22.01.1997 (Doc no.23/1997), 27.01.1997 (Doc no.24/1997) and 18.02.1997 (Doc no.80/1997). All the sale deeds are registered before the Sub Registrar, Kujilamparai, Dindugal District.
- ii. Shri S. Kulanthaisamy settled the properties in favour of his wife Mrs. Dhanalakshmi vide Settlement Deed dated 23.05.2007 (Doc no.549/2007).
- iii. Ms. Dhanalakshmi through Power of Attorney (POA) Shri Balasubramani, sold a portion of the lands to Shri Rajat Mukherjee vide Sale Deed dated 16.02.2010 (Doc no.265/2010) and the remaining portion to Shri Partha Narayan Dutta vide Sale Deed dated 16.02.2010 (Doc no.264/2010). Shri Rajat Mukherjee had mortgaged the said property with State Bank of India on 01.11.2010 vide Doc no.2085/2010.

Table B

B. Lands in Survey Nos. 395/2, 422, 394 and 396 of R. Pudhukottai Village –

Originally owned by K. Kulanthaisamy s/o Karuppanna Gounder

Owned by K. Kulanthaisamy, s/o Karuppanna Gounder	Purchased by Sale Deeds dated 27.01.1997 and 20.02.1997, registered as Doc Nos. 31/1997 and 79/1997
K. Kulanthaisamy, along with P. Nallasivam ↓ V. N. Natrayan	Sale Deed dated 18.02.2008, Doc. No. 211 of 2008, on the file of SubRegistrar, Kujiliamparai



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Mr. V. N. Natrayan along with others ↓ Mr. Rajat Mukherjee	Sale Deed dated 26.02.2010, Doc. No. 383 of 2010, on the file of Sub Registrar, Kujiliamparai (portion of the above lands along with other lands)
Mr. V. N. Natrayan Along with others ↓ Mr. Partha Narayan Dutta	Sale Deed dated 5.02.2010; Doc. No. 512 of 2010 filed before Sub Registrar Registrar, Kujiliamparai (portion of the above lands along with other lands)

Table C

**C. Lands in Survey Nos. 389/3, 392/1, 389 2, 409/5, 399/1, 397 396, 389/4 and
391 of R.Pudhukottai Village – Originally owned by P. Nallasivam s/o
Palaniappa Gounder**

Owned by P. Nallasivam, s/o Palaniappa Gounder	Purchased by Sale Deeds dated 20.01.1997 and 29.01.1997, 13.02.1997 and 27.01.1997, registered as Doc Nos. 9/1997, 30/1997, 66/1997, and 167/1997
P. Nallasivam along with K. Kulanthaisamy ↓ V. N. Natrayan	Sale Deed dated 18.02.2008, Doc. No. 211 of 2008, before Sub Registrar, Kujiliamparai
V. N. Natrayan Along with others ↓ Rajat Mukherjee	Sale Deed dated 26.02.2010, Doc. No. 383 of 2010, before Sub Registrar, Kujiliamparai (portion of the above lands along with other lands)

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V. N. Natrayan Along with others ↓ Partha Narayan Dutta	Sale Deed dated 05.02.2010, Doc. No. 512 of 2010, before Sub Registrar, Kujiliamparai (portion of the above lands along with other lands)
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From the above, it is noted that for an extent of land measuring 24.67 Acres, the two original owners- Shri K. Kulanthaisamy and Shri K.P. Nallasivam jointly executed a Sale Deed dated 18.02.2008 (Doc no.211/2008) in favour of Shri V.N.Natrayan. Shri V.N.Natrayan thereafter sold his entire extent vide a joint Sale Deed with owners of other properties in favour of Shri Rajat Mukherjee and Shri Partha N.Dutta vide Sale Deeds dated 26.02.2010 (Doc no.383/2010) and 05.02.2010 (Doc no.512/2010).

22. The above land parcels mentioned in Table A, B and C which stood in the name of Shri S. Kulanthaisamy, Shri K. Kulanthaisamy and Shri K.P. Nallasivam were owned by Shri Rajat Mukherjee and Shri Partha Narayanan Dutta in different survey nos. under separate sale deeds who sold the impugned properties to Shri K.N. Balaji i.e. the Applicant vide two separate sale deeds bearing nos. 2106/2012 and 182/2013, details of which are as under:

Partha Narayan Dutta ↓ K.N. Balaji	Sale Deed dated 03.10.2012, Doc. No. 182 of 2013, Sub Registrar, Kujiliamparai.
Rajat Mukherjee ↓ K.N. Balaji	Sale Deed dated 9.10.2012, Doc. No. 2106 of 2012, Sub Registrar, Kujiliamparai

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23. For deciding the Applications, the Panel of Recovery Officers has also perused the MR documents, details which are as under:

MR. No. 11809/16					
Sr. No	Documents No.	Executed by	In favour	Survey no. & Extent	Consideration (Rs.)
1.	Sale Deed no. 648/2007 dated 14/02/2007 Registered	Shri S. Kulanthaisamy GPA no. 29/2004 executed by Shri Gurjant Singh	Shri Palanisamy	S. no. - 387/1B - (0.27.5 hectare and 0.68 acres) S. no. - 388/1 - (0.25.5 hectare and 0.63 acres) S. no. - 388/3 - (0.07.5 hectare and 0.19 acres) S. no. - 398 - (With a square well) (1.88.0 hectare and 4.64 acres) S. no. - 403/1A - (0.67.0 hectare and 1.65 acres) S. no. - 403/1B - (0.09.0 hectare and 0.22 acres) S. no. - 403/1C - (0.69.5 hectare and 1.72 acres) S. no. - 403/1D - (0.63.0 hectare and 1.56 acres) S. no. - 403/3 - (0.03.5 hectare and 0.09 acres) Patta no. - 2683	1,92,000/-



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				S. no. - 388/2 (Part western side in the centre) - (Ac. 1.55 Cts. Out of Ac. 3.10 Cts.)(1.25.5 hectare) Patta no. - 2157 S. no. - 389/2 - Part(Undivided) (Ac. 0.57 Cts. Out of Ac. 2.27 Cts.) (0.92.0 hectare) Patta no. - 1833 Total - Acres 13 cents 50 situated at R. Pudhukottai Village, Kujiliamparai Panchayat union, Vendasandur Taluk, Dindigul District	
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MR. No. 11810/16					
Sr. No	Documents No.	Executed by	In favour	Survey no. & Extent	Consideration (Rs.)
1.	Sale deed no. 649/2007 Dated 14/02/2007 Registered	Shri K.P. Nallasivam GPA no. 31/2004, executed by Shri Gurjant Singh	Shri Palanisamy	S.no. - 389/4 - 0.22.0 hectare, 0.54 acres S. no.392/1 - 2.40.0 hectare, 5.96 acres	2,41,680/-



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MR. No. 11810/16					
Sr. No	Documents No.	Executed by	In favour	Survey no. & Extent	Consideration (Rs.)
				S.no. - 409/5 - 0.42.0 hectare, 1.04 acres Patta no. 1561 S.no. - 399/1 - 1.90.0 hectare, 4.69 acres (With a square well) Patta no. 2688 S. no. - 389/2 part (Undivided), acres 1.70 cents out of acres 2.27 cents (0.92.0 heatare) Patta no. 1833 S.no. - 396 part (Undivided), acres 0.93 cents out of acres 4.71 cents (1.90.5 hec) Patta no. 2343 S. no.- 397 part (Undivided), acres 2.81. cents out of acres 4.19 cents (1.69.5 hec) Patta no. 2343	



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MR. No. 11810/16					
Sr. No	Documents No.	Executed by	In favour	Survey no. & Extent	Consideration (Rs.)
				Total - Acres 17 Cents 64 situated at R. Pudhukottai village, Kujiliamparai Panchayat union, Vedasandur Taluk, Dindigul District	

MR. No. 11808/16					
Sr. No	Documents No.	Executed by	In favour	Extent	Consideration (Rs.)
1.	Sale Deed no. 650/2007 dated 14/02/2007 Registered	Shri K. Kulanthaisamy GPA no.30/2004 executed by Mr. Gurjant Singh	Shri Palanisamy	S.no. - 394 part (Undivided) - acres 2.88 ½ cents out of acres 3.03 cents (1.22.5 Hec) Patta No. 1922 S.no. - 395/2 part (Undivided) - acres 5.37 cents out of acres 6.50 cents (2.63.0. Hec) Patta No. 2343 S.no. - 396 part (Undivided) - acres 0.17 cents out of acres 4.71 cents (1.90.5 Hec) Patta No. 2343 S.no. - 422 part (Undivided) -	1,17,180/-



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				acre 1.34 cents out of acres 3.64 cents (1.47.5 Hec) Patta No. 2338 Total - Acres 9 cents 76 ½ Situated at R. Pudhukottai village, Kujiliamparai Panchayat Union, Vendasandur Taluk, Didigul District	
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24. The AR has submitted that all the original owners of the properties, Shri S. Kulanthaisamy, Shri K. Kulanthaisamy and Shri K. P. Nallasivam had executed three power of attorneys (POAs) dated 16.09.2004 (doc. Nos. 29, 30 and 31/2004) in favour of one Shri S.H. Gurjant Singh conferring him with the power to deal with the impugned properties. The details of the transactions are as under:

Owner	Power of Attorney Details	Details of POA cancellation deeds
S. Kulanthaisamy ↓ S.H. Gurjant Singh	Power of Attorney dated 16.09.2004, Doc. No. 29/2004, on the file of Sub-Registrar, Kujiliamparai	Power of Attorney Cancellation dated 13.03.2007, Doc. No. 11/2007, cancelling the Power of Attorney with Doc. No. 29/2004.
K. Kulanthaisamy ↓ S.H. Gurjant Singh	Power of Attorney dated 16.09.2004, Doc. No. 30/2004, on the file of Sub-Registrar, Kujiliamparai	Power of Attorney Cancellation dated 13.03.2007, Doc. No. 12/2007, cancelling the Power of Attorney with Doc. No. 30/2004
K. P. Nallasivam ↓ S.H. Gurjant Singh	Power of Attorney dated 16.09.2004, Doc. No. 31/2004, on the file of Sub-Registrar, Kujiliamparai	Cancellation of Power of Attorneys dated 13.03.2007, Doc. No. 13/2007, cancelling the



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Owner	Power of Attorney Details	Details of POA cancellation deeds
S.H. Gurjant Singh ↓ J. Essakimuthu, S. Raman, L. Thangavel and S. Senthil Kumar	General Power of Attorney dated 17.08.2006, Doc. No. 293/2006, on the file of Sub-Registrar, Kariapatti. (sub-delegated specific power to sell to M/s. PGB Ltd or any person(s) as directed by the Company)	Power of Attorney with Doc. Nos. 31/2004
Mr. L. Thangavel, as a Power Agent of S. Kulanthaisamy, K. P. Nallasivam and K. Kulanthaisamy ↓ Mr. V. Palanichamy	Sale Deeds (three) dated 14.02.2007, presented for registration on 23.03.2007, registered as Doc. Nos. 648/2007, 649/2007 and 650/2007 respectively, before Sub-Registrar, Kujiliamparai	

25. The AR has further submitted that the power agent Shri S. H. Gurjant Singh sub- delegated his power to four persons namely, Shri Essakimuthu, Shri S. Raman, Shri L. Thangavel and Shri S. Senthil Kumar vide power of attorney (POA) dated 17.08.2006 bearing document no. 293/2006. The sub delegated POA was for the specific purpose of executing Sale Deed in favour of one M/s.PGB Limited or to their nominee since the owners had already entered into an Agreement for Sale with the said company. The AR further submitted that all the three original owners executed Power of Attorney Cancellations deeds dated 13.03.2007 (Doc no. 11, 12 and 13/2007) cancelling the three Power of Attorneys dated 16.09.2004 in favour of the principal Power Agent, Shri S. H. Gurjant Singh. The said cancellations were intimated by the original owner Shri S. Kulanthaisamy to the principal POA holder- Shri Gurjant Singh vide intimation letters dated 06.01.2007, 16.01.2007, 16.03.2007 and the same were



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acknowledged on 23.03.2007. The second original owner Shri K. Kulanthiasamy sent intimation letters dated 13.01.2007 and 16.03.2007, which were acknowledged on 22.01.2007 and 23.03.2007 respectively. The third original owner Shri K.P.Nallasivam also sent intimation regarding cancellation of his POA to the principal POA holder- Shri Gurjant Singh vide letters dated 13.01.2007 and 16.03.2007, which were acknowledged on 22.01.2007 and 23.03.2007, respectively. Thereafter, one of the sub-delegated Power Agents namely, L.Thangavel, individually executed three Sale Deeds dated 14.02.2007 (Doc nos.648, 649 and 650/2007) in favour of Shri V.Palanichamy which was registered on 23.03.2007. However, the sale in favour of Shri V.Palanichamy is *void ab initio* as Shri L. Thangavel did not have any power to deal with the impugned properties since the GPA of the principal power agent i.e. Shri Gurjant Singh had been cancelled.

26. From the perusal of the documents, it is noted that the original GPA no. 29/2004 between S. Kulanthiasamy and Shri Gurjant Singh was executed on 16.09.2004 in respect of survey nos. 387/1B, 388/1, 388/3, 398 and 403/1A, 403/1B, 403/1C and 403/1D, 403/3. It is observed that on the last page (no. 292 of the Book 4), the registrar has endorsed that the said GPA has been cancelled vide document no. 11/2007 on 15.03.2007. Similar endorsements are also found on the GPA no. 30 of 2004 (K. Kulanthiasamy survey nos. S.no. - 394 part, 395/2 part, 396 part, 422 part,) and 31 of 2004 (K. P. Nallasivam survey nos. 389/4, 392/1, 409/5, 399/1, 399/1, 389/2 part, 396 part, 397 part) stating that the said GPAs were cancelled by way of document no. 12 and 13 of 2007 dated 15.03.2007 respectively. Further, it is noted that the Applicant has submitted the copies of intimation letters dated 06.01.2007 (S. Kulanthiasamy), 13.01.2007 (K.



Kulanthaisamy and K. P. Nallasivam) and 16.03.2007 (K. Kulanthaisamy) addressed to POA holder Shri Gurjant Singh inter alia stating that the GPA nos. 29/2004, 30/2004 and 31/ 2004 stand cancelled. Further, the Applicant has submitted the copies of four RPAD acknowledgement cards demonstrating the receipt of the intimation letters by Shri Gurjant Singh. Thus, from the above, it is clear that the original GPAs no. 29, 30 and 31 of 2004 in favour of Shri Gurjant Singh were cancelled as on 15.03.2007. Therefore, three Sale Deeds dated 14.02.2007 (Doc nos.648, 649 and 650/2007) executed by Shri L. Thagavel in favour of Mr.V.Palanichamy which were registered on 23.03.2007 were invalid due to lack of authority on the part of Shri L. Thangavel who had executed the said deeds on the strength of the original GPA no. 29, 30 and 31 of 2004 executed in favour of Shri Gurjant Singh.

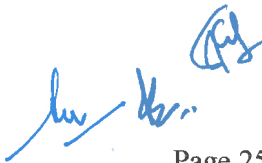
27. To substantiate the Applicant's claim over the impugned properties, the AR of the Applicant has submitted that the Applicant is in possession and enjoyment of the impugned properties which is confirmed by mutation of revenue records in patta no. 3420. On perusal Patta no. 3420, it is observed that the same reflects the name of the Applicant against the impugned survey nos. However, the survey nos. 392/1 is reflecting in the name of previous owner Shri Partha Narayan Dutta.
28. From the perusal of the Encumbrance Certificates dated 16.10.2019 for the period from 01.06.2003 to 15.10.2019 submitted by the Applicant in respect of the impugned properties, it is evident that the impugned properties were purchased by the Applicant from Shri Rajat Mukherjee under sale deed no. 2106/2012 dated 09.10.2012 and Shri Partha Narayan Dutta vide sale deed



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no.182/2013 dated 03.10.2012. Also it is observed that Sale Deed dated 26.02.2010, Doc. No. 383 of 2010 between Shri V. N. Natrayan and Shri Rajat Mukherjee is reflected in the EC. Further, Sale Deed dated 16.02.2010, Doc. No. 265 /2010 executed between Ms. Dhanalakshmi (POA Balasubramani) and Shri Rajat Mukherjee is also reflected in the EC. It is also observed that Shri Rajat Mukherjee had mortgaged the impugned properties by deposit of title deeds of the impugned properties comprised in survey nos.388/2, 388/3, 389/2, 403/1A, 403/1B, 403/1C, 403/1D with State Bank of India which record also reflects in the EC.

29. Further, on perusal of the Sale Deeds bearing Document No. 2106/2012 dated 09.10. 2012 and Document No. 182/2013 dated 03.10. 2012, it is noted that the Applicant has purchased impugned properties from the vendors, Shri Rajat Mukherjee and Shri Partha Narayan Dutta, through banking channels. The AR further submitted that the bank transfer to both vendors were made from the bank account of one M/s. Prodigy Business Solutions which is registered concern of the wife of the Applicant. During the hearing the AR was advised to submit the bank statements to support the contention that the payments in respect of the impugned properties were made through banking channels. Further, AR was advised to submit the email correspondence received from Shri Partha Narayan Dutta for payment of Rs. 15 lakhs to third party in lieu of the debt. The AR has submitted certified bank statements from 01.09.2012 to 22.09.2012 of the Applicant held with IndusInd Bank reflecting the transaction details of the vendors. Further, the email correspondence from Shri Partha Narayan Dutta suggest that the payment was made in lieu of the debt due to



third party i.e. Shri Veerachamy. The details of the bank transactions are as under:

Sr. No.	Sale Deed no.	Consideration	Payment details
1.	2106/2012 dated 09.10.2012	Rs. 41,57,500/-	Rs. 44,00,000/- through RTGS dated 15.09.2012 transfer from IndusInd Bank (from the account of Prodigy Business Solution) (includes amount of consideration & additional amount of Rs. 2,42,500/- paid for Agricultural equipments)
2.	182/2013 dated 03.10.2012	43,95,000/-	Rs. 10,00,000/- on 18.09.2012 vide cheque no. 609776 from IndusInd Bank Account of Prodigy Business Solution to one Veerachamy on behalf of Partha Narayan Dutta Rs. 11,07,000/- on 17.09.2012 RTGS transfer from IndusInd Bank (from the account of Prodigy Business Solution) Rs. 22,88,000 by cash on the date of registration of sale deed

30. From the above, it is noted that the Applicant has paid the consideration of sale deed no. 182/2013 dated 03.10.2012 partly through banking channels and partly through cash. In this regard, reference herein may also be made to the observation of the Hon'ble Supreme Court in para 12 (iii), (iv) and (vi) of its order dated 19.02.2026, wherein it has stated that:

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

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(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 relatable 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.

(iv) The parties shall be at liberty to adduce necessary evidence in this regard confined to the extent relevant to establish source of the property, which evidence will be led in a summary manner. The adjudication shall be confined to documentary evidence. No oral evidence shall be permitted. The Recovery Officers may permit filing of additional documents over and above what was filed before Judge Virk & this Court in their IAs.

(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."

31. It is noted that merely because the sale consideration was paid partly in cash by the Applicant cannot *ipso facto* make the transaction non-genuine or invalid as observed by the Hon'ble Supreme Court in its judgment dated 01.09.2025 passed in Civil Appeal No. 11309 of 2025 *Georgekutty Chacko vs M.N Saji* wherein it is stated that,

"..... it is not uncommon that in money transactions, there is a component of cash also involved and just because a person is not able to prove the transfer

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32. Applying the aforesaid principle, in the present matter, in so far as the sale consideration is recorded to have been paid partly in cash by the Applicant, the same cannot *ipso facto* make the transaction non-genuine or invalid in view of the above observation of the Hon'ble Supreme Court. It is noted that claims over the properties 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 such as banking channels. Though the Hon'ble Supreme Court has referred to transactions through banking channels as an indicator of *bona fide* purchase, the said observation cannot be read as excluding genuine transactions undertaken prior to the statutory restrictions on cash dealings, particularly where the transfer is evidenced through registered sale deeds, corresponding revenue records and bank statements, etc. In the instant case, the genuineness of the transaction in respect of the impugned

h. b. 

properties stands established through the existence of a registered instrument i.e. sale deeds and payment of sale consideration and the mutation records.

33. Further, based on the documentary evidence placed before the Panel of Recovery Officers, namely, title documents, Patta, ECs, bank statements in respect of the impugned properties *vis a vis* MR documents, it is established that the Applicant is a *bonafide* purchaser for value and is holding the impugned properties in his independent capacity as laid down in the order dated 19.02.2026 of Hon'ble Supreme Court. Accordingly, the order dated 03.12.2020 passed by Shri R. S. Virk, District Judge (Retd.) in file no. 742 is liable to be set aside in respect of the impugned properties.

ORDER:

34. In view of the foregoing, the contentions raised by the Applicant, Shri K. N. Balaji in the IAs with respect to the impugned properties situated at R. Pudhukkottai and Kolathupatti Villages, Veda Sandur Taluk, Dindigul District, Tamil Nadu comprised in the MR Nos. mentioned below are hereby allowed and the impugned properties are directed to be released from attachment. The details of impugned properties in the MR numbers are as under:

Sr. no.	MR nos.	Survey nos. & Extent
1.	11809/16	S. no. - 387/1B - (0.27.5 hectare and 0.68 acres) S. no. - 388/1 - (0.25.5 hectare and 0.63 acres) S. no. - 388/3 - (0.07.5 hectare and 0.19 acres) S. no. - 398 - (With a square well) (1.88.0 hectare and 4.64 acres) S. no. - 403/1A - (0.67.0 hectare and 1.65 acres) S. no. - 403/1B - (0.09.0 hectare and 0.22 acres) S. no. - 403/1C - (0.69.5 hectare and 1.72 acres) S. no. - 403/1D - (0.63.0 hectare and 1.56 acres)

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Sr. no.	MR nos.	Survey nos. & Extent
		S. no. - 388/2 (Part western side in the centre) - (Acre 1.55 Cents out of acre 3.10 cents)(1.25.5 hectare) S. no. - 389/2 - Part (Undivided) (acre 0.57 Cents Out of acre 2.27 Cents) (0.92.0 hectare)
2.	11810/16	S.no. - 389/4 - 0.22.0 hectare, 0.54 acres S. no.392/1 - 2.40.0 hectare, 5.96 acres S.no. - 409/5 - 0.42.0 hectare, 1.04 acres S.no. - 399/1 - 1.90.0 hectare, 4.69 acres (With a square well) S. no. - 389/2 part (Undivided), acres 1.70 cents out of acres 2.27 cents (0.92.0 hectare) S.no. - 396 part (Undivided), acres 0.93 cents out of acres 4.71 cents (1.90.5 hectare) S. no.- 397 part (Undivided), acres 2.81. cents out of acres 4.19 cents (1.69.5 hectare)
3.	11808/16	S.no. - 395/2 part (Undivided) - acres 5.37 cents out of acres 6.50 cents (2.63.0. hectare) S.no. - 396 part (Undivided) - acres 0.17 cents out of acres 4.71 cents (1.90.5 hectare) S.no. - 422 part (Undivided) - acre 1.34 cents out of acres 3.64 cents (1.47.5 hectare)

35. It is clarified that the release granted hereunder is confined to the survey numbers under the MR documents and attached by the Committee except survey nos. 394 part (Undivided) in MR no. 11808/16 and survey no. 403/3 in MR no. 11809/16 since the same is not purchased by the Applicant.

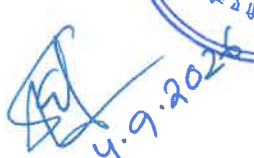
36. The IAs are accordingly disposed of in terms of this order.

Place: Mumbai

Date: 04.09.2026


KSHAMA P. WAGHERKAR
RECOVERY OFFICER


RESHMA GOEL
RECOVERY OFFICER


SAROJ KUMAR SAHU
RECOVERY OFFICER



क्षमा प्र. वाघेरकर / KSHAMA P. WAGHERKAR
महाप्रबंधक एवं वसूली अधिकारी
General Manager & Recovery Officer
(पी ए सी एल ली के मामले से संबंधित, मुंबई) (In the matter of PACL Ltd. Mumbai)

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)

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, मुंबई) (In the matter of PACL Ltd.)