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.	53400 and 53771 of 2024
File No.	SEBI/PACL/IA/KW/00739/2026
Name of the Objector(s)/Applicant	Shri B. R. Madhusudan
MR Nos.	10167/15, 15657/16 and 9976/15

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

वसूली अधिकारियों का पैनल Panel of Recovery Officers पीएसीएल लि. के मामले के संबंधित, मुंबई/In the matter of Pacl Ltd, Mumbai collected from the investors within three months. Aggrieved by the aforesaid 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

पीएसीएल लि. के मामले से संबंधित, मुंबई/In the matter of Pacl Ltd. Mumbai वसूली अधिकारियों का पैनल Panel of Recovery Officers 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 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. B. R. Madhusudan (hereinafter referred to as "**Applicant**") had filed an Objection petition before Shri R. S. Virk, District Judge (Retd.) inter alia seeking release from attachment of the land comprised in Survey Nos.72/9 (14 guntas), 72/10 (14 guntas), 72/11 (12 guntas), 72/13 (18 guntas), 73/1(1 acre 20 guntas), 73/3(1 acre 07 guntas), 75 (2 acre 05 guntas) and 140 (old survey no. 45) (1 acre) situated at village Anneshwara, Kasba Hobli, Devanahalli Taluk, Bangalore (hereinafter referred to as "**impugned properties**"). The aforesaid properties are attached by the Committee under MR Nos. 10167/15, 15657/16 and 9976/16.

14. Upon notice issued to PACL pertaining to the objection filed by Shri B. R. Madhusudan, PACL filed its reply *inter alia* contending that the impugned

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

properties were purchased by PACL India Ltd. through its authorized representative viz. Shri Prateek Kumar s/o Praful Kumar (through GPA holder Shri Venkatesh Matta) vide General Power of Attorney (GPA) No. 359/10 read with Agreement to Sell (ATS) no. 4772/10, both dated 13.01.2010. The Objector, Shri B. R. Madhusudan filed rejoinder to the above reply controverting the same as incorrect and asserted that no consideration was paid pertaining to the aforesaid GPA and ATS, and thus, there was no transfer of the impugned properties in favour of PACL. Moreover, the aforesaid GPA and ATS are barred by limitation. It was claimed that the notice of cancelling the said GPA and ATS was issued by him to Shri Prateek Kumar.

15. Shri R. S. Virk, District Judge (Retd.), while dismissing the objection, vide Order dated 24.08.2023, (hereinafter referred to as "**Impugned Order**"), interalia, observed that

i. the Objector had earlier filed objection petition no.164 in respect of property in survey no.25 and the same was dismissed vide order dated 24.01.2018. Therefore, the submission of the Objector that he came to know about the attachment of the impugned properties only through newspaper was not acceptable.

ii. no reasons were given by the Objector as to why the properties involved in the present petition did not form subject matter of the objection petition no. 164 filed earlier by him on 22.12.2017, more so, when the ATS and GPA both were executed much prior on 13.01.2010.

iii. the said ATS explicitly recorded that the Objector had received ₹87,00,000/- as consideration, contradicting his claim that no money was paid to him as consideration under the said ATS.

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

iv. The Objector was a field associate of Shri Prateek Kumar and both were conniving with each other and the same could be derived from the fact that the present objection petition was filed belatedly on 24.01.2023 despite the payment of consideration was acknowledged by the Objector in the ATS dated 13.01.2010.

Present Interlocutory Application (IA)

16. Aggrieved by the impugned order, the Applicant has filed Interlocutory Application Nos. 53400 of 2024 for intervention and 53771 of 2024 for direction (hereinafter referred to **"IAs"**) before the Hon'ble Supreme Court in the matter of *Subrata Bhattacharya vs. SEBI (supra)* challenging the aforementioned order/recommendations dated 24.08.2023 passed by Shri R. S. Virk District Judge (Retd.). The Applicant has *inter alia* raised the following contentions:

i. The Applicant is an agriculturalist and absolute owner of the impugned properties and is in continuous possession of the same.

ii. The ATS dated 13.01.2010 was neither executed in favour of PACL Ltd. nor was PACL Ltd. a party to the said ATS, and consequently, the said agreement neither transferred any title nor created any right or ownership in favour of PACL Limited.

iii. That one Shri Prateek Kumar, an authorised representative of PACL Ltd., had approached the Applicant to purchase the impugned properties for sum of Rs. 87,10,000/-. In view of the same ATS and GPA, both dated 13.01.2010, were entered into with him. Subsequent to the execution of the said ATS dated 13.01.2010, Shri Pratik Kumar, the purchaser, did not pay a single paisa to the Applicant towards the sale consideration, leaving the demand draft

पैनल अधिकारियों का पैनल, मुंबई/In the matter of Pacl Ltd. Mumbai Panel of Recovery Officers details blank on page 4 of the ATS, rendering the transaction void for lack of consideration.

iv. That the claim of PACL Ltd. is *prima facie* barred by the law of limitation, and the Applicant has issued a timely notice dated 28.04.2023 cancelling the said ATS upon discovering the attachment through CBI summons.

v. The facts in File No. 164 (Survey No.25) and 1075 (Present Survey Nos.) and the scheduled properties involved therein are entirely different.

In view of the above contentions, the Applicant inter-alia prayed for setting aside the impugned order.

17. In compliance with order dated 19.02.2026 passed by the Hon'ble Supreme Court in *Subrata Bhattacharya vs SEBI* (supra), the proceedings in respect of IAs were initiated by the Panel of Recovery Officers. Accordingly, the Applicant was granted an opportunity of hearing on 13.04.2026. On the said date, the Authorised Representative (AR) of the Applicant appeared in person before the Panel and made submission on the lines of averments made in the said IA. During the hearing, it was inter-alia submitted by the AR that:

i. The ATS contained a term *"Consideration shall be paid"* that evinced that the agreement had not attained finality and was subject to payment of consideration.

ii. The ATS did not have stamps of PACL Ltd. on any page.

iii. PACL Ltd. had not submitted any proof of payment of consideration made by it to the Applicant.

iv. For more than a decade, the Applicant has been in peaceful possession of the property in dispute.

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

v. The Applicant had sent a legal notice to terminate the ATS due to non-performance of its contractual obligations by PACL Ltd.

18. Based on the submissions made during the hearing, the AR of the Applicant was advised to submit documents namely, written submissions, comments on MR documents, encumbrance certificate from 1975 till 2025 with relevant entries highlighted, acknowledgment of legal notice and comments on ATS within 10 days and the hearing stood adjourned to 4.05.2026. The AR submitted the above mentioned documents/information, except the acknowledgment of legal notice on 24.04.2026. On the scheduled date of hearing, the Applicant along with his ARs appeared in person and made submissions on the documents submitted pursuant to the previous hearing.

19. The Panel has perused the documents available on record namely, impugned order, the IAs and its annexures, various sale deeds, ATS, GPA, revenue records, etc. and the written submissions. It is the case of the Applicant that he has purchased the impugned properties through four different registered sale deeds from his vendors, namely (i) Muniyappa & others, (ii) Karangamma w/o late Kemapanna, (iii) V. Narayanappa s/o late Venkatarayappa & ors., and (iv) Renuka Krishnappa w/o late K. Narayana Swamy & ors. The Applicant entered into registered ATS and Irrevocable GPA (IGPA) with Shri Prateek Kumar for sale of the said impugned properties. The AR of the Applicant claims that since there was no valid consideration paid by the purchaser to him in the underlying ATS, the title of the impugned properties was never passed on by the Applicant to Shri Prateek Kumar, hence, the ATS and IGPA do not hold good. To substantiate the claim that the Applicant is owner of the impugned

properties, the AR has submitted copies of various sale deeds, ATS, IGPA, the details of which are as under:

Sr. no	Document No.	Executed by	In Favour of	Survey Nos. and extent	Consideration (Rs.)
1.	Sale deed no. – 3930 dated – 19/11/2009 Registered	1.Sri Muniyappa 2. Muniyamma 3. Narayana Swamy 4.Krishnamma 5.Jayamma 6.Peddanna 7.Muniyamma 8. Ramappa 9. Chennamma 10. Nanjundayya 11. Renukamma 12. Radha 13. Nanjudayya 14. Dyavappa 15. Dodda venkatamma 16. D. Srinivasa 17. Lakshmi 18. D. Nagaveni 19. D. Muniraju 20. Sujatha 21. Sri Krishnappa 22. Chicka Venkatamma 23.Munirathnamma	B. R. Madhusudhan	S. no. (72/9) – 0.14 Guntas, S. no. (72/10) – 0.14 Guntas S. no. (72/11) – 0.12 Guntas Situated at Anneshwar Village, Bangalore	12,00,000/- Cheque payment
2.	Sale deed no. – 4760 dated – 13/01/2010 Registered	Smt. Karagamma (GPA Sri K. Muniraju)	B.R. Madhusudhan	S. no. 75 – 2 acres 5 guntas Situated at Anneshwar	25,50,000/- Cash

Sr. no	Document No.	Executed by	In Favour of	Survey Nos. and extent	Consideration (Rs.)
				Village, Bangalore	
3.	Sale deed no. – 4760 dated – 13/01/2010 Registered	1. Sri V. Narayanappa 2. Sri Muniraju S/o V. Narayanappa (Represented by GPA Sri K. Maniraju)	B.R. Madhusudhan	S. no. 140 – 1 acres Situated at Anneshwar Village, Bangalore	12,00,000/- Cash
4.	Sale deed no. – 4764 dated – 13/01/2010 Registered	1. Renuka Krishnappa 2. Aparna 3. Lavanya (Represented by GPA Sri K. Muniraju)	B.R. Madhusudhan	73/1 – 1 acre 20 guntas 73/3 – 1 acre 7 guntas 72/13 - 0-18 guntas Total measuring = 3 acres and 5 guntas Situated at Anneshwar Village, Bangalore	37,50,000/- Cash

20. From the perusal of the above sale deeds, it is noted that the Applicant has purchased the impugned properties by way of four registered sale deeds during the year 2009-10 from 29 different vendors. The AR has submitted that the Applicant has purchased the land parcels bearing Survey nos. 72/9, 72/10, 72/11 through sale deed dated 19.11.2009 by making payment through cheque to his vendors. Further, the AR has submitted that he had purchased other

वसूली अधिकारियों का पैनल Panel of Recovery Officers पी ए सी एल लि. के मामले से संबंधित, मुंबई/In the matter of Pacl Ltd.,Mumbai impugned properties through cash as the Applicant had cash in hand out of the sale of properties purchased by him, wherein he received cash and said sale proceeds received through cash were invested in purchasing lands under sale deed dated 13/01/2010.

21. The Panel has noted that the Applicant has entered into registered IGPA and ATS, both dated 13.01.2010, in favour of Shri Prateek Kumar, authorised representative of PACL, details of which are as under:

Sr. no.	Document No. & Date	Executed by	In Favour of	Survey Nos. and Extent	Consideration
1.	Irrevocable GPA dated 13/01/2010	B.R. Madhusudhan	Shri Prateek Kumar (Authorized representative of PACL India Limited) GPA holder Shri Venkatesh Mutta	1) 14 guntas in S. no. 72/9, 2) 14 guntas in S. no. 72/10, 3) 12 guntas in S. no. 72/11, 4) 2 acres 5 guntas in S. no. 75 5) 18 guntas in S. no. 72/13, 6) 1 acre 20 guntas in S. no. 73/1, 7) 1 acre 07 guntas in S. no. 73/3 8) 1 acre in S.no. 140 (Old no. 45)	
	Agreement to Sell	B.R. Madhusudhan	Shri Prateek Kumar (Authorized	1) 14 guntas in S. no. 72/9,	Rs. 87,10,000/-

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

Sr. no.	Document No. & Date	Executed by	In Favour of	Survey Nos. and Extent	Consideration
	dated 13/01/2010		representative of PACL India Limited) GPA holder Shri Venkatesh Mutta	2) 14 guntas in **S. no. 72/10,** 3) 12 guntas in **S. no. 72/11,** 4) 2 acres 5 guntas in **S. no. 75** 5) 18 guntas in **S. no. 72/13,** 6) 1 acre 20 guntas in **S. no. 73/1,** 7) 1 acre 07 guntas in **S. no. 73/3** 8) 1 acre in **S.no. 140** (Old no. 45)	

22. The AR of the Applicant has submitted that the GPA and ATS, both dated 13/01/2010, do not create any interest or right and thus, PACL has no *locus-standi* to claim right relying upon the said ATS and GPA. The ATS is only a part performance under Section 53A of the Transfer of Property Act (TPA) and it is not a concluded contract and GPA is not acted upon. The Applicant has submitted that the ATS is suspicious in nature as there is no reflection of payment towards sale consideration and no details of Demand Draft (DD) were found in tabular column of the ATS. Unless PACL produces any relevant documents, it has to be presumed that no sale consideration has been paid by PACL to him. Therefore, ATS and GPA do not hold good and any defence and claim of PACL is not acceptable.

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

23. On perusal of the sale deeds, the IGPA and ATS, it is noted that the survey numbers which stand attached by the Committee are the subject matter of the instant IAs are as under:

Sr. No.	**Survey Nos.**	**Extent (in acres)**	**MR Nos.**
1	75	Acres 2-00	MR. No. 9976/15
2	72/9, 72/10, 72/11, 75, 72/13, 73/1, 73/3, 140	Acres 6.25	MR. No. 10167/15
3	72/9, 72/10, 72/11, 75, 72/13, 73/1, 73/3, 140		MR. No. 15657/15

24. Before proceeding further, the Panel considers it necessary to refer to the observations in the order dated 22.08.2014 passed by SEBI, that PACL Ltd. held very limited stock of land in its own name and acquired the bulk of its land holdings through GPA, ATS, associate companies and nominees for the stated reason that it was unable to own the land in its own name beyond certain limits owing to the land ceiling laws in force in different States. PACL Ltd. in its reply has interalia stated that it had purchased the impugned properties from the objector out of the funds of PACL. Further, registered IGPA given by the Objector in favour of PACL Ltd. through Shri Prateek Kumar after receiving the entire sale consideration and transferred all the powers related to piece and parcel of land to PACL Ltd.

25. In order to adjudicate the claim of the Applicant, the Panel has perused the documents seized under MRs which are as under:

MR. No. 9976/15					
Sr. No	**Documents No.**	**Executed by**	**In favour**	**Survey no. & Extent**	**Consideration**
1.	Agreement to Sell dated 16/06/2011 (Registered)	Smt. M. Nagalakshmi (GPA Holder Mr. K. Muniraju)	Shri Prateek Kumar (GPA Holder Mr. Ayush Thapa)	Sy. no. 75 Acres 2-00 guntas	60,50,000/-
2.	GPA (Notarised)	Smt. M. Nagalakshmi (GPA Holder Mr. K. Muniraju)	Shri Prateek Kumar (GPA Holder Mr. Ayush Thapa)	Sy. no. 75 A2-00 guntas	

MR. No. 10167/15					
Sr. No	**Documents No.**	**Executed by**	**In favour**	**Extent**	**Consideration**
1.	Agreement to Sell Dated 13/01/2010	Shri B.R. Madhusudan	Shri Prateek Kumar PACL India Limited	Sy. no. – 72/9, 72/10, 72/11, 75, 72/13, 73/1, 73/3, 140 Area – 6.25 Acres	87,10,000/-
2.	Irrevocable GPA Dated 13/01/2010	Shri B.R. Madhusudan	Shri Prateek Kumar PACL India Ltd. GPA holder Sri. Venkatesh Mutta	Sy. no. – 72/9, 72/10, 72/11, 75, 72/13, 73/1, 73/3, 140 Area – 6.25 Acres	

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

MR. No. 15657/15					
Sr. No	**Documents No.**	**Executed by**	**In favour**	**Extent**	**Consideration**
1.	Irrevocable GPA Dated – 13/01/2010	Shri B.R. Madhusudan	Shri Prateek Kumar PACL India Limited GPA holder Shri Venkatesh Mutta	72/9, 72/10, 72/11, 75, 72/13, 73/1 73/3, 140	

26. PACL in its reply has stated that documents seized under MR nos. 10167/15 and 15657/16 are the same and the only difference is the sequencing of the documents seized i.e. ATS with GPA and GPA with ATS. From a perusal of the said MR nos., it is noted that under MR no. 10167/15, the seized documents include the registered ATS executed by Applicant in favour of Shri Prateek Kumar, the AR of PACL Ltd. and an IGPA executed by Applicant in favour of Shri Prateek Kumar. Similar documents are seized under MR No. 15657/15, with the difference that they are interchanged in the sequence. Both the IGPAs and ATS under the MR nos. 10167/15 and 15657/16 are the same. With respect to the said MR No. 9976/15, the AR has submitted that out of the total extent of Survey no. 75, 2 Acres and 5 guntas belongs to the Applicant. The AR has further submitted that the remaining portion is covered under MR no. 9976/15 and belongs to one Nagalakshmi and does not pertain to the Applicant.

27. In view of the above, out of the aforesaid MR nos., Panel finds that the relevant MR Nos. 10167/15 and 15657/15 which contains the unregistered ATS and IGPA with respect to the impugned properties are relevant to the instant IAs.

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

Further, as per records available with the Committee, Shri Prateek Kumar, who is mentioned in the documents seized under the aforesaid MR Nos., was an associate of PACL Ltd.

28. Since the Applicant purchased the impugned properties by way of various sale deeds, the ownership and possession of the impugned properties remained with the Applicant. Although the AR submitted that as per Section 79-B of Karnataka Land Reforms Act 1961, PACL did not have right to enter agreement to purchase agricultural land, it is noted that vide Karnataka Land Reforms (Amendment) Ordinance, 2020 dated 13 July 2020, Sections 79A, 79B and 79C of the Act stands repealed with effect from 1.03.1974. Therefore, in the instant IA, the only fact in question is whether the Applicant had transferred the title of the impugned properties to PACL. In order to decide the same, the panel has relied upon the registered ATS dated 13.01.2010 seized under MR no. 10167/15. Upon examination of the documents seized, it is observed as under:

    i. In para I. (a) at page 2 of the ATS, the date of sale deed through which the Applicant has purchased the impugned properties comprised in survey nos. 72/9, 72/10 and 72/11 as described in item I of Schedule of property is incorrectly mentioned as 19.11.2008. However, the correct date of sale deed through which the Applicant purchased the concerned portion of impugned properties is dated 19.11.2009.

    ii. In Para I. (b) at page 2 of the ATS, it is mentioned that Applicant purchased impugned properties comprised in survey no. 75 to the extent of 2 acres and 5 guntas as described in item II of Schedule of property by virtue of sale deed dated 13.01.2010, but the field is left blank where name of the

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

vendor from whom Applicant purchased the said part of property has to be mentioned. The extract is as under:

> b) the immovable property being agricultural dry land measuring an extent of 2 Acres 05 guntas comprised in Sy.No.75 of Anneshwara Village, Kasaba Hobli, Devanahalli Taluk, Bangalore Rural District which is more particularly described in the Item No.II comprised in the Schedule hereunder having acquired the title to the same by virtue of a sale deed dated:13/01/2010 executed in his favour by ____________, which has been duly registered as Document No.DNH-__________ /2009-10 in Book - I, stored in CD No.DNHD ____ with the Sub-Registrar, Devanahalli Taulk;

iii. In para I (c) of the ATS at page 2, it is mentioned that Applicant purchased concerned portion of impugned properties comprised in survey no. 72/13, 73/1, 73/3 as described in item nos. III, IV and V of schedule of property by virtue of sale deed dated 13.01.2010, but the name of the vendor of Applicant is written as Shri B. R. Madhusudan. Whereas, as per the sale deed bearing doc no. 4764 dated 13.01.2010, the Applicant has purchased the same from Smt. Renuka Krishnappa and ors. The extract is as under:

> c) the immovable property being agricultural dry land measuring an extent of 18 guntas comprised in Sy.No.72/13 of Anneshwara Village, Kasaba Hobli, Devanahalli Taluk, Bangalore Rural District which is more particularly described in the Item No.III comprised in the Schedule hereunder, the immovable property being agricultural dry land measuring an extent of 1 Acre 20 guntas comprised in Sy.No.73/1 of Anneshwara Village, Kasaba Hobli, Devanahalli Taluk, Bangalore Rural District which is more particularly described in the Item No.IV comprised in the Schedule hereunder and the immovable property being agricultural dry land measuring an extent of 1 Acre 07 guntas comprised in Sy.No.73/3 of Anneshwara Village, Kasaba Hobli, Devanahalli Taluk, Bangalore Rural District which is more particularly described in the Item No.V comprised in the Schedule hereunder, having acquired the title to the same by virtue of a sale deed dated:13/01/2010 executed in his favour by B.R.Madhusudhan, which has been duly registered as Document
>
> No.DNH-4764 /2009-10 in Book – I, stored in CD No.DNHD 185 with the Sub-Registrar, Devanahalli Taulk;

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

iv. In para I(d) of ATS at page 3, it is mentioned that Applicant purchased concerned portion of impugned properties comprised in survey no.140 as described in item VI of Schedule of property by virtue of sale deed dated 13.01.2010, but the name of the vendor of Applicant is written as B. R. Madhusudan. Whereas as per the sale deed no. 4760 dated 13.01.2010, the Applicant has purchased the same from V. Narayanappa and Ors. The extract is as under:

> **d) the immovable property being agricultural dry land measuring an extent of 1 Acre comprised in Sy.No.140 (Old No.45) of Anneshwara Village, Kasaba Hobli, Devanahalli Taluk, Bangalore Rural District which is more particularly described in the Item No.VI comprised in the Schedule hereunder having acquired the title to the same by virtue of a sale deed dated:13/01/2010 executed in his favour by** B.R.Madhusudhan **which has been duly registered as Document No.DNH-**4760 **/2009-10 in Book - I, stored in CD No.DNHD** 185 **with the Sub-Registrar, Devanahalli Taulk;**

29. Apart from the above, it is noted that since the aforesaid ATS is registered and recorded in Encumbrance Certificate, it is assumed that the said ATS is duly executed. However, there are discrepancies in the said ATS about the mode of payment of consideration in respect of impugned properties. The extract of table from the ATS is as under:

1. The VENDOR does hereby agree to sell to and in favour of the PURCHASER and/or his nominees the Schedule Property as a whole for a total sale price and consideration of Rs.87,10,000/- (Rupees Eighty Seven lakhs Ten Thousand only), to for the purchase of the Schedule Property so as to enable the PURCHASER and/or his nominees to own and possess the same as its sole and absolute owner thereof and the aforesaid sale price and consideration shall be paid by the PURCHASER in the following manner:

a)	Rs.87,00,000/- (Rupees Eighty Seven Lakhs only) by Demand draft/cash bearing No.__________ dated:_________ drawn on __________ Bank, __________ paid by the PURCHASER to the VENDOR herein, the receipt of which the VENDOR does hereby acknowledge	Rs.87,00,000/-
b)	Balance sum of Rs.10,000/- (Rupees Ten Thousand only) on the due execution registration of a deed of absolute sale and conveyance executed by the VENDOR in favour of the PURCHASER and/or its nominees which shall be done on or before a period of 3 months from the date of signing this agreement subject to fulfillment of all terms and conditions by the VENDOR as contained in this agreement to the satisfaction of the PURCHASER and/or his nominees	Rs.10,000/-
	TOTAL	Rs.87,10,000/-

30. On perusal of the said ATS, it is mentioned that the Vendor agrees to sell in favour of the Purchaser, the Schedule Property for a consideration of Rs. 87,10,000/- which shall be paid by the Purchaser in the manner described in the table. It is observed from the table that the details of payment by Demand Draft /cash of Rs.87,00,000/- have been left blank. It further mentions that the Vendor acknowledges the receipt of said Rs. 87,00,000/-. The Panel has noted that the exact mode of payment of consideration is not clear from the said column as the fields mentioning details of payment method are blank. There is no corroborative evidence available on record to ascertain the receipt of payment by the Applicant.

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

31. The AR has submitted during the hearing that he had issued a Notice of termination dated 28.04.2023 for cancellation of the said ATS for non-performance of the terms and conditions of ATS. From the perusal of the said notice annexed to the IA, it is *interalia* noted that the Applicant has denied the receipt of consideration of Rs. 87,10,000/- as per the terms and conditions of the ATS and hence failure to abide the same, PACL Ltd. was informed to execute the cancellation deeds in respect of GPA and ATS in respect of schedule properties within 10 days of receipt of notice, otherwise the Applicant would initiate legal proceedings against PACL. It is surprising to note that the Applicant has not taken any steps for the non-performance of the registered ATS which has been executed in the year 2010 for the impugned properties and suddenly after the passage of time of almost 13 years, the Applicant has thought of terminating the said ATS. It is noted that no documents have been submitted by the AR on the action taken in this regard.

32. Having noted above, while registered ATS does not automatically transfer the absolute ownership or legal title of immovable property, the culmination of it into a registered sale deed transfers the right, title and interest in the property to another. Regarding the legality of the GPA and ATS as a conveyance deed, the Hon'ble Supreme Court in *Suraj Lamp and Industries Pvt. Ltd. Vs. State of Haryana & Anr.* reported in (2012) 1 SCC 656, has observed as under:

"18. It is thus clear that a transfer of immovable property by way of sale can only be by a deed of conveyance (sale deed). In the absence of a deed of

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

conveyance (duly stamped and registered as required by law), no right, title or interest in an immovable property can be transferred.

"19. Any contract of sale (agreement to sell) which is not a registered deed of conveyance (deed of sale) would fall short of the requirements of Sections 54 and 55 of the TP Act and will not confer any title nor transfer any interest in an immovable property (except to the limited right granted under Section 53-A of the TP Act). According to the TP Act, an agreement of sale, whether with possession or without possession, is not a conveyance. Section 54 of the TP Act enacts that sale of immovable property can be made only by a registered instrument and an agreement of sale does not create any interest or charge on its subject-matter."

33. Therefore, in view of the settled position of law that no right or interest in an immovable property can be transferred in the absence of a registered sale deed. The Panel finds merit in the Applicant's submissions that there was no conveyance of title in the impugned properties in favour of Shri Prateek Kumar or PACL Ltd. vide ATS dated 13.01.2010.

34. In view of the above observations, the recitals of the ATS are self-contradictory. Further, it is established as a matter of fact that (i) the Applicant originally purchased the impugned properties through four registered sale deeds for valuable consideration which is evident from sale deeds dated 19.11.2009 and 13.01.2010 as well as the Encumbrance Certificate pertaining to the impugned

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

properties for search period from 01.04.2004 to 20.04.2026. (ii) The registered ATS dated 13.01.2010 was executed by the Applicant in favour of Shri Pratik Kumar in respect of the impugned properties. However, there is no reflection of payment made towards sale consideration and no details of Demand Draft are found in tabular column of consideration in the said ATS.

35. The AR of the Applicant has submitted the encumbrance certificate for the period from 1.04.2004 to 18.10.2022 and 1.04.2004 to 21.04.2026. From the perusal of the same, it is noted that the impugned properties have been mutated in the name of the Applicant and do not show any subsequent registered sale deed in favour of PACL or its associates, except for ATS dated 13.01.2010 in favour of Shri Prateek Kumar which was seized under MR no. 10167/15.

36. It is noted that the Applicant had purchased the impugned properties from various land owners in 2009-10 vide registered sale deeds. Therefore, the Applicant is the rightful owner of the impugned properties. Therefore, the Panel is of the view that the I.As are hereby allowed and the order of Shri R. S. Virk be set aside.

ORDER:

37. In view of the foregoing, the I.As filed by the Applicant viz. Shri B. R. Madhusdan with respect to the impugned properties comprised in survey nos. 72/9 (14 gunta), 72/10 (14 guntas) 72/11 (12 guntas), 72/13 (18 guntas) 73/1 (1 acre 20 guntas), 73/3(1 acre 07 guntas) 75 (2 acres 05 guntas), 140 (old survey no. 45) (1 acre) situated at village Anneshwara, Kasba Hobli, Devanahalli

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

Taluk, Banglore rural District are liable to be allowed and are accordingly, hereby allowed. The impugned order passed by Shri R. S. Virk, District Judge (Retd.) in file no. 1075 is therefore, set aside.

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

Place: Mumbai

Date: 31.08.2026

31/8/2026 | 31.08.2026 | 31.8.26

KSHAMA P. WAGHERKAR | **RESHMA GOEL** | **SAROJ KUMAR SAHU**

RECOVERY OFFICER | **RECOVERY OFFICER** | **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)/(In the matter of PACL Ltd.