

**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.**

I.A. Nos.	151752 of 2019 and 151756 of 2019
Name of the Applicants/Objector(s)	Makhouse Infratech Private Limited
MR Nos.	28646/16, 28795/16, 28644/16, 28794/16, 28793/16, 28645/16, 28642/16, 27916/16, 28797/16, 28641/16, 10007/15, 10008/15, 18737/16, 18738/16, 18750/16, 18802/16, 18803/16, 18804/16, 18805/16, 6300/16, 6301/16, 26196/16, 26230/16, 26309/16, 26759/16

Background:

1. Securities and Exchange Board of India (hereinafter referred to as “SEBI”) on 22.08.2014 passed an order against the PACL Ltd., its promoters and directors, *inter alia* holding the schemes run by PACL Ltd. as Collective Investment Scheme (CIS) and directing them to refund the amounts collected from the investors within three months from the date of the order. By the said order, it was also directed that PACL Ltd. and its promoters/directors, shall not alienate or dispose of or sell any of the assets of PACL Ltd. except for the purpose of making refunds as directed in the order.
2. It was also directed vide the said order that PACL Ltd. and its promoters/ directors shall not alienate or dispose of or sell any of the assets of PACL Ltd. except for the purpose of making refunds as directed in the order.



3. The order passed by SEBI was challenged by PACL Ltd. and four of its directors by filing appeals before the Hon'ble Securities Appellate Tribunal (SAT). The said appeals were dismissed by Hon'ble SAT vide its common order dated 12.08.2015, with a direction to the appellants to refund the amounts collected from the investors within three months. Aggrieved by the order dated 12.08.2015 passed by Hon'ble SAT, PACL Ltd. and its directors filed appeals before the Hon'ble Supreme Court of India.
4. The Hon'ble Supreme Court did not grant any stay on the aforesaid impugned order dated 12.08.2015 of Hon'ble SAT, however, PACL Ltd. and its promoters/directors did not refund the money to its investors. Accordingly, SEBI initiated recovery proceedings under Section 28A of SEBI Act, 1992 against PACL Ltd. and its promoters/directors vide recovery certificate no. 832 of 2015 drawn on 11.12.2015 and as a consequence thereof, all bank/demat accounts and folios of mutual funds of PACL Ltd. and its promoters/directors were attached by the Recovery Officer vide attachment order dated 11.12.2015.
5. During hearing on the aforesaid civil appeals filed by the PACL Ltd. and its directors (i.e. Civil Appeal No. 13301 of 2015 – Subrata Bhattacharya vs. SEBI and other connected matters), the Hon'ble Supreme Court vide its order dated 02.02.2016, directed SEBI to constitute a committee under the Chairmanship of Hon'ble Justice R.M. Lodha, the former Chief Justice of India, (hereinafter referred to as “**the Committee**”), for disposing of the land purchased by PACL Ltd. so that the sale proceeds can be paid to the investors, who have invested their funds in PACL Ltd. for purchase of the land. In the said civil appeals, the Hon'ble Supreme Court did



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not grant any stay on the orders passed by SEBI and the Hon'ble SAT. Therefore, direction for refund and direction regarding restraint on the PACL Ltd. and its promoters and directors from disposing, alienating or selling the assets of the PACL Ltd., as given in the order continue till date.

6. The Committee has from time to time requested the authorities for registration and revenue of different states to take necessary steps and issue necessary directions to Land Revenue Officers and Sub-registrar offices, to not effect registration/mutation/sale/transfer, etc. of properties wherein PACL Ltd. and or its group or its associates have, in any manner right of interest.
7. Further, the Hon'ble Supreme Court vide its order dated 25.07.2016 restrained PACL Ltd. and/or its Directors/Promoters/agents/employees/Group and/or associate companies from in any manner selling/transferring/alienating any of the properties wherein PACL Ltd. has, in any manner, a right/interest situated either within or outside India.
8. In the recovery proceedings mentioned in para 4 above, the Recovery Officer issued an attachment order dated 07.09.2016, against 640 associate companies of PACL Ltd. In the said order, *inter alia*, the registration authorities of all States and Union Territories were requested not to act upon any document purporting to be dealing with transfer of properties by PACL Ltd. and/or the group/associate entities of PACL Ltd. mentioned in the Annexure to the said attachment order, if presented for registration.
9. The Hon'ble Supreme Court vide its order dated 15.11.2017 passed in C. A. No. 13301/2015 and connected matters directed that all the grievances/objections



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pertaining to properties of PACL Ltd. would be taken up by Mr. R. S. Virk, District Judge (Retired).

10. On 30.04.2019, in the recovery proceedings initiated against PACL Ltd. & Ors., the Recovery Officer issued a notice of attachment in respect of 25 front companies of PACL Ltd. Thereafter, on 01.03.2021, the Recovery Officer issued another notice of attachment in respect of 32 associate companies of PACL Ltd., which included 25 front companies of PACL Ltd. whose accounts were attached vide order dated 30.04.2019.

11. The Hon'ble Supreme Court vide order dated 08.08.2024, in Civil Appeal No. 13301 of 2015 – Subrata Bhattacharya Vs. SEBI and other connected matters, has directed as under:

“.....10. Since, we had directed in our order dated 25.07.2024, that no fresh applications or objections shall be filed before or entertained by Shri R.S. Virk, District Judge (Retd.) and that the same shall be filed before the Committee, the Committee may deal with such applications/objections, if filed before it, and dispose them of as per the provisions contained under Section-28(A) of the SEBI Act.....”

12. In compliance with aforesaid order dated 08.08.2024 passed by the Hon'ble Supreme Court, all objections with respect to properties of PACL Ltd., which were pending before Shri R. S. Virk, District Judge (Retired) and all new objections, are now to be dealt by the Recovery Officers attached to the Committee.



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

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

14. The instant application has been filed by M/s. Makhouse Infratech Pvt. Ltd., (hereinafter being referred to as "applicant" and which was erstwhile named as "Makhouse Merchandising Pvt. Ltd."), challenging orders dated 22.10.2018 and 27.02.2019 passed by Shri R.S. Virk, District Judge (Retd.). The applicant is objecting to the inclusion of following impugned properties located in the Village-Aniyabaranallur, Tuticorin, Tamil Nadu, as well as Villages-Sukli, Panjri Lodhi, Nagpur, Maharashtra, and Village Annaram, Tehsil Machareddy, Village Demi Kalan, Tehsil Tadwai, Village Kankal Tehsil Tadwai and Village Karadpally, Tehsil Tadwai at Nizamabad District, Telangana, ("impugned properties") consisting of the following land parcels in the list of properties seized from PACL Ltd. by CBI in MR Nos. under auction by the committee:



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*Order on the Interlocutory Application filed by Makhouse Infratech Pvt. Ltd..
SEBI/PACL/RO/BKM/RD-3/ORD/109/2026*

Table No. 1: Documents under MR Nos. seized by CBI

S. No.	Document MR No. & Date of Execution	Seller	Buyer	Location of Land		Survey No.	Area (in Acres /Hecta re)	Consideratio n (As per Sale Deed)	Registered Sale Deed in favour of applicant
				Village	Teh. & Distt.				
1.	28646/16: Sale Deed No. 347/10 dated 28.04.2010 28795/16: Sale Deed No. 347/10 dated 28.04.2010 28644/16: Sale Deed No. 348/10 dated 28.04.2010 28794/16: Sale Deed No. 348/10 dated 28.04.2010	Commune Builders Pvt. Ltd.	Gad Buildways Pvt. Ltd.	Aniyabaranallur	Srivaikundam Taluk, Tuticorin District	MR Nos. 28795/16 & 28646/16: 856/1, 856/3, 857, 858, 861/1, 859 MR No. 28794/16 & 28644/16: 854, 855/2, 856/2, 892/2A	17.37 Acres	MR Nos. 28795/16 & 28646/16: Rs. 2,65,760/- (Paid in cash) MR Nos. 28794/16 & 28644/16: Rs. 3,52,440/- (Paid in cash)	Y
2.	28793/16: Sale Deed No. 349/10 dated 28/04/2010 28645/16: Sale Deed No. 349/10 dated 28/04/2010 28642/16: Sale Deed No. 350/10 dated 28/04/2010 27916/16:	Commune Builders Pvt. Ltd.	Gad Buildways Pvt. Ltd.	Aniyabaranallur	Srivaikundam Taluk, Tuticorin District	MR Nos. 28793/16 & 28645/16: 863, 864/2, 864/4, 864/5 MR No. 28642/16: 860/1, 860/2, 861/2, 862 MR Nos. 27916/16 & 28797/16: 852/2, 891/3C, 906/2, 907/1	19.66 Acres	MR Nos. 28793/16 & 28645/16: Rs. 2,79,840/- (Paid in cash) MR No. 28642/16: Rs. 3,35,500/- (Paid in cash) MR Nos. 27916/16 & 28797/16:	Y



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				Village	Teh. & Distt.				
	Sale Deed No. 548/10 dated 12/07/2010 28797/16: Sale Deed No. 548/10 dated 12/07/2010							Rs. 2,45,520/- (Paid in cash)	
3.	28641/16: Sale Deed No. 346/10 dated 28/04/2010 27916/16: Sale Deed No. 548/10 dated 12/07/2010 28797/16: Sale Deed No. 548/10 dated 12/07/2010	1. Aptitude Realtors Pvt. Ltd. (MR No. 28641-16) 2. Commune Builders Pvt. Ltd. (MR Nos. 27916-16 & 28797/16)	Gad Buildways Pvt. Ltd.	Aniyabaranallur	Srivaikundam Taluk, Tuticorin District	MR No. 28641/16: 986/1, 981/2B, 983/1A, 983/1B, 983/2 Pt, 989/1, 989/2, 989/3, 988/1B, 998, 988/1C, 982/1, 997/1 MR Nos. 27916/16 & 28797/16: 829, 838	15.945 Acres	28641/16: Rs. 4,74,760/- (Paid in cash) 27916/16 & 28797/16: Rs. 2,45,520/- (Paid in cash)	N
4.	10007/15: Sale Deed No. 592/06 dated 31/01/2006	Jagadamba Realtors Pvt. Ltd.	Pearls Buildmart Pvt. Ltd.	Sukli	Tehsil Nagpur Gramin, District Nagpur	92	9.513 Acres	Rs. 66,00,000/- (Payment by Cheque. No Particulars Mentioned)	N
5.	10008/15: Sale Deed No. 824/06 dated 10/02/2006	Maheshlal S/o Mangalprasad Jaiswal	Pearls Buildmart Pvt. Ltd.	Panjri Lodhi	Tehsil Nagpur Gramin, District Nagpur	82/4	5.757 Acres	Rs. 40,00,000/- Rs.5,00,000/- (Rs. Five	N



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S. No.	Document MR No. & Date of Execution	Seller	Buyer	Location of Land		Survey No.	Area (in Acres /Hecta re)	Consideratio n (As per Sale Deed)	Registered Sale Deed in favour of applicant
				Village	Teh. & Distt.				
								Lakhs Only) paid by Cheque bearing No. 46316 dt. 24.03.2006 of NNSB, Dhantoli Nagpur Rs.5,00,000/- (Rs. Five Lakhs Only) paid by Cheque bearing No. 46498 dt. 10.02.2006 of NNSB, Dhantoli Nagpur Rs.10,00,000/- (Rs. Ten Lakhs Only) paid by Cheque bearing No. 46499 dt. 10.02.2006 of NNSB, Dhantoli Nagpur. Rs. 10,00,000/- (Rs. Ten Lakhs Only) paid by Cheque bearing No. 46500 dt. 10.02.2006 of NNSB, Dhantoli Nagpur.	



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S. No.	Document MR No. & Date of Execution	Seller	Buyer	Location of Land		Survey No.	Area (in Acres/Hectare)	Consideration (As per Sale Deed)	Registered Sale Deed in favour of applicant
				Village	Teh. & Distt.				
								Rs.10,00,000/- (Rs. Ten Lakhs Only) paid by Cheque bearing No. 46503 dt. 10.02.2006 of NNSB, Dhantoli Nagpur.	
6.	18737/16: Sale Deed No. 2573/06 dated 02.06.2006	Kandadi Bhoomaiah s/o Sayanna & Others r/o Nizamabad, AP	Pearls Buildways Pvt., Ltd., r/o Meera Bagh, New Delhi, Auth Person, Sukh Mohinder Singh	Kankal	Tadwai, Nizamabad	399/1EE, 399/1EE, 400, 400, 400, 399/1, 398, 398, 398, 57/2, 50/2, 33/1, 57/2 EE:Telugu ఊ	12.150 (12 Acre 6 Gunta)	Rs. 1,75,000/- (No details of Payment Mode mentioned in the sale deed)	N
7.	18738/16: Sale Deed No. 2098/06 dated 08.05.2006	Koudi Mallaiah s/o Balaiah & Others r/o Nizamabad, AP	Pearls Buildways Pvt., Ltd., r/o Meera Bagh, New Delhi, Auth Person, Sukh Mohinder Singh	Kankal	Tadwai, Nizamabad	447/2e, 447/2, 385, 418/EE, 458/2, 447/2, 385, 400/e, 385/u, 386/EE, 436/EE, 419 u: Telugu ఊ E: Telugu ఊ EE:Telugu ఊ	33.850 (33 Acre 34 Gunta)	Rs. 4,40,000/- (No details of Payment Mode mentioned in the sale deed)	N
8.	18750/16: Sale Deed No. 2756/06 dated 13.06.2006	Sunkari Balrajaiah s/o Saidaiah & Others r/o Nizamabad, AP	Pearls Buildways Pvt. Ltd., r/o Meera Bagh New Delhi, Auth Person, Sukh Mohinder Singh	Kankal	Tadwai, Nizamabad	400, 244/1, 467/2, 86/2, 244/1Rroo, 66, 62/2 Rroo: Telugu ఊ	23.113 (23 Acre 4.5 Gunta)	Rs. 3,41,000/- (No details of Payment Mode mentioned in the sale deed)	N



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S. No.	Document MR No. & Date of Execution	Seller	Buyer	Location of Land		Survey No.	Area (in Acres/Hectare)	Consideration (As per Sale Deed)	Registered Sale Deed in favour of applicant
				Village	Teh. & Distt.				
9.	18802/16: Sale Deed No. 4066/06 dated 11.09.2006	Yedul s/o Khasim Sab & oth. r/o Dist.Nizamabad, AP	Pearls Buildways Pvt. Ltd. r/o New Delhi. Auth. Person Sukh Mohinder Singh	Demekalan	Tadwai, Nizamabad	422, 423, 422, 424, 468, 470, 468, 470, 468, 470	9.5 Acres (9 Acres 20 Gunta)	Rs. 1,25,000/- (No details of Payment Mode mentioned in the sale deed)	N
10.	18803/16: Sale Deed No. 4079/06 dated 11.09.2006	Sunkari Shvarajanna s/o Ramaiah & oth. r/o Dist.Nizamabad, AP	Pearls Buildways Pvt. Ltd. r/o New Delhi. Auth. Person Sukh Mohinder Singh	Kankal	Tadwai, Nizamabad	343, 417	4.5 Acres (4 Acres 20 Gunta)	Rs. 56,500/- (No details of Payment Mode mentioned in the sale deed)	N
11.	18804/16: Sale Deed No. 4067/06 dated 11.09.2006	Chukka Shankar Goud s/o Naga Goud & oth. r/o Dist.Nizamabad, AP	Pearls Buildways Pvt. Ltd. r/o New Delhi. Auth. Person Sukh Mohinder Singh	Demekalan	Tadwai, Nizamabad	403, 356/1, 509, 426, 422, 423	12.575 Acres (12 Acres 23 Gunta)	Rs. 1,62,000/- (No details of Payment Mode mentioned in the sale deed)	N
12.	18805/16: Sale Deed No. 4068/06 dated 11.09.2006	Vadla Pedda Bheemaiah s/o Venkaiah & oth. r/o Dist.Nizamabad, AP	Pearls Buildways Pvt. Ltd. r/o New Delhi. Auth. Person Sukh Mohinder Singh	Demekalan	Tadwai, Nizamabad	468, 470, 468, 470, 468, 470, 403, 421, 503	8.1 Acres (8 Acres 04 Gunta)	Rs. 1,08,000/- (No details of Payment Mode mentioned in the sale deed)	N
13.	6300/16: Sale Deed No. 2903/06 dated 19.06.2006	Gurudu Rajawwa w/o Sayanna & oth. r/o	Pearls Buldways Pvt. Ltd. r/o A-22,	Karadpally	Tadwai, Nizamabad	393, 393, 393/19, 393/26, 393, 393, 330/5	17.925 (17-39 acre/gunta)	Rs. 3,42,000/- (No details of Payment Mode mentioned in the sale deed)	N



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S. No.	Document MR No. & Date of Execution	Seller	Buyer	Location of Land		Survey No.	Area (in Acres /Hecta re)	Consideratio n (As per Sale Deed)	Registered Sale Deed in favour of applicant
				Village	Teh. & Distt.				
		Village Karadpally, Tehsil Tadwai, Nizamabad. AP.	Meera Bagh, New Delhi-63 Authorized person Sukh Mohinder Singh s/o Babu Singh r/o Old Tehsil Sirhind City, Distt. Fatheh Garh Saheb, Punjab					mentioned in the sale deed)	
14.	6301/16: Sale Deed No. 2907/06 dated 22.06.2006	Pitla Rajawwa w/o Sayanna & Oth. r/o Village Karadpally, Tehsil Tadwai, Distt. Nizamabad, AP.	Pearls Buldways Pvt. Ltd. r/o A-22, Meera Bagh, New Delhi-63 Authorized person Sukh Mohinder Singh s/o Babu Singh r/o Old Tehsil Sirhind City, Distt. Fatheh Garh Saheb, Punjab	Karadpally	Tadwai, Nizamabad	393/22, 258/2, 330/2, 330/4, 393, 393	19.50 (19-20 acre/gu nta)	Rs. 3,71,000/- (No details of Payment Mode mentioned in the sale deed)	N



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S. No.	Document MR No. & Date of Execution	Seller	Buyer	Location of Land		Survey No.	Area (in Acres/Hectare)	Consideration (As per Sale Deed)	Registered Sale Deed in favour of applicant
				Village	Teh. & Distt.				
15.	26196/16: Sale Deed No. 2130/06 dated 10.05.2006	Jaligama Chandra Shekar s/o Venkatesham & Other r/o Nizamabad Distt. AP	Pearls Buildways Pvt. Ltd., r/o Meera Bagh, New Delhi, Auth Person, Sukh Mohinder Singh	Demekalan	Tadwai, Nizamabad	433/a, 433/AA, 521, 522, 430, 430, 522 a:Telugu AA:Telugu	16.900 (16 Acre 36 Gunta)	Rs. 2,20,000/- (No details of Payment Mode mentioned in the sale deed)	N
16.	26230/16: Sale Deed No. 468/06 dated 15.04.2006	Lambadi Dakya s/o Roopla & oth. r/o Nizamabad AP.	Pearls Buildways Pvt. Ltd. r/o Meera Bagh New Delhi Auth. Person Sukh Mohinder Singh	Annaram	Machareddy	237, 210, 229, 231, 208, 234, 230, 1172, 199, 200, 201, 203, 204, 206	54.20 (54 Acre 8 Gunta)	Rs. 5,42,000/- (Paid in cash)	N
17.	26309/16: Sale Deed No. 2908/06 dated 19.06.2006	Bashu s/o Pathe Mohammed & others r/o Nizamabad, A.P	Pearls Build Ways Pvt. Ltd r/o Meera Bagh Authorised Person Sukh Mohinder Singh s/o Babu Singh r/o Fatehgarh Sahab, Punjab	Karadpally	Tadwai, Nizamabad	36/3, 33/12AA, 33/16AA, 33/12a, 33/16*, 255, 335, 335, 151/4 a:Telugu AA:Telugu sv. No. 1 36/3 33/12a 33/16AA 33/12a 33/16 255 335 335 151/4 Total:	15.425 (15 Acres 17 Gunta)	Rs. 2,01,000/- (No details of Payment Mode mentioned in the sale deed)	N



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S. No.	Document MR No. & Date of Execution	Seller	Buyer	Location of Land		Survey No.	Area (in Acres/Hectare)	Consideration (As per Sale Deed)	Registered Sale Deed in favour of applicant
				Village	Teh. & Distt.				
						33/16* contains Illegible Telugu character			
18.	26759/16: Sale Deed No. 4065/06 dated 11.09.2006	Vadla Pedda Rajulu s/o Balaiah & Oth. r/o Nizamabad AP.	Pearls Buildways Pvt. Ltd. r/o Meer Bagh New Delhi Auth. Person Sukh Mohinder Singh	Demi Kalan	Tadwai, Nizamabad	468, 470, 468, 470, 356/1, 468, 470	4.0 (4 Acre)	Rs. 52,000/- (No details of Payment Mode mentioned in the sale deed)	N

15. Shri R.S. Virk, District Judge (Retd.), dismissed the Objection Petition vide Orders dated 22.10.2018 and 27.02.2019 (“impugned orders”), *inter alia*, on the ground that the evidence of payment of consideration i.e. bank statements in favour of the applicant had not been produced with the Objection Petition. In the said orders, Shri R.S. Virk, District Judge (Retd.), also held that the Order dated 02.02.2016 passed by the Hon’ble Supreme Court did not empower the Committee to provide refunds to parties who were not investors of PACL, because the aforesaid order of the Hon’ble Supreme Court granted the Committee the power to sell properties of PACL Ltd. and provide refunds only to its investors. Accordingly, Shri R.S. Virk, District Judge (Retd.) dismissed the applicant’s prayer for refund of the amounts paid pursuant to Agreements to Sell (“ATS”) entered into with the PACL associates.



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The I.As. filed before the Hon'ble Supreme Court

16. The Objector, therefore, has filed the I.A. Nos. 151743 of 2019 and 151745 of 2019, before the Hon'ble Supreme Court in the matter of Subrata Bhattacharya vs. SEBI (*Supra*). Thereafter, the Hon'ble Supreme Court passed the order dated 19.02.2026 directing, *inter alia*, that all interlocutory applications/Transferred Cases falling under Category B, i.e. 106 sets of applications including the instant application, challenging the recommendations of Shri R.S. Virk (Retd.), shall be placed before the Recovery Officers appointed under Section 28A of the SEBI Act, 1992.

17. In compliance with the directions of the Hon'ble Supreme Court, the applicant was granted an opportunity of hearing on 06.05.2026. During the hearing held on 06.05.2026, the applicant was represented by an authorised representative ('AR'). During the hearing, the AR made submissions on the lines of averments made in the I.As. and submitted as under:

- a) The Objector/applicant had purchased the impugned properties during the specific window of time between 22.08.2014 (when SEBI Order was passed against PACL) and 25.07.2016 (when Hon'ble Supreme Court issued a stay on all PACL property disposals in Civil Appeal No. 13301 of 2015 – Subrata Bhattacharya vs. SEBI and other connected matters). In SEBI Order dated August 22, 2014 SEBI directed PACL to sell its assets to refund investors. Therefore, there was no restriction on sale of impugned properties to the Objector/applicant under law till July 25, 2016.
- b) The Objector/applicant was at liberty to purchase the impugned properties during the aforementioned timeframe so long as these properties were not



deliberately undervalued. In any case, Objector/applicant purchased the properties at Villages Sukli, Panjri Lodhi in Nagpur District, Maharashtra and Village Aniyabaranallur, Tuticorin, Tamil Nadu during the year 2014 (September 3, 2014, November 21, 2014, and October 30, 2014) and 2016 (January 21, 2016) and other properties in Nizamabad, Andhra Pradesh/Telangana for which the payment of consideration was made through banking channels, and thus, valid transfer of title was executed in favour of the Objector/IA applicant who was a bona fide purchaser, having purchased the properties as per prevailing market rates.

18. AR also requested 7 days' time to make additional submissions and file documents required in the matter i.e. incorporation documents of the Objector/applicant, balance sheets of the Objector/applicant for the aforementioned relevant years, certified copies of mutation, Jamabandi record, Girdawari record/tax receipts, revenue office record, CBI endorsement against alienation of property (if any), and Bank statements evidencing payment of consideration. The AR also stated that Objector/applicant shall make submissions incorporating the comparison between the circle rates/guideline rates and the prevailing market value in respect of the impugned properties.

19. Subsequently, the applicant submitted its compilation of additional documents vide emails dated 21.07.2026 enclosing the aforementioned documents and Bank statements which the applicant has placed reliance upon as evidence of payment of consideration in favour of PACL associates.



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20. In order to decide the I.As., the Panel perused the documents i.e., copies of various registered Sale Deeds covered under MR Nos. 28646/16, 28795/16, 28644/16, 28794/16, 28793/16, 28645/16, 28642/16, 27916/16, 28797/16, 28641/16, 10007/15, 10008/15, 18737/16, 18738/16, 18750/16, 18802/16, 18803/16, 18804/16, 18805/16, 6300/16, 6301/16, 26196/16, 26230/16, 26309/16, and 26759/16 which are part of properties listed for auction by the Committee. The details of the aforesaid MR documents are reproduced in a tabular form at Table No. 1 which is laid out hereinabove. From a perusal of the aforesaid MR documents, the Panel has noted that these deeds were executed for purchasing impugned properties located in the Village-Aniyabaranallur, Tuticorin, Tamil Nadu, as well as Villages-Sukli, Panjri Lodhi, Nagpur, Maharashtra, and Village Annaram, Tehsil Machareddy, Village Demi Kalan, Tehsil Tadwai, Village Kankal Tehsil Tadwai and Village Karadpally, Tehsil Tadwai at Nizamabad District, Telangana, between January 2006 and July 2010. As noted from the above table, the aforementioned associates of PACL Ltd. i.e. Gad Buildways Pvt. Ltd., Pearls Buildmart Pvt. Ltd., Pearls Buildways Pvt. Ltd., Pearls Buildmart Pvt. Ltd., and Pearls Buildways Pvt. Ltd. acquired total land amounting to 299.983 Acres across Tuticorin, Tamil Nadu, Nagpur, Maharashtra and Nizamabad, Telangana. In the sale deeds at s. nos. 6-18, references to Nizamabad, Andhra Pradesh, correspond with present day Nizamabad District, Telangana.

21. It is submitted by the applicant that it had acquired title and interest in the following impugned properties by way of following registered sale deeds:



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Table No. 2: Sale Deeds in favour of the applicant

S. No.	Sale Deed No. & Date	Seller	Buyer	Location of Land		Survey No.	Area (in Acres)	Consideration (As per Sale Deed)
				Village	Teh. & Distt.			
1.	Sale Deed No. 761 dated 30/10/2014	M/s Gad Buildways Pvt. Ltd.	Makhouse Merchandising Pvt. Ltd.	Aniyabaranallur	Srivaikundam Taluk, Tuticorin District	1st Schedule: 856/1, 856/3, 857, 858, 861/1, 859 2nd Schedule: 854, 855/2, 856/2, 892/2A	17.37 Acres	Rs 52,11,000/- Paid through: Rs. 5,00,000/- paid through RTGS Fund Transfer vide UTR No. HDFCR52014091753946275 dated 17.9.2014 in HDFC Bank. Rs. 10,00,000/- paid through RTGS Fund Transfer vide UTR No. PUNBH14265519912 dated 22.9.2014 in Punjab National Bank. Rs. 10,00,000/- paid through RTGS Fund Transfer vide UTR No. PUNBH14268883201 dated



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S. No.	Sale Deed No. & Date	Seller	Buyer	Location of Land		Survey No.	Area (in Acres)	Consideration (As per Sale Deed)
				Village	Teh. & Distt.			
								25.9.2014 in Punjab National Bank Rs. 12,00,000/- paid through RTGS Fund Transfer vide UTR No. HDFCR 52014100954 670091 dated 09.10.2014 in HDFC Bank. Rs. 15,11,000/- vide cheque no 833189 dated 27.10.2014 drawn on Punjab National Bank, Gurgaon
2.	Sale Deed No. 52 dated 21/01/2016	M/s Gad Buildways Pvt. Ltd.	Makhouse Infratech Pvt. Ltd.	Aniyabaranallur	Srivaikundam Taluk, Tuticorin District	863, 864/2, 864/4, 864/5, 860/1, 860/2, 861/2, 862, 852/2, 891/3C, 906/2, 907/1	19.66 Acres	Rs 58,98,000/- Paid through: RTGS: SD11600727 59 dated 18.10.2014 in Punjab Nation Bank, Gurgaon Branch for Rs.25,00,000/- - (Rupees



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S. No.	Sale Deed No. & Date	Seller	Buyer	Location of Land		Survey No.	Area (in Acres)	Consideration (As per Sale Deed)
				Village	Teh. & Distt.			
								Twenty Five Lakh Only), Cheque No.611473 dated 15.01.2015 in Punjab Nation Bank, Gurgaon Branch, for Rs.5,00,000/- (Rupees Five Lakh Only). Cheque No.171719 dated 13.02.2015 in Axis Bank Ltd., Gurgaon Branch, for Rs.5,00,000/- (Rupees Five Lakh Only). Demand Draft No.171884 dated 23.02.2015 in Axis Bank Ltd., Gurgaon Branch, for Rs.2,00,000/- (Rupees Two Lakh Only). Demand Draft No.172559



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S. No.	Sale Deed No. & Date	Seller	Buyer	Location of Land		Survey No.	Area (in Acres)	Consideration (As per Sale Deed)
				Village	Teh. & Distt.			
								dated 25.03.2015 in Axis Bank Ltd., Gurgaon Branch, for Rs.3,00,000/- (Rupees Three Lakh Only). Cheque No.516151 dated 08.08.2015 for Rs.9,00,000/- (Rupees Nine Lakh Only) in Axis Bank Ltd., Gurgaon Branch. RTGS-UTIBH15314 081592 dated 10.11.2015 in Axis Bank Ltd., Gurgaon Branch, for Rs.2,75,000/- (Rupees Two Lakh Seventy Five Thousand Only). Cheque No.000476 dated



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S. No.	Sale Deed No. & Date	Seller	Buyer	Location of Land		Survey No.	Area (in Acres)	Consideration (As per Sale Deed)
				Village	Teh. & Distt.			
								04.01.2016 for Rs.7,50,000/- (Rupees Seven Lakh Fifty Thousand Only) in HDFC Bank Ltd., Gurgaon Branch.

22. The impugned properties in the aforementioned survey nos. were purchased from M/s. Gad Buildways Pvt. Ltd., an associate of PACL Ltd., by way of Sale Deed No. 761 dated 30.10.2014 and Sale Deed No. 52 dated 21.01.2016 which was prior to the passing of SEBI's order dated 22.08.2014, and orders dated 02.02.2016 and 25.07.2016 passed by the Hon'ble Supreme Court. Therefore, the applicant has submitted that the title in the aforementioned impugned properties (sr. nos. 1-2 of the above table) had been conveyed to the applicant during the specific window of time between 22.08.2014 (when SEBI Order was passed against PACL) and 25.07.2016 (when Hon'ble Supreme Court restrained the disposal of PACL properties, except disposal of such properties by the Committee, in Civil Appeal No. 13301 of 2015 – Subrata Bhattacharya vs. SEBI and other connected matters). The applicant has submitted that in SEBI Order dated 22.08.2014, SEBI directed PACL to sell its assets to refund investors. Therefore, the applicant submits that there was no restriction under law on the sale of impugned properties to the Objector/applicant by PACL Ltd. till 25.07.2016. Thus, the applicant has prayed that these properties should be released from the list of properties under auction by the Committee.



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23. On a perusal of records, it is noted that the applicant had also executed 3 unregistered Agreements to Sell ("ATS") dated 03/09/2014 and 21/11/2014 ("ATS dated 03/09/2014 and 21/11/2014") in respect of the impugned properties at Village-Aniyabaranallur, Tuticorin, Tamil Nadu, as well as Villages-Sukli, Panjri Lodhi, Nagpur, Maharashtra and also entered into one MoU dated 07/11/2014 in respect of Village Annaram, Tehsil Machareddy, Village Demi Kalan, Tehsil Tadwai, Village Kankal Tehsil Tadwai, Village Karadpally, Tehsil Tadwai at Nizamabad District, Telangana (which corresponds to erstwhile Nizamabad District, Andhra Pradesh). The details of aforementioned ATS documents and MoU are mentioned as under:

Table No. 3: Unregistered Agreements to Sell and MoU relied upon by applicant

S. No.	ATS/MOU & Date	Vendor / Transfer or	Purchaser	Location of Land		Survey No.	Area (in Acres)	Consideration (As per ATS)	Sale Deed Status
				Village	Teh. & Distt.				
1.	ATS dated 03/09/2014	M/s Gad Buildways Pvt. Ltd.	Makhouse Infratech Pvt. Ltd.	Aniyabaranallur	Srivaikundam Taluk, Tuticorin District	986/1, 981/2B, 983/1A, 983/1B, 983/2 Pt, 989/1, 989/2, 989/3, 988/1B, 998, 988/1C, 982/1, 997/1, 856/1, 856/3, 857, 858, 861/1, 859, 854, 855/2, 856/2, 892/2A, 863, 864/2, 864/4, 864/5, 860/1, 860/2, 861/2, 862, 829, 838, 852/2, 891/3C, 906/2, 907/1	52.975 Acres	Rs. 1,58,92,500 (Partly Paid Rs. 5,00,000/- only through Cheque No. 611401 dated 29.07.2014 at Punjab National Bank)	<u>No sale deeds for Sv. Nos.:-</u> 986/1, 981/2B, 983/1A, 983/1B, 983/2 Pt, 989/1, 989/2, 989/3, 988/1B, 998, 988/1C, 982/1, 997/1, 829, 838 <u>Sale Deeds executed for Sv. Nos.:-</u> 1. 863, 864/2, 864/4, 864/5, 860/1, 860/2, 861/2, 862, 852/2, 891/3C, 906/2, 907/1



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S. No.	ATS/MOU & Date	Vendor / Transfer or	Purchaser	Location of Land		Survey No.	Area (in Acres)	Consideration (As per ATS)	Sale Deed Status
				Village	Teh. & Distt.				
									in Sale Deed No. 52 dated 21/01/2016 2. 856/1, 856/3, 857, 858, 861/1, 859 854, 855/2, 856/2, 892/2A in Sale Deed No. 761 dated 30/10/2014
2	ATS dated 21/11/2014	M/s Pearls Buildmart Pvt. Ltd	Makhouse Infratech Pvt. Ltd.	Sukli	Tehsil Nagpur Gramin, District Nagpur	92	9.513 Acres	Rs. 3,51,98,100 (Partly Paid Rs. 5,00,000/- only through Cheque No. 356792 dated 21/11/2014 at Punjab National Bank)	N
3	ATS dated 21/11/2014	M/s Pearls Buildmart Pvt. Ltd	Makhouse Infratech Pvt. Ltd.	Panjri Lodhi	Tehsil Nagpur Gramin, District Nagpur	82/4	5.757 Acres	Rs. 2,13,00,900 (Partly Paid Rs. 5,00,000/- only through Cheque No. 356793 dated 21/11/2014 at Punjab National Bank)	N
4	MoU dated 07/11/2014	M/s Pearls Buildways Pvt. Ltd.	Makhouse Merchandisin g Pvt. Ltd.	Annaram	Machareddy	210	16.5 Acres	Rs. 1,21,88,250 (Partly paid Rs. 5,00,000/- only through Cheque No. 001395 dated 07/11/2014 at HDFC Bank)	N
						1172			
						199			
						200			
				Demi Kalan	Tadwai	433/	16.9 Acres		
						433//			
						521			
						522			



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S. No.	ATS/MOU & Date	Vendor / Transfer or	Purchaser	Location of Land		Survey No.	Area (in Acres)	Consideration (As per ATS)	Sale Deed Status
				Village	Teh. & Distt.				
						430			
						430/			
						522//			
				Demi Kalan	Tadwai	426	3 Acres		
				Demi Kalan	Tadwai	421/5	7.525 Acres		
						416			
						468			
						468.			
						468..			
				Demi Kalan	Tadwai	420	9.32 5		
						420.			
						428			
						421			
				Demi Kalan	Tadwai	468	1.97 5		
						468			
						468--			
				Demi Kalan	Tadwai	468	1.15		
						468			
						468.			
				Demi Kalan	Tadwai	426	1.12 5		
						422			
				Demi Kalan	Tadwai	468	4.02 5		
						468/			
						468-			
						421			
				Kankal	Tadwai	399/1	6.65		
						399/1/			
						400			
						400/			
						400.			



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S. No.	ATS/MOU & Date	Vendor / Transfer or	Purchaser	Location of Land		Survey No.	Area (in Acres)	Consideration (As per ATS)	Sale Deed Status
				Village	Teh. & Distt.				
						399/1			
						398			
						398/			
						398			
				Kankal	Tadwai	400	4.65		
						244/1			
						244/1			
				Kankal	Tadwai	399/1	7.6		
						400			
						74/2			
						74/3			
						74/4			
						420			
				Kankal	Tadwai	417	2.1		
				Karad pally	Tadwai	393	17.9 75		
						393			
						393/19			
						393/26			
						393-			
						393.			
						330/5			
				Karad pally	Tadwai	393/22	19.5		
						258/2			
						330/2			
						330/4			
						393			
						393			
				Karad pally	Tadwai	36/3	15.4 25		
						33/12			
						33/16			
						255			



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S. No.	ATS/MOU & Date	Vendor / Transfer or	Purchaser	Location of Land		Survey No.	Area (in Acres)	Consideration (As per ATS)	Sale Deed Status
				Village	Teh. & Distt.				
						335			
						151/4			

24. As observed in the above table, the applicant had paid part consideration to the associates of PACL Ltd., i.e. M/s Gad Buildways Pvt. Ltd., M/s Pearls Buildmart Pvt. Ltd., M/s Pearls Buildways Pvt. Ltd. in respect of impugned properties under the abovementioned survey nos. at Village-Aniyabaranallur, Tuticorin, Tamil Nadu, as well as Villages-Sukli, Panjri Lodhi, Nagpur, Maharashtra under the unregistered ATS documents dated 03/09/2014 and 21/11/2014. The applicant had also paid part consideration under unregistered MoU dated 07/11/2014 in respect of impugned properties in survey nos. at Village Annaram, Tehsil Machareddy, Village Demi Kalan, Tehsil Tadwai, Village Kankal Tehsil Tadwai, Village Karadpally, Tehsil Tadwai at Nizamabad District, Telangana (which corresponds to erstwhile Nizamabad District, Andhra Pradesh). The applicant has submitted that it had entered into the unregistered ATS documents dated 03/09/2014 & 21/11/2014 and MoU dated 07/11/2014 in respect of the abovementioned impugned properties (sr. nos. 1-4 of the above table) during the specific window of time between 22.08.2014 (when SEBI Order was passed against PACL) and 25.07.2016 (when Hon'ble Supreme Court restrained the disposal of PACL properties, except disposal of such properties by the Committee, in Civil Appeal No. 13301 of 2015 – Subrata Bhattacharya vs. SEBI and other connected matters). In SEBI Order dated 22.08.2014, SEBI directed PACL to sell its assets to refund investors. Therefore, the applicant submits that there was no restriction under law on the sale of impugned properties to the Objector/applicant by PACL Ltd. till 25.07.2016. In respect of the



properties mentioned at Table No. 3, the applicant has submitted that the respective amounts paid towards consideration in respect of the aforementioned unregistered ATS documents should be refunded in lieu of release of the said impugned properties.

25. It is further noted that the applicant, vide Sale Deed No. 761 dated 30.10.2014 and Sale Deed No. 52 dated 21.01.2016, became owner of lands in the impugned properties under survey nos. mentioned in Table No. 2 to the extent of 37.03 Acres. We find that in respect of the aforesaid land parcels in the impugned properties, the applicant has paid M/s. Gad Buildways Pvt. Ltd. through banking channels, which is evidenced by bank statements produced by the applicant. The respective details of payment are shown below:

Registered Sale Deed No. 761 dated 30.10.2014 in favour of applicant

Date	Cheque Details	Amount (Rs.)
17.09.2014	RTGS Fund Transfer vide UTR No. HDFCR52014091753946275 in HDFC Bank	5,00,000/-
22.09.2014	RTGS Fund Transfer vide UTR No. PUNBH 14265519912 in Punjab National Bank	10,00,000/-
25.09.2014	RTGS Fund Transfer vide UTR No. PUNBH 14268883201 in Punjab National Bank	10,00,000/-
09.10.2014	RTGS Fund Transfer vide UTR No. HDFCR 52014100954670091 dated in HDFC Bank	12,00,000/-
27.10.2014	Cheque no 833189 drawn on Punjab National Bank, Gurgaon	15,11,000/-
Total		Rs. 52,11,000/-



Registered Sale Deed No. 52 dated 21.01.2016 in favour of applicant

Date	Cheque Details	Amount (Rs.)
18.10.2014	RTGS: SD1160072759 in Punjab Nation Bank, Gurgaon Branch	25,00,000/-
15.01.2015	Cheque No.611473 in Punjab Nation Bank, Gurgaon Branch	5,00,000/-
13.02.2015	Cheque No.171719 in Axis Bank Ltd., Gurgaon Branch	5,00,000/-
23.02.2015	Demand Draft No.171884 in Axis Bank Ltd., Gurgaon Branch	2,00,000/-
25.03.2015	Demand Draft No.172559 in Axis Bank Ltd., Gurgaon Branch	3,00,000/-
08.08.2015	Cheque No.516151 in Axis Bank Ltd., Gurgaon Branch	9,00,000/-
10.11.2015	RTGS-UTIBH15314081592 in Axis Bank Ltd., Gurgaon Branch	2,75,000/-
04.01.2016	Cheque No.000476 in HDFC Bank Ltd., Gurgaon Branch.	7,50,000/-
Total		Rs. 58,98,000/-

26. It is submitted by the applicant that they purchased the impugned properties before the Hon'ble Supreme Court's order dated 02.02.2016 in ***Subrata Bhattacharya vs. SEBI (Supra)*** and there was no order restraining the sale or purchase of the property at the time of purchasing the property from M/s. Gad Buildways Pvt. Ltd. Therefore, based on the above submissions, the applicant has contended that it was bona fide



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purchaser for value without notice that there was any restriction on the aforesaid entities or PACL Ltd. restraining the alienation of the impugned properties. The applicant has contended that M/s. Gad Buildways Pvt. Ltd. had absolute, clear and marketable title to the impugned properties which was conveyed to the applicant.

27. In this regard we find it pertinent to draw reference to Section 54 of the Transfer of Property Act, 1882, The relevant part of the provision reads as under:

“Section 54 – “Sale” defined. Sale how made. Contract for sale.

“Sale” is a transfer of ownership in exchange for a price paid or promised or part-paid and part-promised.

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

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

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

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. In respect of Section 54 of TPA, in the case of *Kaliaperumal vs. Rajagopal and Anr.* [(2009) 4 SCC 193] the Hon’ble Supreme Court has held as under:

“Sale is defined as being a transfer of ownership for a price. In a sale there is an absolute transfer of all rights in the properties sold. No rights are left in the transferor.”



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29. In this regard, it is worth referring to Order No. 252 (*Karampal Singh Pundir*) dated 06.07.2018 passed by Shri RS. Virk, District Judge (Retd.) wherein objection raised therein was allowed *inter alia* on the grounds that the total sale consideration of Rs. 46,00,000/- was received by PACL Ltd. vide Sale Deed dated 06.01.2015. The Objector's contention was that he was a bona fide purchaser, for valuable consideration, of above property already paid for by it to PACL and in the event of these two properties being put to auction, the PACL as ultimate beneficiary of the sale consideration derived therefrom (which will go to its account) will be a double beneficiary in as much as it has already received aforesaid amounts of sale consideration qua the said property from the objector and any further amount fetched during auction would again be credited in its account, even if for disbursement to its investors. Shri RS. Virk, District Judge (Retd.) accepted the aforesaid argument and accepted the Objection, thereby releasing the concerned property from the list of properties attached by the committee for auction. Pursuant to passing of order dated 06.07.2018, by Shri R. S. Virk (Retd.) District Judge, allowing the objections, an I.A. No. 167787 of 2019 in Civil Appeal No. 13301/2015 was filed by the objector/applicant involved therein before the Hon'ble Supreme Court seeking affirmation of recommendation/order dated 06.07.2018. The Hon'ble Supreme Court vide its order dated 18.12.2019 has decided as under:

"IA No.167787 of 2019 in CA No 13301/2015

In the present IA the relief which has been sought is in the following terms:

"Allow the present application for direction to the Respondent to issue No Objection Certificate in regard to the properties attached of the applicant so that the said properties can be brought out of the auction list."

The claim of the applicant has been evaluated by Mr RS Virk, former District Judge in an order dated 6 July 2018. The District Judge came to the conclusion that the claim of the applicant of having purchased the property for value has been established. The conclusion in the order dated 6 July 2018 is reproduced below:



"In view of the foregoing discussion, the objector above named is held to be a bona fide purchaser for value of the property in question and the same is therefore liable to be removed from the list of properties attached by the committee as per www.auctionpacl.com. The petition is accordingly accepted."

It may be noted that Mr RS Virk by order dated 15 November 2017 was appointed for the purpose of scrutinising the grievances. Mr. Pratap Venugopal, learned counsel appearing for the SEBI states that a close scrutiny has been conducted by a court appointed former District Judge and there can be no objection if the application is allowed

We accordingly allow this application and confirm the order dated 6 July 2018 of Mr. RS Virk."

30. As mentioned above, in the present I.As. also, whole consideration has been paid by the applicant through banking channels to M/s. Gad Buildways Pvt. Ltd., acknowledgement of receipt whereof is evident from the covenants in the Sale Deed No. 761 dated 30.10.2014 and Sale Deed No. 52 dated 21.01.2016, and also evidenced by the copies of respective bank account statements reflecting the transactions in favour of M/s. Gad Buildways Pvt. Ltd. Section 54 of the TPA, defines "Sale" as a transfer of ownership in exchange for a price paid or promised, or part-paid and part-promised. Further, in the judgement passed by the Hon'ble Supreme Court of India in *Kaliaperumal vs. Rajagopal and Anr.* [(2009) 4 SCC 193], it was held that a sale constitutes an absolute transfer of all rights in the properties sold, leaving no residual rights in the transferor. Applying this settled position of law to the present facts, the record reveals that the applicant completed the purchase of impugned properties under survey nos. mentioned in Table No. 2 to the extent of 37.03 Acres via duly registered Sale Deed No. 761 dated 30.10.2014 and Sale Deed No. 52 dated 21.01.2016. The absolute consideration amounts of Rs. 52,11,000/-, and Rs. 58,98,000/- were paid in full to the vendors, M/s. Gad Buildways Pvt. Ltd., through official banking channels. These transactions were executed prior to the



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Hon'ble Supreme Court's order dated 02.02.2016 in **Subrata Bhattacharya vs. SEBI** (*Supra*). Therefore, in light of the foregoing facts, the stand taken in order dated 06.07.2018 passed by Shri R. S. Virk (Retd.) District Judge, which has been affirmed by the Hon'ble Supreme Court also vide its order dated 18.12.2019, is squarely applicable in the present IA. Therefore, we find merit in the applicant's submission that impugned properties under survey nos. mentioned in registered Sale Deed No. 761 dated 30.10.2014 and Sale Deed No. 52 dated 21.01.2016 to the extent of 37.03 Acres should be released from the list of properties under auction by the Committee.

31. The Committee in its 2nd Status Report dated 11.04.2017, on page 20 (e) recognises third party interests as it says that *not all properties can be auctioned especially where payments have been made, registries completed and third party interests created.*
32. In respect of the applicant's prayer to refund the amounts paid by the applicant to associate entities of PACL Ltd. namely, M/s Gad Buildways Pvt. Ltd., M/s Pearls Buildmart Pvt. Ltd., M/s Pearls Buildways Pvt. Ltd., under various unregistered ATS documents dated 03/09/2014 and 21/11/2014 and unregistered MoU dated 07/11/2014, we find it pertinent to draw reference to Order dated 02.02.2016 passed by the Hon'ble Supreme Court (*Subrata Bhattacharya vs. SEBI and other connected matters—Civil Appeal No. 13301 of 2015*) wherein it was held as under:

"The SEBI shall constitute a Committee for disposing of the land purchased by the Company so that the sale proceeds can be paid to the investors, who have invested their funds in the Company for purchase of the land. Hon'ble Mr. Justice R.M. Lodha, the former Chief Justice of India, would be the Chairman of the said Committee. It would be open to the Hon'ble Chairman of the Committee to appoint such experts or other persons, as he might think it necessary, in consultation with the SEBI, so



as to enable the Committee to sell the land and pay to the investors in a manner that might be decided by the said Committee.”

33. It is noted that the Hon'ble Supreme Court, vide its order dated 02.02.2016, empowered the Committee *“to sell the land and pay to the investors in a manner that might be decided by the said Committee”*. Therefore, the land pool of PACL Ltd. is meant to be disposed of by the Committee and the sale proceeds are to be strictly utilised by the Committee for equitable disbursement to the investors. The applicant has placed reliance upon the unregistered ATS documents dated 03/09/2014 and 21/11/2014 and unregistered MoU dated 07/11/2014 in support of its prayer that the amounts paid by it under the said ATS should be refunded. In this regard, it is pertinent to draw reference to the judgement passed by the Hon'ble Supreme Court in ***Suraj Lamp and Industries Pvt. Ltd. Vs. State of Haryana & Anr. [(2012) 1 SCC 656]*** wherein it was held that, *“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 recognized or valid mode of transfer of immoveable 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... We have merely drawn attention to and reiterated the well-settled legal position that SA/GPA/WILL transactions are not 'transfers' or 'sales' and that such transactions cannot be treated as completed transfers or conveyances.”*

34. Further, the aforesaid position was reaffirmed in the judgement passed by the Hon'ble Supreme Court in the matter of ***Ramesh Chand (D) through LRs vs. Suresh Chand & Anr. (2025 INSC 1059)***, wherein it was reiterated that title can only be



transferred by way of registered Sale Deed as per Section 54 of Transfer of Property Act, 1882 and not by executing a GPA/ATS. Further, it is also noted that registration of ATS documents is mandatory in terms of Section 17(1A) r/w Section 17(1) of Registration Act, 1908 as a result of the Registration and Other Related Laws (Amendment) Act, 2001 which came into effect on 24.09.2001. There is nothing on record to show that the applicant has filed any civil suit for specific performance in regard to the impugned properties under the various unregistered ATS documents dated 03/09/2014 and 21/11/2014 and unregistered MoU dated 07/11/2014. Therefore, it is further noted that subsequent to the Order dated 02.02.2016 passed by the Hon'ble Supreme Court (*Subrata Bhattacharya vs. SEBI and other connected matters-Civil Appeal No. 13301 of 2015*) the contractual rights under the abovementioned unregistered ATS cannot be enforced against the Committee.

35. Thus, in view of the above, the Panel finds that the question of refunding the amounts under the aforementioned unregistered ATS documents dated 03/09/2014 and 21/11/2014 and unregistered MoU dated 07/11/2014 does not arise. Therefore, the Panel finds no merit in the applicant's submissions in this regard.

Order:

36. Given the above, the objection raised by the applicant in the I.As. is decided as under:

- a) The applicant's prayer for release of impugned properties is allowed with respect to land parcels under survey nos. covered in Sale Deed No. 761 dated 30/10/2014 (1st Schedule: Survey Nos. 856/1, 856/3, 857, 858, 861/1, 859 and 2nd Schedule: Survey Nos. 854, 855/2, 856/2, 892/2A), Sale Deed No. 52 dated 21/01/2016 (863,



864/2, 864/4, 864/5, 860/1, 860/2, 861/2, 862, 852/2, 891/3C, 906/2, 907/1)
admeasuring 37.03 Acres.

- b) The prayer for refunding the amounts paid towards consideration under unregistered ATS documents dated 03/09/2014 and 21/11/2014 and unregistered MoU dated 07/11/2014 is liable to be disallowed and is accordingly disallowed. Therefore, the impugned properties attached under MR Nos. 28641/16, 10007/15, 10008/15, 18737/16, 18738/16, 18750/16, 18802/16, 18803/16, 18804/16, 18805/16, 6300/16, 6301/16, 26196/16, 26230/16, 26309/16, 26759/16 and mentioned under unregistered ATS documents dated 03/09/2014 and 21/11/2014 and unregistered MoU dated 07/11/2014, shall continue to stand attached by the Committee. The impugned properties under MR 27916/16 and 28797/16 shall continue to stand attached by the Committee only to the extent of Survey Nos. 829 and 838 mentioned in the documents under MR 27916/16 and 28797/16.

Place: Mumbai

Date: August 11, 2026




11.08.2026

BAL KISHOR MANDAL
Recovery Officer


11/8/2026

KSHAMA WAGHERKAR
Recovery Officer


11.08.2026

PREETI PATEL
Recovery Officer

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

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

प्रीति पटेल / **PREETI PATEL**
उप महाप्रबंधक एवं वसुली अधिकारी
Deputy General Manager & Recovery Officer
(पी ए सी एल ली के मामले से संबंधित, मुंबई) [In the matter of PACL Ltd. Mumbai]