

PANEL OF RECOVERY OFFICERS
APPOINTED UNDER SECTION 28A OF THE SEBI ACT, 1992
DISCHARGING FUNCTIONS IN TERMS OF THE ORDERS PASSED BY THE
HON'BLE SUPREME COURT OF INDIA DATED 08.08.2024 AND 19.02.2026
IN THE MATTER OF PACL LTD.

IA No.	117 of 2024, 118 of 2024, 119 of 2024 and 122 of 2024
File No.	SEBI/PACL/OBJ/PP/00797/2026
Name of the Objector(s)	Ms. Rita Rani
MR No.	N/A

Background:

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



3. The Hon'ble Supreme Court did not grant any stay on the aforementioned impugned order dated August 12, 2015 of the Hon'ble SAT; however, PACL Ltd. and its promoters/ directors did not refund the money to the investors. Accordingly, SEBI initiated recovery proceedings under Section 28A of the SEBI Act, 1992 against PACL Ltd. and its promoters/ directors vide recovery certificate no. 832 of 2015 drawn on December 11, 2015 and as a consequence thereof, all bank/ demat accounts and folios of mutual funds of PACL Ltd. and its promoters/ directors were attached by the Recovery Officer vide attachment order dated December 11, 2015.
4. During the hearing on the aforesaid civil appeals filed by PACL Ltd. and its directors (Civil Appeal No. 13301 of 2015 – Subrata Bhattacharya Vs. SEBI and other connected matters), the Hon'ble Court vide its order dated February 02, 2016 directed SEBI to constitute a committee under the Chairmanship of Hon'ble Mr. Justice R.M. Lodha, the former Chief Justice of India (hereinafter referred to as "the Committee") for disposing of the land purchased by PACL Ltd. so that the sale proceeds can be paid to the investors, who have invested their funds in PACL Ltd. for purchase of the land. In the said civil appeals, the Hon'ble Supreme Court did not grant any stay on the orders passed by SEBI and the Hon'ble SAT. Therefore, directions for refund and direction regarding restraint on the PACL Ltd. and its promoters and directors from disposing, alienating or selling the assets of PACL Ltd., as given in the order, 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 or interest.
6. Further, the Hon'ble Supreme Court vide its order dated July 25, 2016 restrained PACL Ltd. and/ or its Directors/Promoters/agents/employees/Group and/or associate companies from, in any manner, selling/transferring/alienating any of the properties wherein PACL Ltd. has, in any manner, a right/interest situated either within or outside India.
7. In the recovery proceedings mentioned in para 4 above, the Recovery Officer issued an attachment order dated September 07, 2016 against 640 associate companies of PACL Ltd. In the said order, inter alia, the registration authorities of all States and Union Territories were requested not to act



upon any documents purporting to be dealing with transfer of properties by PACL Ltd. and / or the group/ associate entities of PACL Ltd. mentioned in the Annexure to the said attachment order, if presented for registration.

8. The Hon'ble Supreme Court, vide its order dated November 15, 2017, passed in Civil Appeal No. 13301/2015 and connected matters directed that all the grievances/ objections pertaining to the properties of PACL Ltd. would be taken up by Shri R.S. Virk, District Judge (Retd.).
9. On April 30, 2019, in the recovery proceedings initiated against PACL Ltd. and Ors., the Recovery Officer issued a notice of attachment in respect of 25 front companies of PACL Ltd. Thereafter, on March 01, 2021, the Recovery Officer issued another notice of attachment in respect of 32 associate companies of PACL Ltd., which included 25 front companies of PACL Ltd. whose accounts were attached vide order dated April 30, 2019.
10. Vide order dated August 08, 2024 passed in Civil Appeal No. 13301 of 2015 – Subrata Bhattacharya Vs. SEBI and other connected matters, the Hon'ble Supreme Court 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 the aforesaid order dated August 08, 2024 passed by the Hon'ble Supreme Court, all objections with respect to properties of PACL Ltd., which were pending before Shri R.S. Virk, District Judge (Retd.) 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 the order dated February 19, 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, filed against the recommendations of Shri R.S. Virk, District Judge (Retd.), be placed before the Recovery Officers appointed under Section 28A of the SEBI



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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.

Present Interlocutory Application (I.As.):

13. The I.As. have been filed by Ms. Rita Rani w/o Mr. Shiv Kumar (hereinafter referred to as the "**Objector/Applicant**") residing at House No. 22, Street No. 9-A, Anand Nagar-B, Patiala, Punjab, challenging the common order dated September 29, 2023 passed by Shri R.S. Virk, District Judge (Retd.) in File No. 1061 (titled *Bhupinder Singh Sabharwal & Ors.*), to the extent it relates to the Applicant herein (who was Objector No. 16 in File No. 1061) (hereinafter referred to as the "**impugned order**"). The impugned order dismissed the objection filed by the Objector/Applicant seeking release of her property from attachment. The property in question comprises of land measuring 256.67 sq. yards situated at Plot No. C1-59, Nishant Bagh Colony, Nishant Bagh, Village Daun Kalan and Rurki, Tehsil and District Patiala, Punjab (hereinafter referred to as the "**impugned property**").
14. The impugned property forms part of a larger residential colony 'Nishant Bagh' developed by M/s Dhillon Properties Pvt. Ltd. and M/s Dhillon Empire Pvt. Ltd. (hereinafter collectively referred to as "**Dhillon Companies**") at Village Daun Kalan and Rurki, Tehsil and District Patiala, Punjab (hereinafter referred to as the "**parent land**").
15. It is the case of the Applicant that as per the Jamabandi for the year 2012-13, the parent land admeasuring 9.32 acres (13 Kanal 4 Marla) was originally owned by Dhillon Companies, who entered into two separate Project Management Agreements both dated January 27, 2010 with M/s Pearl Infrastructure Projects Ltd. ("**M/s PIPL**") for providing management, consultancy, marketing and supervision services in respect of the development of the residential colony 'Nishant Bagh'. However, the total area of parent land owned by M/s Dhillon Properties Pvt. Ltd. as per the Jamabandi for the year 2012-13 is 14 Kanal 4 Marla. In the view of Panel of Recovery Officers ("**Panel**"), the present proceedings concern the Objector/Applicant's claim in respect of the impugned plot and not the precise extent of the larger landholding. Accordingly, the aforesaid discrepancy is not material for adjudication of the present I.As.



16. The Objector/Applicant was allotted the impugned property, vide an Allotment Letter dated September 26, 2011 issued by M/s PIPL at a basic sale price of Rs. 16,04,188/- for the impugned property. A Plot Buyers Agreement dated December 10, 2011 was executed between the Applicant and M/s PIPL with respect to the said plot, which recorded that M/s Dhillon Properties Pvt. Ltd. were the owner/promoter of the colony, and that all payments were to be made to M/s PIPL. Possession was offered to the Objector/Applicant by M/s PIPL vide letter dated September 06, 2013 and actual physical possession was handed over to the Objector/Applicant on November 07, 2013. The registered Sale Deed dated April 17, 2018 was eventually executed by M/s Dhillon Properties Pvt. Ltd. (as the recorded landowner) in favour of the Objector/Applicant, confirming receipt of total sale consideration of Rs. 17,16,481/- from the Objector/Applicant through banking channels (Cheque/Pay Order). As per the I.As., the said plot stands mutated in the name of the Applicant as on July 05, 2018.
17. The property was attached vide Order No. 993 dated September 07, 2021 passed by the Deputy Commissioner, Patiala, Punjab. The Applicant along with eighteen other plot owners filed an application, registered as File No. 1061, before Shri R.S. Virk, District Judge (Retd.) seeking release and de-listing of their respective properties from the attachment order.
18. Upon receiving the objection, a notice was issued to PACL by Shri R.S. Virk, District Judge (Retd.) Committee. PACL Ltd. has, in its reply dated February 06, 2023, *inter alia*, stated that the Dhillon Companies and M/s. PIPL are associate companies of PACL Ltd. and that Nishant Bagh Colony was funded by PACL Ltd. as per the Project Management Agreements. It was also contended by PACL that M/s. PIPL is a wholly-owned subsidiary of PACL Ltd. wherein PACL owns 94.82% shares, acted as the project manager and developer, and executed all allotments and sale transactions with individual plot buyers.
19. The said objection was heard by Shri R.S. Virk, District Judge (Retd.) and the impugned order dated September 29, 2023 was passed, dismissing all objections including that of the Objector/Applicant, primarily by relying on the SEBI order dated August 22, 2014 and accepting PACL's stand that the Dhillon Companies and M/s. PIPL are associate companies of PACL, and



that the Nishant Bagh Colony was funded by PACL. The impugned order, *inter alia*, held that the objectors could not be considered *bona fide* purchasers of the plots.

20. Aggrieved by the impugned order, the Objector/Applicant filed the present I.As. before the Hon'ble Supreme Court in Civil Appeal No. 13301 of 2015. The Hon'ble Supreme Court, vide order dated February 19, 2026, while taking note of the segregation of the interlocutory applications into five distinct categories i.e. Category A to E, directed that Category B applications, being 106 applications filed against recommendations/orders of Shri R.S. Virk, District Judge (Retd.), be placed before Recovery Officers appointed under Section 28A of the SEBI Act, 1992, for examination.
21. Upon perusal of the I.A. seeking directions filed by the Objector/Applicant and the documents annexed thereto, it is noted that the Applicant/Objector has, *inter alia*, contended as under:
- The Objector/Applicant is the *bona fide* owner of the impugned property, having purchased the same from M/s PIPL pursuant to allotment, possession and payment, and having subsequently obtained a registered Sale Deed dated April 17, 2018 from M/s Dhillon Properties Pvt. Ltd., which was the original owner of the parent land. The total sale consideration has been fully paid through banking channels.
 - The Objector/Applicant has never dealt directly with PACL Ltd. The transactions were with M/s PIPL (the developer/seller of plots) and M/s Dhillon Properties Pvt. Ltd. (the landowner). The Applicant submits that she had no knowledge of any pending litigation or attachment at the time of purchase.
 - The ownership of M/s Dhillon Properties Pvt. Ltd. over the land in question was confirmed through revenue records of 2012-13. There was no pending litigation or public notice of attachment known to the Objector/Applicant at the time of any of the transactions.
 - The last payment towards the plot was made in September 2013, which is much prior to the SEBI order dated August 22, 2014 restraining alienation of PACL assets, and Hon'ble Supreme Court order dated July 25, 2016. The Applicant has been in physical possession of the



impugned property since November 07, 2013, on which dated possession was handed over by M/s PIPL.

- e) Certain information mentioned in File No. 1061 regarding the total payment made, last date of payment and mutation date was incorrect, for which an application for rectification was filed by the Objector/Applicant on March 24, 2023. PACL, in its reply, had wrongly stated that the Applicant had made payments in the year 2019. This factual error was specifically pointed out by the Objector/Applicant vide her application dated March 24, 2023 filed before Shri R.S. Virk, District Judge (Retd.) for rectification. The fact is that the last payment was made on September 24, 2013, as evidenced by the receipts and bank statements placed on record.
- f) The project 'Nishant Bagh' was recognised and issued Registration Certificates by the Real Estate Regulatory Authority (“**RERA**”), Punjab in September 2019 in favour of M/s Dhillon Properties Pvt. Ltd., the registered owner/promoter, corroborating the legitimacy of the project and the registered ownership of Dhillon Companies.

22. The Objector/Applicant has thus prayed:

- (i) To set aside the common order dated September 29, 2023 in File No.1061 passed by the Committee headed by Shri R.S. Virk, District Judge (Retd.) to the extent it relates to the Objector/Applicant;
- (ii) To pass direction of releasing and de-listing the Objector/Applicant’s property from the attachment order/notice dated September 7, 2021 passed by the Deputy Commissioner, Patiala, Punjab; and
- (iii) To pass direction staying the operation of the said attachment order dated September 7, 2021 passed by the Deputy Commissioner, Patiala, Punjab to the extent of Objectors/Applicant’s property during the pendency of the present application.

23. In compliance with the order dated February 19, 2026 of the Hon'ble Supreme Court, the Applicant was granted an opportunity of hearing before the Panel on April 21, 2026. During the hearing, the Applicant was represented by their Authorised Representatives (“**ARs**”) who, while reiterating the averments made in the I.As. and the objection filed before Shri R.S. Virk, District Judge (Retd.),



inter alia, submitted that the Objector/Applicant had made full payment of Rs. 17,99,951/- through banking channels/Cheques much prior to the SEBI order dated August 22, 2014 and Hon'ble Supreme Court order dated July 25, 2016 and that at the time of registration of the Sale Deed, the Sub-Registrar, Patiala did not raise any objection since the Nishant Bagh Colony properties were not attached by any order at the time of registration in April 2018.

24. During the hearing, the AR had placed on record copies of original documents including Project Management Agreement dated January 27, 2010, Jamabandi for the year 2012-13, the Allotment Letter dated September 26, 2011, the Plot Buyers Agreement dated December 10, 2011, the Letter offering possession of impugned property dated September 06, 2013, the Letter recording handing over of possession dated November 07, 2013, the copy of original Sale Deed dated April 17, 2018, the letter for registration dated April 11, 2018, the No Objection Certificate dated April 12, 2018, payments receipts and bank statements from the year 2011 to 2013 and the letter of approval of application by RERA dated January 21, 2019.
25. Based on the submissions made during the hearing, the ARs for the Objector/Applicant were advised to furnish the receipts of property tax paid (if any) and certified copies of Revenue Records reflecting the name of the Objector/Applicant as owner of the impugned property. Subsequently, vide email dated April 24, 2026, the Objector/Applicant, through its ARs, had submitted that the impugned property is situated at Village Daun Kalan and Rurki, *outside the municipal limits of the Municipal Corporation, Patiala* and accordingly no property tax is being charged from the Objector/Applicant in respect of the impugned property. In respect of the revenue records, the Objector/Applicant have placed reliance upon the certified copy as well as the typed/translated copy of the Jamabandi for the year 2012-2013.
26. The Objector/Applicant, vide email dated May 11 and 14, 2026, was further advised to furnish Certified copy of the translated Sale Deed dated April 17, 2018 along with the certificate of translation, stamped Statement of Account dated October 31, 2013 issued by M/s PIPL and brief written submission justifying the delay in execution of sale deed. Subsequently, vide emails dated May 12 and 18, 2026, the Objector/Applicant submitted the aforesaid documents along with the



written submissions. It was submitted by the Objector/Applicant that the stamped copy of the Statement of Account was not provided by M/s. PIPL to the Objector/Applicant.

27. In order to decide the objections, the Panel has perused the following documents placed on record by the Objector/Applicant:

Sr.	Document	Executed By	In Favour of
1.	Project Management Agreement dated January 27, 2010	M/s Dhillon Properties Pvt. Ltd.	M/s PIPL
2.	Allotment Letter dated September 26, 2011	M/s PIPL	Rita Rani (Applicant)
3.	Plot Buyers Agreement dated December 10, 2011	M/s PIPL	Rita Rani (Applicant)
4.	Letter offering possession dated September 06, 2013	M/s PIPL	Rita Rani (Applicant)
5.	Letter recording handing over of possession dated November 07, 2013	M/s PIPL	Rita Rani (Applicant)
6.	Statement of Account dated October 31, 2013	M/s PIPL	Rita Rani (Applicant)
7.	Sale Deed dated April 17, 2018 (Registered with Sub-Registrar, Patiala)	M/s Dhillon Properties Pvt. Ltd.	Rita Rani (Applicant)
8.	Jamabandi for the year 2012-13	Revenue Authorities, Patiala, Punjab	M/s Dhillon Properties Pvt. Ltd.



9.	Letter for registration dated April 11, 2018	M/s Dhillon Properties Pvt. Ltd.	Sub Registrar, Patiala
10.	No objection Certificate dated April 12, 2018	M/s Dhillon Properties Pvt. Ltd.	Rita Rani (Applicant)
11.	RERA Letter dated January 21, 2019	Real Estate Regulatory Authority, Punjab	M/s Dhillon Properties Pvt. Ltd.
12.	Certificate of Registration dated September 16, 2019	Real Estate Regulatory Authority, Punjab	M/s Dhillon Properties Pvt. Ltd.

28. The Panel has carefully perused the documents placed on record, including the I.A. for Directions, the I.A. to bring additional documents on record, all annexures and payment records filed along with the I.As., the impugned order of Shri R.S. Virk, District Judge (Retd.) dated September 29, 2023 in File No. 1061, and the submissions made during the hearing on April 21, 2026 along with additional documents filed thereafter.
29. The Panel has noted the fact that M/s Dhillon Properties Pvt. Ltd., M/s Dhillon Empire Pvt. Ltd. and M/s PIPL are associate companies of PACL Ltd. (mentioned at Sr. Nos. 115, 116 and 640 of the attachment order dated September 07, 2016).
30. At this juncture, reference can be made to the order dated August 22, 2014 passed by SEBI wherein PACL Ltd. itself, during the proceeding before the Whole Time Member, SEBI, had admitted that for the purpose of its business, it was buying lands through its agents. The same is reproduced as under:

“.....PACL uses agents to carry out its business. Depending on the years of experience, the agents are entitled to various designations. The agent in turn engages



field associates who interact with the potential customers and explain the plans for purchase of land. As the business of PACL is propelled through word-of-mouth, it is important to incentivize the agents and field associates appropriately by way of commission. In the process, PACL often makes payment to the field associates directly as per the understanding with the agent in order to ensure that the field associates are not deprived of their commission, after deducting the requisite amount from the commission paid to the relevant agents. The large amount of commission, reflected in the balance sheet not only constitutes the commissions paid to the agents/ field associates, but also other commissions paid in relation to the procurement of the land by PACL and sale of spaces in residential and commercial projects developed by PACL in the ordinary course of business”

31. In view of the above, it is clear that the impugned property is relatable to PACL Ltd. and its associate entities. However, the Applicant has submitted that the impugned property is held by her in her independent capacity as a *bona fide* purchaser for value.
32. It is submitted by the Objector/Applicant that the impugned property was purchased by the Objector/Applicant after conducting proper due diligence regarding the title of the property. The Objector/Applicant has placed reliance on the copy of the Land Revenue Records/Jamabandi of the year 2012-13 issued by the Revenue Department, Punjab. Upon examination of the English translated copy of the Jamabandi (stated to be registered in computer revenue records by Patwari on July 05, 2018), it is noted that the name of M/s Dhillon Properties Pvt. Ltd. have been recorded as owner of the land (14 kanal 4 marla) and it also records the transfer of ownership to the Objector/Applicant. Therefore, the said property stands mutated in the name of the Objector/Applicant. The revenue records at the time of registration of the sale deed reflected no attachment or encumbrance on the plot and there was no mention of PACL Ltd./Lodha Committee in the said entry/record.
33. Notwithstanding the above, it is pertinent to refer to the provision contained in Section 41 of Transfer of Property Act, 1882 (“TPA”) which reads as under:



41. Transfer by ostensible owner. –

Where, with the consent, express or implied, of the persons interested in immoveable property, a person is the ostensible owner of such property and transfers the same for consideration, the transfer shall not be voidable on the ground that the transferor was not authorised to make it:

Provided that the transferee, after taking reasonable care to ascertain that the transferor had power to make the transfer, has acted in good faith.

34. A transfer made by an ostensible owner, in order to attract Section 41 of the TPA, has to satisfy the test of “reasonable care” and “good faith” of the transferee as stated in the proviso to Section 41. In terms of the proviso, the transferee should have acted in *good faith* and taken *reasonable care* to ascertain that the transferor had the power to make the transfer, in order to take benefit of Section 41 of the TPA. To demonstrate that the Objector/Applicant had acted in *good faith* and taken *reasonable care* to ascertain authority of the transferor to make the transfer, the Objector/Applicant has submitted that impugned properties were purchased after conducting due diligence, *namely*, verification of revenue records reflecting M/s Dhillon Properties Pvt. Ltd. as the recorded owner and that there was no publicly available information at any stage of the transactions that could have put the Applicant on notice of PACL’s claim over the land.
35. Further, it is submitted by the Objector/Applicant that she is a *bona fide* purchaser of the impugned property and the complete consideration for the purchase of impugned property was paid by her during 2011-2013. In this regard the Objector/Applicant has placed on record the receipts issued by M/s. PIPL and copies of Bank Statements of the Objector/Applicants’ Accounts from 2011-2013 substantiating the payments made to M/s PIPL as consideration. The details of payment made by the Applicant towards the purchase of the impugned property, as evidenced by the receipts and bank statements placed on record, are as under:

Sr.	Receipt No.	Date of Receipt	Cheque/Draft No.	Amount (Rs.)	Description of Receipt
1.	18427	26.09.2011	Cheque No. 072349 (Bank of India, Patiala)	2,41,000	Basic



2.	19204	12.11.2011	Cheque No. 670302 (Bank of India, Patiala)	1,60,000	Basic
3.	20351	04.01.2012	Cheque No. 670307 (Bank of India, Patiala)	1,60,000	Basic
4.	21456	29.02.2012	Cheque No. 670312 (Bank of India, Patiala)	1,60,900	Basic
5.	22447	26.04.2012	Cheque No. 670316 (Bank of India, Patiala)	55,000	Basic
6.	22448	26.04.2012	Cheque No. 033200 (Bank of India, Patiala)	1,70,000	Basic + Preferential Location Charges
7.	22943	15.05.2012	Cheque No. 670318 (Bank of India, Patiala)	15,000	Preferential Location Charges
8.	23958	05.07.2012	Cheque No. 670322 (Bank of India, Patiala)	1,61,000	Basic + Preferential Location Charges
9.	25038	27.08.2012	Cheque No. 670325 (Bank of India, Patiala)	89,866	Preferential Location Charges + External Development Charges
10.	27369	28.12.2012	Cheque No. 670331 (Bank of India, Patiala)	90,000	Basic
11.	28221	26.02.2013	Draft/Pay Order No. 009583 (Bank of India, Patiala)	1,60,000	Basic
12.	28843	01.04.2013	Cheque No. 670352 (Bank of India, Patiala)	40,000	Basic
13.	28853	02.04.2013	Cheque No. 003825 (Bank of India, Patiala)	30,000	Basic
14.	28968	10.04.2013	Cheque No. 670353 (Bank of India, Patiala)	35,000	Basic
15.	28969	10.04.2013	Cheque No. 003821 (Bank of India, Patiala)	25,000	Basic
16.	28970	10.04.2013	Cheque No. 188379 (State Bank of India, Patiala)	40,000	Basic



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17.	28971	10.04.2013	Draft/Pay Order No. 977842 (Punjab National Bank, Patiala)	40,000	Basic
18.	31138	26.09.2013	Cheque No. 670355 (Bank of India, Patiala)	40,000	Basic
19.	31139	26.09.2013	Cheque No. 278033 (Punjab National Bank, Patiala)	3,718	Basic
20.	31329	16.10.2013	Cheque No. 278036 (Punjab National Bank, Patiala)	9,800	Interest
21	No corresponding receipt	-	Cheque No. 278033 dated 24.9.2013 (Punjab National Bank, Patiala)	40,000	-
22	No corresponding receipt	-	Cheque No. 3828 dated 28.9.2013 (Bank of India)	37,385	-

36. From the perusal of the above mentioned records, certain discrepancies were noted relating to the receipts issued by M/s. PIPL and their corresponding entries in bank statements. In view of the same, the Panel sought certain clarifications from the Objector/Applicant vide email dated May 18, 2026, on the following points: (a) the discrepancy between the area of land owned by M/s Dhillon Properties Pvt. Ltd. as 13 Kanal 4 Marla according to the I.As. and 14 Kanal 4 Marla according to Jamabandi for the year 2013-13; (b) the non-availability on record of receipts in respect of two payments i.e. Rs. 37,385/- paid on September 28, 2013 vide Bank of India cheque No. 3828, and Rs. 40,000/- paid on September 24, 2013 vide Punjab National Bank cheque No. 278033; and (c) the non-availability of the corresponding entry in the statement of account in respect of receipt No. 31139 dated September 26, 2013 issued by M/s PIPL for Rs. 3,718/-, along with the apparent overlap of cheque No. 278033 reflecting both Rs. 3,718/- (as per the receipt) and Rs. 40,000/- (as per the cheque copy).

37. In reply, the Applicant filed written submissions vide email dated May 20, 2026, explaining that: (i) in September 2013, the Objector/Applicant's husband received a call from M/s. PIPL, Nishant



[Handwritten signatures]

Bagh informing that a letter for offer of possession was being sent and that some additional charges towards infrastructure costs (drainage, lighting, water tank, security and civil works) needed to be paid; (ii) upon receipt of the said letter dated September 06, 2013, the Applicant paid the verbally demanded sum of Rs. 40,000/- vide PNB cheque No. 278033 dated September 24, 2013, against which M/s. PIPL issued Receipt No. 31139 dated September 26, 2013 indicating only Rs. 3,718/- as the “basic” amount, with the explanation that the balance was being held for ledger adjustments and that a final receipt would be issued on completion of all adjustments; (iii) M/s. PIPL thereafter demanded a further sum of Rs. 37,385/- towards interest levied for delayed payments and other adjustments such as External Development Charges and sales tax, against the stipulated payment schedule issued at the time of allotment, which was duly paid by the Objector/Applicant vide Bank of India cheque No. 3828 dated September 28, 2013 from her Bank of India savings account; and (iv) physical possession of Plot No. 59 in Block C1 was thereafter handed over to the Applicant on November 07, 2013, after demarcation pillars bearing the engraved plot number were installed on the front side of the plot, vide possession letter of even date. The Applicant has placed on record the said letter offering possession, copies of both cheques, the certified bank statement of Bank of India Account No. 655310100000671 reflecting both debits, and the possession letter dated November 07, 2013.

38. From the perusal of the above-mentioned submissions and records, it is noted that a total sum of Rs. 17,99,951/- was paid by the Objector/Applicant towards the purchase of the impugned property between 2011-2013. The total amount received is confirmed by the Statement of Account dated October 31, 2013 issued by M/s. PIPL and the corresponding banking statements placed on record. It is further to be noted that all these payments were made through banking channels, i.e., by account payee cheques drawn on Bank of India (Patiala), Punjab National Bank (Patiala), State Bank of India (Patiala) and Demand Draft/Pay Order. The bank statements of the Objector/Applicant filed as part of the payment documents corroborate each of these payments, showing corresponding debits from her accounts.

39. Further, it is noted that the entire purchase consideration stood paid by September 2013 and physical possession of the impugned property was handed over to the Applicant on November 07, 2013. These events occurred prior to the SEBI order dated August 22, 2014 and are indicative of



the fact that the Applicant has acquired substantive rights in respect of the impugned property well before the regulatory measures subsequently imposed in relation to PACL and its associate entities.

40. Here, it is also important to refer to the order dated February 19, 2026 passed by the Hon'ble Supreme Court wherein it was stated that:

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

.....

(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.

.....

(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 bonafide purchaser for value having actually paid the amounts through banking channels.

....."

41. Even assuming that the impugned property was originally funded by PACL through M/s Dhillon Properties Pvt. Ltd. and developed under the project management of M/s. PIPL, which is noted on the basis of the submissions made by PACL before Shri R.S. Virk, District Judge (Retd.), the fact does not alone disentitle the Objector/Applicant from her claim over the property. As per the above mentioned Hon'ble Supreme Court order dated February 19, 2026, it is expressly directed that a party shall not be denied a claim over a property solely on the ground that at one point in time the property was owned by PACL or its associate companies or source of funds used by PACL to purchase the property is unclear, if otherwise it is established that the party is a *bona fide* purchaser.



42. In order to substantiate her claim of being *bona fide* purchaser of property, the Objector/Applicant has produced the Allotment Letter dated September 26, 2011 issued by M/s PIPL in favor of the Objector/Applicant, A Plot Buyers Agreement duly executed on December 10, 2011, letter for registration dated April 12, 2018, No Objection Certificate dated April 12, 2018 and Sale Deed dated April 17, 2018 executed by M/s. Dhillon Properties Pvt. Ltd. The records further show that the physical possession of the impugned property was given by M/s PIPL vide letter dated September 26, 2013, and was actually handed over to the Applicant and recorded vide letter dated November 07, 2013, from which date they have remained in continuous possession of the property.
43. The No Objection Certificate dated April 12, 2018 issued by M/s Dhillon Properties Pvt. Ltd. confirmed its consent to the registration of the property in favour of the Objector/Applicant. Pursuant thereto, a registered Sale Deed was executed in her favour on April 17, 2018. The Sale Deed was registered before the Sub-Registrar, Patiala without any objection, and the impugned property was subsequently mutated in the names of the Objector/Applicant in the revenue records.
44. Further, by way of additional documents, the Objector/Applicant submits that the the project 'Nishant Bagh' has been registered with RERA, Punjab vide certificate dated September 16, 2019, in favour of M/s Dhillon Properties Pvt. Ltd. as the Promoter. The aforesaid documents, when read together, establish a continuous chain of allotment, payment, possession, conveyance and mutation in favour of the Objector/Applicant, thereby lending support to her claim that she acquired and held the impugned property in her independent capacity. It is further observed that the stamp duty of Rs. 56,406/- along with various other fee and charges were paid and the same is endorsed in the sale deed. It is also noted that the deed also stands entered in Book No. 1.
45. It is, however, to be noted that the Sale deed was executed on April 17, 2018, much after the date of last payment made in respect of the purchase of impugned property and the date of transfer of possession. In regard to the same, brief written submissions were sought from the ARs regarding the said delay of 5 years between the last date of payment (2013) and the date of execution of sale deed (2018). The ARs in their written submission has submitted that after taking possession in November 2013, the Objector/Applicant repeatedly pursued M/s. PIPL for execution of the sale deed, however M/s. PIPL closed its Rurki office without appointing anyone to execute the deed,



and subsequently ceased all communication. Since the Applicant had been dealing exclusively with M/s. PIPL and had no direct contact with the Dhillon Companies, tracing the responsible authority took considerable time. The sale deed could be executed only in April 2018, when a new director was appointed in 2018 to revive the Nishant Bagh scheme, following which the deed was executed after payment of sewage, water and maintenance charges.

46. The Panel has considered the explanation furnished regarding the delay in execution of the Sale Deed. Having regard to the fact that the entire consideration stood paid by September 2013, possession was delivered on November 07, 2013, and the delay in execution of sale deed has been reasonably explained by the Objector/Applicant through contemporaneous circumstances relating to the functioning of M/s PIPL and the eventual revival of the project, the Panel finds no material to infer that the Sale Deed dated April 17, 2018 was executed as a colorable device or with the intent to defeat the orders passed by SEBI or the Hon'ble Supreme Court.

47. The material placed on record demonstrates that the Objector/Applicant undertook reasonable steps to verify the title of the recorded owner prior to entering into the transaction, paid the entire sale consideration through banking channels/Cheques substantially prior to the SEBI order dated August 22, 2014, and was placed in physical possession of the impugned property on November 7, 2013. The Hon'ble Supreme Court's order dated February 19, 2026 has specifically addressed this line of reasoning and categorically directed that a party shall not be denied a claim merely because the property was at one point owned by PACL or its associated entities, if it is otherwise established that the party is a *bona fide* purchaser for value who has paid the amounts through banking channels.

48. Having regard to the totality of evidence on record, the Panel is of the considered view that the Applicant has satisfactorily established that: (i) the impugned property is held by her in her independent capacity; and (ii) she is a *bona fide* purchaser for value, having paid the entire sale consideration through banking channels/Cheques prior to the relevant SEBI and Supreme Court orders, possession of the property was delivered in November 2013, and the title was subsequently perfected through a registered Sale Deed and mutation in her favour in 2018.



49. In light of these facts, and having regard to the directions contained in the Hon'ble Supreme Court's order dated February 19, 2026, this Panel is satisfied that the Applicant has established her status as *bona fide* purchaser for value and that her claim cannot be rejected merely because the property was, at an earlier point of time, associated with PACL Ltd. or its associate entities.

ORDER:

59. In view of the foregoing, the objection raised by the Objector/Applicant Ms. Rita Rani w/o Mr. Shiv Kumar with respect to Plot No. C1-59 admeasuring 256.67 sq. yards situated at Nishant Bagh Colony, Nishant Bagh, Village Daun Kalan and Rurki, Tehsil and District Patiala, Punjab (hereinafter referred to as the "impugned property"), is hereby allowed.

60. The I.A. No. 117 of 2024, 118 of 2024, 119 of 2024 and 122 of 2024 in Civil Appeal No. 13301 of 2015 are accordingly disposed of in terms of this order.

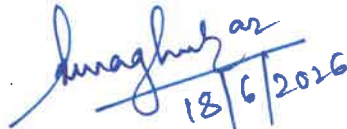
Place: Mumbai

Date: June 18, 2026




18.06.2026

PREETI PATEL
RECOVERY OFFICER


18/6/2026

KSHAMA WAGHERKAR
RECOVERY OFFICER


18.6.26

SAROJ KUMAR SAHU
RECOVERY OFFICER

प्रीति पटेल / PREETI PATEL
उप महाप्रबंधक एवं वसूली अधिकारी
Deputy General Manager & Recovery Officer
(शे ए सी एल ली के मामले में संश्लेषित, मुंबई) / (In the matter of PACL Ltd. Mumbai)

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

सरोज कुमार साहु / SAROJ KUMAR SAHU
उप महाप्रबंधक एवं वसूली अधिकारी
Deputy General Manager & Recovery Officer
(शे ए सी एल ली के मामले में संश्लेषित) / (In the matter of PACL Ltd.)