

**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(s).	I.A. No. 43892 of 2024 and I.A. No. 43893 of 2024
File No.	SEBI/PACL/OBJ/PP/00809/2026
Name of the Objector/Applicant	Mr. P.M. Harish
MR No(s).	10400/18

**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/



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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.).



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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. 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 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, vide order dated February 19, 2026, in the matter of *Subrata Bhattacharya vs. SEBI (Civil Appeal No. 13301 of 2015)* directed, *inter alia*, that all interlocutory applications/Transferred Cases falling under Category B, i.e. 106 sets of Interlocutory Applications, filed against the recommendations of Shri R.S. Virk, District Judge (Retd.) dismissing the objections raised by the Applicants, be placed before the Recovery Officers appointed under Section 28A of the SEBI Act, 1992. Accordingly, the set of 106 Interlocutory Applications, including the instant application, is now to be examined by the Recovery Officers appointed under Section 28A of the SEBI Act, 1992, in the matter of PACL Ltd.

**Present Interlocutory Applications (I.As.):**

13. The I.As. have been filed by Mr. P.M. Harish s/o Mr. P.R. Maheshraja, (Managing Partner, Cauvery M Sand), residing at No. 102, Thilagarpuram Street, Ambasamudram, Tirunelveli



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District, Tamil Nadu (hereinafter referred to as the “**Objector/Applicant**”), challenging the order dated December 01, 2023 passed by Shri R.S. Virk, District Judge (Retd.) in File No. 1160 (hereinafter referred to as the “**impugned order**”). The impugned order dismissed the objection filed by the Objector/Applicant seeking release of his property from attachment. The property in question comprises of agricultural (dry) land admeasuring 4.95 acres, comprised in Survey Nos. 677/2 (2.30 acres / 0.93.0 hectare), 677/3 (1.27 acres / 0.51.5 hectare) and 677/4 (1.38 acres / 0.56.0 hectare), situated at Idikkal Part 2 Village, Ambasamudram Taluk, Tirunelveli District, Tamil Nadu, covered under MR No. 10400/18 (hereinafter referred to as the “**impugned property**”).

14. The impugned property originally formed part of a larger parcel of land admeasuring 20.57 acres, comprised in Survey Nos. 677/2, 677/3, 677/4, 678/1, 678/2, 678/3 and 679, situated at Idaikkal Part 2 Village, Ambasamudram Taluk, Tirunelveli District, Tamil Nadu (hereinafter referred to as the “**parent land**”), which originally belonged to one Mr. Sasitharan s/o Chellappan Pillai.

15. It is the case of the Objector/Applicant that the impugned property (as a part of parent land admeasuring 20.57 acres) was originally owned by Mr. Sasitharan, who sold the same vide registered Sale Deed dated June 6, 2004 (Document No. 673/2004) in favour of Mr. Didar Singh. The said Mr. Didar Singh thereafter sold the land vide registered Sale Deed dated May 12, 2014 (Document No. 1274/2014) in favour of one Mr. Muthukumar, who in turn sold it vide registered Sale Deed dated August 25, 2014 (Document No. 2012/2014) in favour of one Mr. K. Sekar. Mr. K. Sekar thereafter sold the impugned property vide registered Sale Deed dated July 31, 2015 (Document No. 1636/2015) in favour of one Mr. Gokul Dass, who finally sold the impugned property to the Objector/Applicant vide registered Sale Deed dated February 20, 2018 (Document No. 243/2018). The impugned property stands mutated in the name of the Objector/Applicant in the revenue records vide Patta No. 1148.

16. 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 August 31, 2023, *inter alia*, stated that the parent land admeasuring 20.57 acres was purchased by it out of PACL funds in the name of its authorised person, Mr. Didar Singh, from Mr. Sasitharan vide Document No. 673/2004 dated June 06, 2004, and that the same had not been sold by it. PACL Ltd. further contended that the Objector/Applicant is claiming title on the strength of a Sale Deed of the year 2018, which is



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subsequent to the order dated July 25, 2016 of the Hon'ble Supreme Court restraining alienation of PACL properties. Subsequently, Rejoinder and Additional Rejoinder were filed by the Objector/Applicant for placing on record the translated copies of the Sale deeds mentioned in the Objection Petition.

17. The said objection was heard by Shri R.S. Virk, District Judge (Retd.) and the impugned order dated December 01, 2023 was passed, dismissing the objection, *inter alia*, on the grounds that: (i) the Objector/Applicant had produced only a typed version/extract of the Sale Deed dated June 6, 2004 executed by Mr. Sasitharan in favour of Mr. Didar Singh, whereas PACL Ltd. had produced a complete photocopy of the said Sale Deed (running into 12 pages with official endorsements and stamps), and the subsequent purchasers in the chain of title had purportedly purchased the land without securing custody of the original Sale Deed dated June 06, 2004, leading to the inference that the subsequent sale deeds had apparently been executed fraudulently; (ii) the Sale Deed dated February 20, 2018 executed by Mr. Gokul Dass in favour of the Objector/Applicant was subsequent to the order dated July 25, 2016 of the Hon'ble Supreme Court restraining PACL Ltd. and/or its directors/promoters/agents/associates from selling/transferring/alienating any property in which PACL Ltd. has any right or interest; and (iii) PACL Ltd. had collected monies from investors and purchased properties out of such funds, and therefore all such properties, irrespective of the date of acquisition, could be scrutinized.

18. 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.

19. Upon perusal of the I.A. seeking directions filed by the Objector/Applicant and the documents annexed thereto, it is noted that the Objector/Applicant has, *inter alia*, contended as under:

- i. The Objector/Applicant is the *bona fide* owner and purchaser for value of the impugned property, having purchased the same from Mr. Gokul Dass s/o Govindasamy through a Registered Sale Deed dated February 20, 2018 (Document No. 243/2018) for valuable



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consideration, the entire sale consideration having been paid to the vendor through banking channels.

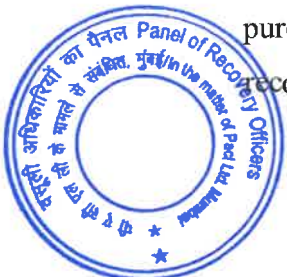
- ii. The impugned property has been wrongly attached, inasmuch as the original transfer of the parent land was executed in the year 2004 and as per the 2<sup>nd</sup> status report of the Committee, the documents executed after February 2, 2016 alone can be scrutinized.
- iii. The original transfer was completed in 2004 and the successive transfers in the chain of title were completed prior to the Objector/Applicant's purchase, and there was no order in force against Mr. Didar Singh in the chain of title prohibiting them from dealing with the property.
- iv. The Objector/Applicant is the absolute owner of the impugned property, the entire consideration having been paid, and Patta No. 1148 stands recorded/mutated in his name in the revenue records, with land tax being paid by him in respect of the impugned property.
- v. On account of the attachment, the Objector/Applicant is facing hardship in raising funds by mortgaging the impugned property for improvement of the said dry land.

20. The Objector/Applicant has thus prayed:

- i. To direct the Respondents to remove the scheduled (impugned) property from the attachment in MR No. 10400/18 made by the Committee; and/or
- ii. To permit the Applicant to pay 100% of the sale deed value to the Respondents in order to remove the impugned property from attachment.

21. In compliance with the order dated February 19, 2026 of the Hon'ble Supreme Court, the Objector/Applicant was granted an opportunity of hearing before the Panel of Recovery Officers ("Panel") on May 04, 2026. During the hearing, the Objector/Applicant was represented by his Authorised Representative ("AR"), who, while reiterating the averments made in the I.As. and the objection filed before Shri R.S. Virk, District Judge (Retd.), submitted as under:

- i. That the Objector/Applicant is the *bona fide* owner of the impugned property which was purchased after conducting due diligence in respect of the chain of title and the revenue records. The impugned property was wrongly attached, as the parent land was transferred



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by Mr. Didar Singh in the year 2014 when there was no order in force prohibiting the vendors in the intervening chain of title from dealing with the property.

- ii. That the entire sale consideration of Rs. 3,35,840/- was paid by the Objector/Applicant to his vendor, Mr. Gokul Dass, through banking channels by way of RTGS, and that Patta No. 1148 stands mutated in the name of the Objector/Applicant and land tax is being paid by him in respect of the impugned property.
- iii. That the Objector/Applicant has been in possession and use of the impugned property, having leased the same to M/s Cauvery M Sand, a partnership firm in which the Objector/Applicant is the Managing Partner, and having obtained a stockyard licence/certificate of registration from the Mining Authority dated July 28, 2019.
- iv. That due to this encumbrance the transit permit is not issued by the Mining Authority and proceeding for cancellation of the license has been initiated by them on instruction Special Revenue Divisional Officer.

22. Based on the submissions made during the hearing, the AR for the Objector/Applicant was advised to furnish: (i) certified copies of the original Sale Deeds dated July 31, 2015 (Document No. 1636/2015) and February 20, 2018 (Document No. 243/2018) along with their certified English translations; (ii) bank statement(s) showing the payments/cash withdrawals towards the purchase of the impugned property by the Objector/Applicant; and (iii) revenue records, Patta details and the Encumbrance Certificate (from the year 1975 onwards) in respect of the impugned property recorded in the name of the Objector/Applicant.

23. Subsequently, vide email dated May 14, 2026, the Objector/Applicant, submitted the additional documents, including the certified/translated copies of the Sale Deeds dated July 31, 2015 (Document No. 1636/2015) and February 20, 2018 (Document No. 243/2018), the bank statement of the Objector/Applicant maintained with City Union Bank, Ambasamudram Branch, the translated copy of Patta No. 1148, the land tax receipt, and the translated Encumbrance Certificate for the period January 01, 2018 to September 15, 2022.

24. The Objector/Applicant, vide email dated June 2, 2026 and June 17, 2026, was further advised to furnish the Encumbrance Certificate from the year 1975 till date along with its English translated copy and the same was provided vide email dated June 19, 2026 by the Objector/Applicant.



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25. In order to decide the objection, the Panel has perused the documents placed on record by the Objector/Applicant, being the registered Sale Deeds constituting the chain of title in respect of the impugned property (and the parent land), the details whereof are as under:

Sr.	Sale Deed (Doc. No. & Date)	Executed by (Vendor)	In favour of (Purchaser)	Area/Extant & Survey Nos.	Consideration (Rs.)
1	No. 673/2004 dated 06.06.2004	Mr. Sasitharan s/o Chellappan Pillai	Mr. Didar Singh s/o Khazhan Singh	20.57 acres (Sy. Nos. 677/2,3,4; 678/1,2,3; 679)	Rs. 2,05,700/- (Cash)
2	No. 1274/2014 dated 12.05.2014	Mr. Didar Singh s/o Khazhan Singh	Mr. Muthukumar s/o Narayanan	17.83.5 hectare (Sy. Nos. 654; 677/2,3,4; 678/1,2,3; 679; 681; 682;704 part )	Rs. 12,00,000/-
3	No. 2012/2014 dated 25.08.2014	Mr. Muthukumar s/o Narayanan	Mr. K. Sekar s/o Kothandaram	4.95 acres (impugned property)	Rs. 5,01,250/- (Cash)
4	No. 1636/2015 dated 31.07.2015	Mr. K. Sekar s/o Kothandaram	Mr. Gokul Dass s/o Govindasamy	4.95 acres (impugned property)	Rs. 7,01,750/- (Cash)
5	No. 243/2018 dated 20.02.2018	Mr. Gokul Dass s/o Govindasamy	Mr. P.M. Harish s/o Maheshraja (Applicant)	4.95 acres (impugned property)	Rs. 3,35,840/- (RTGS through banking channel)

26. The Panel has carefully perused the documents placed on record, including the I.As., annexures and documents attached therewith, the impugned order of Shri R.S. Virk, District Judge (Retd.) dated December 01, 2023 in File No. 1160, the registered Sale Deeds constituting the chain of title set out in the table above, the bank statement of the Objector/Applicant, the translated copy of Patta No. 1148, the land tax receipt, the translated Encumbrance Certificates, the submissions made during the hearing on May 4, 2026, and the additional documents filed thereafter.



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27. As a preliminary matter, the Panel notes that the parent land admeasuring 20.57 acres was originally purchased by Mr. Didar Singh from Mr. Sasitharan vide registered Sale Deed dated June 6, 2004 (Document No. 673/2004). The said Sale Deed was executed through Mr. Swarup Panigrahi, the attorney of Mr. Didar Singh, and the original of the said Sale Deed was seized by the CBI from the possession of PACL Ltd. and stands attached by the Committee under MR No. 10400/18. PACL Ltd. has claimed, in its reply before Shri R.S. Virk, District Judge (Retd.), that Mr. Didar Singh was its authorised person and that the parent land was purchased out of the funds of PACL Ltd. The details of the property attached under the MR No. 10400/18 are mentioned at serial no. 1 in the table above.

28. Before proceeding to examine the documents placed on record by the Objector/Applicant, it is pertinent to recall the genesis of the attachment and the scheme run by PACL Ltd. in its order dated August 22, 2014, SEBI recorded the scale of the funds mobilized by PACL Ltd. from its investors, observing as under:

*".....At this stage, I note from the details submitted during the course of investigation that PACL had mobilized funds from its customers to the tune of Rs. 44,736 crores till March 31, 2012. Further by its own admission, it has collected Rs. 4364,78,08,345 from 39,97,357 customers during the period of February 26, 2013 to June 15, 2014. The total amount mobilized comes to a whooping Rs. 49,100 crore.....The collection of such huge funds suggests that PACL has many more customers than the stated 1.22 crore.....Thus, a quick calculation of the total number of the customer of PACL comes to around 5.85 crore which includes the customers who said to have been allotted land and who are yet to be allotted the land....."*

29. The above observations explain why every property attached by the Committee, including the impugned property, traces back, at its origin, to monies mobilised from investors of PACL Ltd., and why the source of such properties is liable to scrutiny. At this juncture, reference can be made to the order dated August 22, 2014 passed by SEBI wherein PACL Ltd. itself, during the proceedings 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"*

30. Reference may further be made to the observations in the same SEBI order dated August 22, 2014 with respect to the modus operandi adopted by PACL Ltd. for acquisition of land, which are reproduced as under:

*"... ..From the above, it is noted that PACL has very limited stock of lands in its name and that most of the lands are held through General Power of Attorney/through Agreement to Sale/through associate companies. PACL in its reply has informed that the said associate companies are controlled by its friends and nears and dears of the management of PACL. I observe that PACL enters into an MoU with the associate companies for the purchase of land. The MoU inter-alia, states that as PACL is unable to purchase the land in its own name beyond certain limits due to the land laws and other applicable laws of the land in different States of the country, PACL has nominated the associate company to purchase the land for PACL and get the sale deed executed in the name of associate company... .."*

31. It is evident from the aforesaid observations that PACL Ltd. held very limited stock of land in its own name and acquired the bulk of its land holdings through General Power of Attorney, Agreements to Sell and Associate Companies, getting the sale deeds executed in the names of its authorised persons/associate entities, for the stated reason that it was unable to own land in its own name beyond certain limits owing to the land ceiling laws and other applicable laws in force in different States of the Country. In view of the foregoing, and considering that the original Sale Deed dated June 06, 2004 in respect of the parent land was seized from the possession of PACL Ltd. and bears the seal of the Committee under MR No. 10400/18, the Panel may infer that the impugned property is, at its origin, relatable to PACL Ltd. and/or its associate entities.

Even assuming that the impugned property is held with or related to PACL Ltd., the Objector/Applicant, however, has to establish that the impugned property is held by him in his



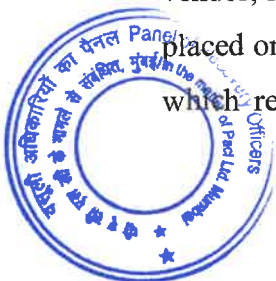
independent capacity. The inquiry therefore shifts from the origin of the property to the nature of the Applicant's title and acquisition.

32. Examining the chain of title set out in the table above, it is noted that the parent land, by registered Sale Deed dated May 12, 2014 (Document No. 1274/2014), was transferred/sold by Mr. Didar Singh (associate of PACL Ltd.) to Mr. Muthukumar for valuable consideration of Rs. 12,00,000/-. Thereafter, by two separate registered Sale Deeds, the title of the impugned property was further transferred to different vendors and finally, by registered Sale Deed dated February 20, 2018 (Document No. 243/2018), the impugned property was conveyed by Mr. Gokul Dass to the Objector/Applicant. The Objector/Applicant is thus the fifth purchaser in the chain of title.
33. Significantly, the parent land was transferred from Mr. Didar Singh in the year 2014 itself, i.e., prior to the order dated February 02, 2016 of the Hon'ble Supreme Court constituting the Committee and prior to the order dated July 25, 2016 restraining alienation, and the Objector/Applicant has had no privity or dealing whatsoever with Mr. Didar Singh or PACL Ltd. A perusal of the aforesaid title chain demonstrates an unbroken line of registered conveyances spanning from the year 2004 to the year 2018. The intervening transfers (in 2014 and 2015) were each completed by registered instruments for recorded consideration, and the Objector/Applicant's acquisition in 2018 represents the culmination of this chain. The Panel is not persuaded by the contention that only transactions executed after February 02, 2016 may be scrutinized. The issue before the Panel is whether the Applicant has established independent ownership and *bona fide* purchase in terms of the Supreme Court's order dated February 19, 2026.
34. It is submitted by the Objector/Applicant that the impugned property was purchased by him after conducting proper due diligence in respect of the chain of title and the revenue records. In support, the Objector/Applicant has placed reliance on Patta No. 1148 issued by the Revenue Department, Government of Tamil Nadu. Upon examination of the translated copy of the said Patta produced on record, it is noted that the name of the Objector/Applicant, Mr. P.M. Harish s/o Mr. Maheshraja, has been duly recorded as the owner of the impugned property (Survey Nos. 677/2, 677/3 and 677/4) in Patta No. 1148, and that the impugned property stands mutated in his name with effect from May 04, 2018



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35. The Objector/Applicant has further placed on record the land tax receipt issued by the Revenue Department in respect of the impugned property. Upon examination of the said receipt, it is noted that land tax in respect of the impugned property (recorded under Patta No. 1148, together with Patta No. 1149) is being paid by the Objector/Applicant, which corroborates the Objector/Applicant's recorded ownership and continuing possession of the impugned property and is consistent with the entries in Patta No. 1148.
36. The Objector/Applicant has also placed on record the original along with the certified translated Encumbrance Certificate for the period from June 4, 1975 to June 15, 2026 in respect of the impugned property along with certificate of translation. Upon perusal of the said Encumbrance Certificates, it is noted that the Objector/Applicant's purchase of the impugned property by way of registered Sale Deed dated February 20, 2018 (Document No. 243/2018) stands duly recorded as having been registered on February 20, 2018. It is further noted that the prohibition against registration/dealing in respect of the impugned property on account of the CBI investigation in the PACL matter was recorded in the Encumbrance Certificate only by way of the CBI letter dated May 14, 2018 and the communication of the Inspector General (Registration) dated November 26, 2018, i.e., after the Objector/Applicant had already purchased and registered the impugned property in his favour on February 20, 2018 and obtained mutation of Patta No. 1148 in his name on May 04, 2018. Accordingly, on the date of the Objector/Applicant's purchase, there was no attachment, encumbrance or prohibition recorded against the impugned property which could have put the Objector/Applicant on notice.
37. It is further noted from the Encumbrance Certificate that the chain of title set out in the table above stands verified and corroborated and establishes an unbroken and continuous devolution of title down to the Objector/Applicant. The Encumbrance Certificate confirms that the Objector/Applicant did not purchase the property directly from Mr. Didar Singh. Significantly, the Encumbrance Certificate does not disclose the name of PACL Ltd. as having right or title in the impugned property.
38. Further, it is submitted by the Objector/Applicant that he is a *bona fide* purchaser for value of the impugned property, the entire consideration of Rs. 3,35,840/- having been paid by him to his vendor, Mr. Gokul Dass, through banking channels. In this regard, the Objector/Applicant has placed on record the registered Sale Deed dated February 20, 2018 (Document No. 243/2018), which records, in its Memo of Consideration, that the sale consideration was paid by the



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Objector/Applicant through City Union Bank, Ambasamudram Branch, by way of RTGS, to the Axis Bank account of the vendor at Velacherry Branch, Chennai. The details of the payment made by the Objector/Applicant towards the purchase of the impugned property, as evidenced by the registered Sale Deed and the bank statement placed on record, are as under:

Date	Bank & Account	Mode	Beneficiary (Vendor)	Amount (Rs.)	Reference
20.02.2018	City Union Bank, Ambasamudram Branch (A/c No. 510909010030969)	RTGS	Mr. Gokul Dass (Axis Bank, Velacherry Branch, Chennai)	3,35,870	UTR No. CIUBH18051305817

39. Upon perusal of the bank statement of the Objector/Applicant maintained with City Union Bank, Ambasamudram Branch, it is noted that a sum of Rs. 3,35,870/- was debited from the Objector/Applicant's account on February 20, 2018 by way of RTGS (UTR No. CIUBH18051305817, against Cheque No. 64) in favour of the beneficiary recorded as "GOGULDASS", the date of the registered Sale Deed (February 20, 2018), and the sale consideration of Rs. 3,35,840/- recorded therein. The payment of the entire sale consideration by the Objector/Applicant to his vendor through banking channels thus stands substantiated by the contemporaneous entry in the bank statement read with the Memo of Consideration in the registered Sale Deed.

40. In addition to the payment of consideration and the recording of his title in the revenue records, the Objector/Applicant has demonstrated continuous possession and beneficial use of the impugned property. The Objector/Applicant has submitted that he has leased/put to use the impugned property through M/s Cauvery M Sand, a partnership firm in which he is the Managing Partner, and has placed on record the stockyard licence/certificate of registration issued by the Mining Authority dated July 28, 2019 in respect of the impugned property. The said material further corroborates that the Objector/Applicant has been in actual possession and use of the impugned property in his independent capacity.

41. Here it is also important to refer to the order dated February 19, 2026 passed by the Hon'ble Supreme Court wherein, while directing that the Category B applications, i.e., the 106



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applications filed against the order/recommendation passed by Shri R.S. Virk, District Judge (Retd.), be dealt with by the Recovery Officers appointed under Section 28A of the SEBI Act, 1992, the Hon'ble Supreme Court specifically has stated as under:

*"12. In view of the fact that the said applications are pending for a long 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. ...."*

42. As per the abovementioned order dated February 19, 2026 of the Hon'ble Supreme Court, 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 Ltd. or its associate entities, or that the source of funds used by PACL Ltd. to purchase the property is unclear, if it is otherwise established that the party is a *bona fide* purchaser for value who has actually paid the amounts through banking channels. The documentary record discussed above demonstrates that the Applicant acquired title through a registered conveyance, paid consideration through banking channel, and has since held and possessed the property in his independent capacity.

43. As regards to the inference that the subsequent sale deeds in the chain of title were apparently executed fraudulently because the sale deed dated June 6, 2004 was seized by CBI, it is observed that the very reason the original Sale Deed dated June 6, 2004 was not, and could not be, available with the Objector/Applicant or with the intervening purchasers is that the said original had been seized by the CBI from the possession of PACL Ltd. and retained by the investigating agency/Committee and stands attached under MR No. 10400/18. The non-availability of the original 2004 Sale Deed in the hands of a fifth-in-line registered purchaser, in such circumstances, cannot by itself lead to the conclusion that the chain of title is tainted or that the Objector/Applicant is not a *bona fide* purchaser for value., particularly where the



Objector/Applicant purchased the impugned property through a registered Sale Deed after verifying the chain of registered title documents and the revenue records standing in the name of his vendor's chain of title.

44. The Objector/Applicant has, vide email dated May 14, 2026, submitted the scanned copy of the original sale deeds dated July 31, 2015 (through which his vendor has purchased the impugned property) and February 20, 2018 (through which he has purchased the impugned property) along with their certified translated copies as additional documents.

45. Further it is noted that the parent land had already been transferred from Mr. Didar Singh (the person through whom PACL Ltd. is said to have held the parent land) in the year 2014 for proper consideration, i.e., well prior to the order dated July 25, 2016 of the Hon'ble Supreme Court, and the Objector/Applicant is a remote purchaser who acquired the impugned property in his independent capacity through a registered Sale Deed for value paid through banking channels. The directions contained in para 12(vi) of the order dated February 19, 2026 of the Hon'ble Supreme Court, specifically addresses this issue and protects a *bona fide* purchaser for value who has actually paid the amounts through banking channels notwithstanding that the property may at one point in time have been owned by, or relatable to, PACL Ltd.

46. It is also pertinent that, on the material placed before the Panel, there is nothing to suggest any nexus between the Objector/Applicant and PACL Ltd. or Mr. Didar Singh. The Objector/Applicant is not shown to be a shareholder, director, employee, agent or associate of PACL Ltd. or of any of its associate entities, nor is he shown to have had any dealing, directly or indirectly, with PACL Ltd. or with Mr. Didar Singh. The Objector/Applicant's connection with the impugned property arises solely from his purchase, for value, from Mr. Gokul Dass, who was himself a registered purchaser in a chain of title several conveyances removed from Mr. Didar Singh. The absence of any such nexus reinforces the conclusion that the Objector/Applicant holds the impugned property in his independent capacity.

47. The Panel also notes that the impugned property is specifically identifiable and severable from the balance of the parent land. The impugned property comprises a defined extent of 4.95 acres in Survey Nos. 677/2 (2.30 acres), 677/3 (1.27 acres) and 677/4 (1.38 acres), as described in the registered Sale Deed dated February 20, 2018, in Patta No. 1148 and in the Encumbrance Certificate, whereas the remaining portion of the parent land (Survey Nos. 678/1, 678/2, 678/3



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and 679, and the balance area not conveyed to the Objector/Applicant) is distinct and not the subject matter of the Objector/Applicant's claim. The relief sought by the Objector/Applicant can therefore be granted in respect of the clearly demarcated 4.95 acres without disturbing the attachment over the remainder of the parent land under MR No. 10400/18.

48. Having regard to the totality of the evidence on record, this Panel is of the considered view that the Objector/Applicant has satisfactorily established that: (i) the impugned property is held by him in his independent capacity, within the meaning of para 12(iii) of the order dated February 19, 2026 of the Hon'ble Supreme Court; and (ii) the Objector/Applicant is a *bona fide* purchaser for value, having paid the entire sale consideration of Rs. 3,35,840/- to his vendor, Mr. Gokul Dass, through banking channels by way of RTGS on February 20, 2018, having acquired the impugned property through a registered Sale Deed dated February 20, 2018 (registered prior to the recording of any CBI prohibition or attachment against the property in the Encumbrance Certificate), having obtained mutation of Patta No. 1148 in his name on May 04, 2018, having paid land tax in respect of the impugned property, and being in continuous possession and use of the impugned property. Accordingly, the Objector/Applicant's purchase of the impugned property falls within the directions contained in para 12(vi) of the order dated February 19, 2026 of the Hon'ble Supreme Court, and the objection in respect of the impugned property deserves to be allowed.

49. In view of the finding recorded above that the Objector/Applicant is a *bona fide* purchaser for value who has paid the entire sale consideration through banking channel and holds the impugned property in his independent capacity, the impugned property is liable to be released from attachment, and the occasion to invoke the Objector/Applicant's alternative prayer, namely, the offer to pay 100% of the sale deed value in order to secure release of the impugned property, does not arise.

**ORDER:**

50. In view of the foregoing, the objection raised by the Objector/Applicant, Mr. P.M. Harish s/o Mr. P.R. Maheshraja, with respect to the impugned property admeasuring 4.95 acres, comprised in Survey Nos. 677/2 (2.30 acres), 677/3 (1.27 acres) and 677/4 (1.38 acres), situated at Idaikkal Part 2 Village, Ambasamudram Taluk, Tirunelveli District, Tamil Nadu, covered under MR No.



10400/18, is hereby allowed, and the impugned property is directed to be released from attachment.

51. It is, however, clarified that the release granted hereunder is confined to the impugned property admeasuring 4.95 acres (Survey Nos. 677/2, 677/3 and 677/4) claimed by the Objector/Applicant, and the attachment in respect of the remaining portion of the parent land admeasuring 20.57 acres (i.e., Survey Nos. 678/1, 678/2, 678/3 and 679 and the balance area not conveyed to the Objector/Applicant) under MR No. 10400/18 shall continue to stand.

52. The I.A. No. 43892 of 2024 and I.A. No. 43893 of 2024 in Civil Appeal No. 13301 of 2015 are accordingly disposed of in terms of this order.

Place: Mumbai

Date: June 25, 2026



*Preeti Patel*  
25.06.2026

**PREETI PATEL**  
**RECOVERY OFFICER**

*Kshama Wagherkar*  
25/6/2026

**KSHAMA WAGHERKAR**  
**RECOVERY OFFICER**

*Saroj Kumar Sahu*  
25-6-26

**SAROJ KUMAR SAHU**  
**RECOVERY OFFICER**

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

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