

**Order on the Interlocutory Application filed by 1. Mr. Chandan Singh, 2.Mr Koomp Singh,
3.Mr.Chutar Singh and 4.Mr. Madan Singh
SEBI/PACL/RO/BKM/RD-3/ORD/93/2026**

**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.**

I.A. No(s).	I.A.No. 75737 of 2020, 75741 of 2020, 75743 of 2020 & 75745 of 2020
File No.	600
Name of the Objector(s)/Applicant(s)	1. Mr. Chandan Singh, 2.Mr. Koomp Singh 3.Mr.Chutar Singh and 4.Mr. Madan Singh
MR No (s).	8377/16

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



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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, continues 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.



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पता (केवल पत्राचार हेतु) / Address for correspondence only:
सेबी भवन, प्लॉट सं. सी4-ए, 'जी' ब्लॉक, बांद्रा कुर्ला कॉम्प्लेक्स, बांद्रा (पूर्व), मुंबई - 400051
SEBI Bhavan, BKC, Plot No. C4-A, 'G' Block, Bandra-Kurla Complex, Bandra (East), Mumbai - 400051

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7. In the recovery proceedings mentioned in para 3 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 Mr. R.S. Virk, Retired District Judge.
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 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



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R.S. Virk, Retired District Judge 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*,

"i. 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, Retired District Judge, be placed before the Recovery Officers appointed under Section 28A of the SEBI Act, 1992.

ii. The Recovery Officers shall adjudicate the claims in accordance with the procedure contemplated under Section 28A of SEBI Act read with Second Schedule to the Income Tax Act, 1961.

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 Ltd. or relatable to its associate entities, subsidiaries or sister concerns and whether the Applicants establish, on the basis of documentary materials & evidence, that the properties are held by them in their independent capacity.

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

v. Recommendation of Shri R.S Virk (Retd.) shall not be determinative of the issues but may be taken into consideration as one of the factors while adjudicating the claims.



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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.”

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.A.)

13. The instant I.As have been filed by 1.Mr. Chandan Singh, 2.Mr Koomp Singh, 3.Mr.Chutar Singh and 4.Mr. Madan Singh (hereinafter referred to as the “**Objectors/Applicants**”) residing at village Khetasar in tehsil Pokharan of district Jaisalmer, Rajasthan, challenging the order dated December 28, 2018 passed by Shri R.S. Virk, Retired District Judge in File No 600 (hereinafter referred to as the “**impugned order**”).
14. Shri R. S. Virk Retired District Judge rejected objectors request seeking delisting from the list of properties shown attached on www.auctionpack.com, the land in question measuring 74 Bighas and 16 Biswas comprised in Khasra No. 789 situated at village Khetasar in tehsil Pokharan of district Jaisalmer, Rajasthan (hereinafter referred as the “**impugned property**”).
15. It is noted that the Objector/Applicant had initially filed an objection before the Justice R.M. Lodha Committee, which was subsequently placed before Shri R. S. Virk, District Judge (Retired) in compliance of the order dated 15.11.2017 passed by the Hon'ble Supreme Court. The Objectors/Applicants sought delisting of the abovementioned impugned property on the ground that the impugned property is neither the property of PACL nor they have any right/interest, directly or indirectly over it. Applicants stated that they have not only purchased the impugned property by way of registered sale deed but also paid the stamp duty and revenue



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सेबी भवन, प्लॉट सं. सी4-ए, 'जी' ब्लॉक, बांद्रा कुर्ला कॉम्प्लेक्स, बांद्रा (पूर्व), मुंबई - 400051
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charges for the getting the same mutated in their names and since then, are in uninterrupted and peaceful possession of the impugned property.

16. After hearing the applicants, Shri R.S. Virk, Retired District Judge rejected applicants objectionvide impugned order mainly on the following grounds:

i) There is wide disparity in the sale consideration starting from Rs.1,50,000/- in the year 2007, dipping to Rs.1,00,000/- in the year 2012, and then escalating to Rs.6,00,000/- in the year 2018.

ii) sale consideration was not by way of any documented mode of transfer such as bank transactions etc., but was by way of cash only.

17. In compliance with the directions of the Hon'ble Supreme Court, the applicants were granted an opportunity of hearing on May 20, 2026 before the panel of Recovery Officers. During the hearing, the applicants were represented by an authorised representative ('AR'). During the hearing, the AR made submissions on the lines of averments made in the IAs, written submission dated May 26, 2026 and prayed to set aside the impugned orders dated December 28, 2018 passed by Hon'ble Shri R.S.Virk (Retd. District Judge) and to delist/remove the impugned property of the Applicants from the list of properties proposed to be auctioned. Based on the submissions made and discussions held during the hearing, the AR for the Objectors/Applicants sought time for making written submission alongwith the necessary additional documents. Subsequently, the Objectors/Applicants submitted written submission dated May 26, 2026 along with additional documents.

18. It is noteworthy to mention here that the abovementioned title deed, has been seized by CBI under MR. No 8377/16 from the possession of PACL Ltd. and therefore, has been attached by the Committee.



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सेबी भवन, प्लॉट सं. सी4-ए, 'जी' ब्लॉक, बांद्रा कुर्ला कॉम्प्लेक्स, बांद्रा (पूर्व), मुंबई - 400051

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19. Upon perusal of the I.As seeking directions filed by the Objectors/Applicants, the panel noted the contentions and written submissions of applicants dated May 26, 2026, *inter alia*, contended as under:

19.1 The ancestors of the Applicants were from the same family and as such all Applicants are related with each other. The Applicants are staying in the same Village/Dhani.

19.2 Applicant No.1 and 4 are carrying on activity of agriculture and animal husbandry and as such there is no fixed monthly source of income and the income being generated from the aforesaid activity is normally earned in cash.

19.3 Applicant No.2 is an Advocate since 2003 and mainly practices in the Court of Judicial Magistrate First Class at Pokhran. There is no fixed monthly source of income and the professional fees are normally received in cash from his clients. Applicant No.3 is bus operator running buses on a local route and the fares are being received only in cash. Applicant Nos.3 and 4 are real brothers staying in joint family.

19.4 Applicants (jointly) have purchased impugned property by a Registered Sale Deed no. 2013002673 dated 28 February 2013 (registered on March 28, 2013) from Mr. Ram Pratap s/o Nathu Ram for Rs.6,00,000/- (Rupees Six Lakhs Only).

19.5 AR has submitted that as per para 1(8) of the said Sale Deed dated 28 March 2013, the Applicant 1 and 2 are entitled to the said Agricultural Land in 1/3rd proportion each. Applicant 3 and 4 are jointly entitled to the said Agricultural Land in 1/3rd proportion. Further, AR stated that Applicant Nos.1 and 2 paid Rs.2,00,000 each and applicant Nos.3 and 4 jointly paid Rs.2,00,000/- in cash to Mr Ram Pratap in proportion to their share in property. Shri Ram Pratap also confirmed the cash receipt of Rs.6,00,000/- vide para 1(1) of the said Sale Deed. AR also stated that impugned property is in the name of Applicants and they are in continuous possession since 2013 till date and same has been recorded in Revenue records viz. Jamabandi, Khasra Girdawari.



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सेबी भवन, प्लॉट सं. सी4-ए, 'जी' ब्लॉक, बांद्रा कुर्ला कॉम्प्लेक्स, बांद्रा (पूर्व), मुंबई - 400051
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19.6 It is submission of the Applicants that in paragraph 3 (vii) and para 4 of impugned order passed by Hon'ble Shri R. S. Virk (Retd. District Judge) date of registered sale deed has been recorded as "28/03/2018" instead of "28/03/2013", which misconstrued the events/facts of the present matter.

19.7 It is noted from documents been seized by CBI under MR. No 8377/16 from the possession of PACL Ltd that Smt. Durga Devi w/o Kan Singh, the owner of the impugned property, sold the impugned property to Smt. Bhanwarkanwar w/o Bhura Ram vide registered sale deed dated April 05, 2007 for an amount of Rs.1,50,000/- . Smt. Bhanwarkanwar vide registered sale deed dated June 21, 2012 sold the said impugned property to Shri Rajender Singh s/o Shimbhu Singh for an amount of Rs.1,50,000. Further, Shri Rajender Singh sold the impugned property to Ram Pratap s/o Nathu Ram vide registered sale deed dated February 22, 2013 for an amount of Rs. 1,00,000. Shri Ram Pratap sold the said impugned property to present objectors vide registered sale deed No.2013002673 dated March 28, 2013 for an amount of Rs 6,00,000/. The Applicants are in continuous possession of impugned property since then till date. It is pertinent to note that all the aforesaid transactions were in cash.

19.8 One of the issues in the present matter is sale consideration for the said transaction being done in cash. However, AR cited judgment dated September 01, 2025 passed by the Hon'ble Supreme Court in *Georgekutty Chacko vs. M.N. Saji (civil appeal no.11309 of 2025)*, wherein the Court has observed as under

"Further, it is not uncommon that in money transactions, there is a component of cash also involved and just because a person is not able to prove the transfer through official modes i.e., through any negotiable instrument or bank transaction, would not lead to the conclusion that such amount was not paid through cash, especially when there was a categorical statement to this effect by the appellant before the Court concerned. Moreover, the initial presumption of legally enforceable debt comes from the Negotiable Instruments Act, 1881 also and thus the onus is on the respondent to prove that no such amount was



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given. Only because documentary proof was not available, we find such view taken to be erroneous. A person who gives cash obviously would not be having any documentary proof per se. Sometimes there may be an occasion where even for a cash transaction, a receipt is taken, but absence of the same would not negate and disprove the stand that the cash transaction also took place between the parties.”

19.9 Applying the aforesaid principle to the present case, the payment made in cash by the Applicants/Objectors in year 2013 cannot, by itself, be treated as suspicious or non-genuine. As observed by the Hon’ble Supreme Court, the absence of a bank transaction does not disprove a transaction when a categorical statement is made by the parties. Here, the vendor viz. Mrs. Ram Pratap expressly has acknowledged the receipt of the entire consideration in the recitals of the Registered Sale Deed dated March 28,2013 placed on record before the Panel of Recovery Officer. Further, there is nothing on record to show any dispute/ complaint/ongoing litigation challenging the non-receipt of the sale consideration. Thus the ratio of the law laid down by the Hon’ble Supreme Court in the above judgment is squarely applicable to the present case.

19.10 Further, with regard to the consideration of Rs.6,00,000 paid in cash by all four applicants jointly to the seller, the Applicants referred Section 269ST to the Income Tax Act, 1961 which came into effect from April 01, 2017, However there was no bar on cash transactions at the time when the transaction took place i.e., 2013. We find merit in the same and therefore, just because the payment of consideration was made by the Applicants/Objectors in cash, the transfer of impugned properties cannot be said to be invalid.

19.11 Secondly considering the provisions of Section 54 of the Transfer of Property Act, 1882 (TPA) and Section 48 of the Registration Act, the legal title of the property vests in the person in whose favour a registered instrument is existing. In the present case, all four Applicants i.e., 1.Mr. Chandan Singh, 2.Mr Koomp Singh, 3.Mr.Chutar Singh and 4.Mr. Madan Singh by jointly purchasing the impugned properties from the registered



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owner i.e., Mr. Ram Pratap becomes the *bonafide* owners of the impugned property and their names are recorded in Revenue records viz. Jamabandi, Khasra Girdawari.

20. In the light of the foregoing and the documentary evidence placed on record, the Objectors/Applicants are found to be a *bona fide* purchasers for value of the impugned property. Accordingly, the order dated May 16, 2018 passed by Shri R.S. Virk, Retired District Judge is liable to be set aside with regards to aforementioned impugned property.

ORDER:

1. Given the above, the objection raised by the Objectors/Applicants with respect to impugned property comprised of 74 Bigha and 16 Biswa bearing Agricultural Land Khasra No.789 in the revenue village khetasar (Sankra), Tahsil Pokran, District Jaisalmer in the State of Rajasthan is liable to be allowed and is accordingly, allowed.
2. In view thereof, the order dated December 28, 2018, passed by Shri. R.S. Virk, District Judge (Retired) in File No. 600, insofar as it relates to the impugned property, is hereby set aside.

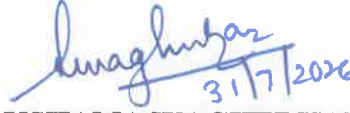
Place: Mumbai

Date: July 31, 2026

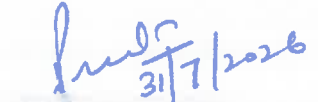



31.07.2026

BAL KISHOR MANDAL
Recovery Officer


31/7/2026

KSHAMA WAGHERKAR
Recovery Officer


31/7/2026

PREETI PATEL
Recovery Officer

बाल किशोर मंडल / **BAL KISHOR MANDAL**
उप महाप्रबंधक एवं वसुली अधिकारी
Deputy General Manager & Recovery Officer
(वि. ए. सी. एस. सी. के मामले में संबंधित) In the matter of PACL Ltd.

क्षमा प्र. वाघेरकर / **KSHAMA P. WAGHERKAR**
महाप्रबंधक एवं वसुली अधिकारी
General Manager & Recovery Officer
(वि. ए. सी. एस. सी. के मामले में संबंधित) In the matter of PACL Ltd. (Mumbai)

प्रीति पटेल / **PREETI PATEL**
उप महाप्रबंधक एवं वसुली अधिकारी
Deputy General Manager & Recovery Officer
(वि. ए. सी. एस. सी. के मामले में संबंधित) In the matter of PACL Ltd. (Mumbai)