

Before Shri R.S. Virk, District Judge (RETD.)

appointed to hear objections/representations in the matter of PACL Ltd.
(as referred to in the orders dated 15/11/2017, 13/04/2018 and 02/07/2018
of the Hon'ble Supreme Court in civil appeal no. 13301/2015 Subrata Bhattacharya Vs SEBI,
and notified in SEBI Press release no. 66 dated 08/12/2017).

File no. 588

**MR Nos. 31102-16, 31103-16, 31104-16,
31106-16, 31121-16, 31123-16,
31124-16, 31122-16, 31620-16,
31621-16, 31622-16, 31623-16,
31624-16, 31625-16, 31626-16,
31627-16, 31628-16, 31351-16,
31352-16, 31353-16, 31354-16.**

Objector : Tara singh, since deceased, through Baljeet Kaur and others as his LRs

Argued by : Shri Ananta Prasad Mishra, Advocate (Enrolment No.D/737/2014)

Order :

1. It may be noticed at the outset that vide order dated 02/02/2016, passed in civil appeal no. 13301/2015 bearing the title Subarata Bhattacharaya Versus Securities & Exchange Board Of India, the Hon'ble supreme court had directed constitution of a committee by SEBI to be headed by Hon'ble Mr. Justice R.M. Lodha former Chief Justice of India as its Chairman for disposing of the land purchased by PACL so that the sale proceeds recovered there from can be paid to the investors who have invested their funds in the company for purchase of the land.
2. (a) The objector Tara Singh, since deceased, and now represented by wife Baljeet Kaur, daughter Amandeep Kaur and son Narenderjeet Singh had claimed that land measuring 51 kanals 19 marlas situated in village Sahabana, Tehsil & District Ludhiana indicated against MR No. 31102-16 had been purchased by him from one Sukhdev Singh vide registered sale deed no. 9991 dated 06/09/2006 for valuable consideration but neither has any copy of the said sale deed been produced on record nor has the exact amount thereof or the mode of payment or even the source wherefrom the said payment was made been specified.

(b) It was further claimed by him that land measuring 50 kanals 08 marlas situated in village Sahabana, Tehsil & District Ludhiana indicated against MR No. 31103-16 had also been purchased by him from above named Sukhdev Singh vide registered sale deed no. 9813 dated 04/09/2006 for valuable consideration but neither has any copy of the

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said sale deed been produced on record nor has the exact amount thereof or the mode of payment or even the source wherefrom the said payment was made been specified.

(c) It was also claimed by him that land measuring 18 kanals 03 marlas situated in village Sahabana, Tehsil & District Ludhiana indicated against MR No. 31104-16 had been purchased by him from one Jagjeet Singh vide registered sale deed dated 28/08/2006 for valuable consideration but neither has any copy of the said sale deed been produced on record nor has the exact amount thereof or the mode of payment or even the source wherefrom the said payment was made been specified.

(d) It was further claimed by him that land measuring 04 kanals 05 marlas situated in village Sahabana, Tehsil & District Ludhiana indicated against MR No. 31106-16 had also been purchased by him from one Talbinder Singh vide registered sale deed no. 9992 dated 06/09/2006 for valuable consideration but neither has any copy of the said sale deed been produced on record nor has the exact amount thereof or the mode of payment or even the source wherefrom the said payment was made been specified.

3. (a) The objector Baljeet Kaur claims that she had herself also purchased land measuring 10 kanals 15 marlas situated in village Sahabana, Tehsil & District Ludhiana indicated against MR No. 31121-16 from M/S Rai Capital Services Pvt. Ltd vide registered sale deed no. 11403 dated 09/10/2006 for valuable consideration but neither has any copy of the said sale deed been produced on record nor has the exact amount thereof or the mode of payment or even the source wherefrom the said payment was made been specified.

(b) The objector Baljeet Kaur further claims that she had herself also purchased land measuring 13 kanals 14 marlas situated in village Sahabana, Tehsil & District Ludhiana indicated against MR No. 31123-16 from Bhupinder Singh vide registered sale deed no. 11042 dated 29/09/2006 for valuable consideration but neither has any copy of the said sale deed been produced on record nor has the exact amount thereof or the mode of payment or even the source wherefrom the said payment was made been specified.

(c) The objector Baljeet Kaur further claims that she had herself also purchased land measuring 26 kanals 19 marlas situated in village Sahabana, Tehsil & District Ludhiana indicated against MR No. 31124-16 from Harbans Singh vide registered sale deed no. 11041 dated 29/09/2006 for valuable consideration but neither has any copy of the said sale deed been produced on record nor has the exact amount thereof or the mode of payment or even the source wherefrom the said payment was made been specified.

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(d) The objector Baljeet Kaur further claims that she had herself also purchased land measuring 30 kanals 06 marlas situated in village Sahabana, Tehsil & District Ludhiana indicated against MR No. 31122-16 from M/S B.S. Developers & Builders Ltd vide registered sale deed no. 11043 dated 29/09/2006 for valuable consideration but neither has any copy of the said sale deed been produced on record nor has the exact amount thereof or the mode of payment or even the source wherefrom the said payment was made been specified.

4. The above named objectors Baljeet Kaur, Amandeep Kaur and Narenderjeet Singh further contend that their predecessor in interest namely Tara Singh, since deceased, at the time of his death on 23/01/2008 was recorded to be registered owner and in possession of the undermentioned properties :-

(a) land measuring 4.57 acres situated in village Peravur, No.5, Peravur Panchayat, Vanur Talluk, District Villupuram, Tamil Nadu indicated against MR No. 31620-16 which land had also been purchased by him from Amutha vide registered sale deed dated 29/01/1998 for valuable consideration but neither has any copy of the said sale deed been produced on record nor has the exact amount thereof or the mode of payment or even the source wherefrom the said payment was made been specified.

(b) It is further claimed by them that land measuring 1.68 acres situated in village Peravur, No.5, Peravur Panchayat, Vanur Talluk, District Villupuram, Tamil Nadu indicated against MR No. 31621-16 had also been purchased by him from Chakkarapani vide registered sale deed dated 02/02/1998 for valuable consideration but neither has any copy of the said sale deed been produced on record nor has the exact amount thereof or the mode of payment or even the source wherefrom the said payment was made been specified.

(c) It is further claimed by them that land measuring 1.76 acres situated in village Nallavor, Nallavor Panchayat, Vanur Talluk, District Villupuram, Tamil Nadu indicated against MR No. 31622-16 had also been purchased by him from Kali vide registered sale deed dated 11/02/1998 for valuable consideration but neither has any copy of the said sale deed been produced on record nor has the exact amount thereof or the mode of payment or even the source wherefrom the said payment was made been specified.

(d) It is further claimed by them that land measuring 2.59 acres situated in village Peravur, No.5, Peravur Panchayat, Vanur Talluk, District Villupuram, Tamil Nadu indicated against MR No. 31623-16 had also been purchased by him from K. Anjalai vide registered sale deed dated 05/02/1998 for valuable consideration but neither has any copy of the said sale deed been produced on record nor has the exact amount thereof or

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the mode of payment or even the source wherefrom the said payment was made been specified.

(e) It is further claimed by them that land measuring 5.00 acres indicated against MR No. 31624-16 had also been purchased by him from Balasundaram vide registered sale deed for valuable consideration but neither has any copy of the said sale deed been produced on record nor has the exact amount thereof or the mode of payment or even the source wherefrom the said payment was made been specified.

(f) It is further claimed by them that land measuring 6.00 acres indicated against MR No. 31625-16 had also been purchased by him from Perumal vide registered sale deed for valuable consideration but neither has any copy of the said sale deed been produced on record nor has the exact amount thereof or the mode of payment or even the source wherefrom the said payment was made been specified.

(g) It is further claimed by them that land measuring 2.56 acres indicated against MR No. 31626-16 had also been purchased by him from Kothenda vide registered sale deed for valuable consideration but neither has any copy of the said sale deed been produced on record nor has the exact amount thereof or the mode of payment or even the source wherefrom the said payment was made been specified.

(h) It is further claimed by them that land measuring 2.56 acres indicated against MR No. 31627-16 had also been purchased by him from Elumalai Kounder vide registered sale deed for valuable consideration but neither has any copy of the said sale deed been produced on record nor has the exact amount thereof or the mode of payment or even the source wherefrom the said payment was made been specified.

(i) It is further claimed by them that land measuring 0.64 acres indicated against MR No. 31628-16 had also been purchased by him from Kumari (name not specified) vide registered sale deed for valuable consideration but neither has any copy of the said sale deed been produced on record nor has the exact amount thereof or the mode of payment or even the source wherefrom the said payment was made been specified.

(j) It is further claimed by them that land measuring 4.84 acres indicated against MR No. 31351-16 had also been purchased by him from Ponnusamy vide registered sale deed for valuable consideration but neither has any copy of the said sale deed been produced on record nor has the exact amount thereof or the mode of payment or even the source wherefrom the said payment was made been specified.

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(k) It is further claimed by them that land measuring 3.34 acres indicated against MR No. 31352-16 had also been purchased by him from S. Ramalingam vide registered sale deed for valuable consideration but neither has any copy of the said sale deed been produced on record nor has the exact amount thereof or the mode of payment or even the source wherefrom the said payment was made been specified.

(l) It is further claimed by them that land measuring 1.53 acres indicated against MR No. 31353-16 had also been purchased by him from Karonanidhi vide registered sale deed for valuable consideration but neither has any copy of the said sale deed been produced on record nor has the exact amount thereof or the mode of payment or even the source wherefrom the said payment was made been specified.

(m) It is further claimed by them that land measuring 2.44 acres indicated against MR No. 31354-16 had also been purchased by him from R. Chandran vide registered sale deed for valuable consideration but neither has any copy of the said sale deed been produced on record nor has the exact amount thereof or the mode of payment or even the source wherefrom the said payment was made been specified.

5. The above named three objectors claim that on account of their being the legal representatives of Tara Singh above named, they are entitled to 1/3rd share each in the properties detailed in para 4 of this order above. It is contended that PACL Ltd has no right, title or interest in the said lands, which lands are thus liable to be removed from the list of properties shown as attached on www.auctionpacl.com.
6. Reference may at this stage be made to observations of the Hon'ble Supreme Court in the case titled Valliammal (D) By LRs versus Subramaniam and others reported in (2004) 7 Supreme Court Cases 233 wherein the Apex Court spelt out the following six circumstances which can be taken as a guide to determine the nature of the transaction:
- “(i) the source from which the purchase money came;
 - (ii) the nature and possession of the property, after the purchase;
 - (iii) motive, if any, for giving the transaction a *benami* colour;
 - (iv) the position of the parties and the relationship, if any, between the claimant and the alleged benamidar;
 - (v) the custody of title deeds after the sale; and
 - (vi) the conduct of the parties concerned in dealing with the property after the sale.”
7. Keeping the above referred observations in view, it may be recalled that neither has any copy of the said sale deed been produced on record nor has the exact amount thereof or

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the mode of payment or even the source wherefrom the said payment was made been specified pointed out and a conjoint perusal of the above referred pleas further reveals that the full parentage and addresses of the purported vendors have also not been specified which factor assumes significance in the light of the fact that the total land claimed to have been purchased vide sale deeds detailed in paras 2 to 4 of this order above measures 68 acres 04 Kanals and 5.75 marlas in all within a span of less than two years would have required availability of substantial finances in the hands of Tara Singh, since deceased but there is no such material available on the file. It would be pertinent to mention here that the above named Tara Singh had been working with PACL Ltd at the time of his death which is another factor to be kept in mind because no independent source of income of Tara Singh been disclosed. Even the copies of sale deeds are not available with the objectors on the stated ground that Tara Singh had kept them in his office at the premises of PACL Ltd which plea is ridiculous on the face of it because no person would keep personal property papers in his office. It is not even clear as to whether the said Tara Singh even had any independent office in the said premises of PACL Ltd.

8. In view of the foregoing discussion, the objection petition in hand is held to be devoid of any merit and is accordingly dismissed.

Date : 26/10/2018


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Distt. Judge (Retd.)

Note:

Two copies of this order are being signed simultaneously, one of which shall be retained on this file whereas the other one, also duly signed, shall be delivered to the objector as and when requested /applied for. No certified copies are being issued by this office. However, the orders passed by me can be downloaded from official website of SEBI at www.sebi.gov.in/PACL.html.

Date : 26/10/2018


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