

**BEFORE THE RECOVERY OFFICER  
SECURITIES AND EXCHANGE BOARD OF INDIA  
MUMBAI**

**Recovery Certificate No. 1020 of 2016  
In the matter of Pancard Clubs Ltd. & others**

- (1) Pancard Clubs Ltd.;
- (2) Sudhir Shankar Moravekar, Represented by its legal heirs Mrs. Viidyaa Sudhir Moravekar, Mr. Dnyanaraj S Moravekar & Mr. Siddhartha Moravekar ;
- (3) Shobha Ratnakar Barde;
- (4) Usha Arun Tari;
- (5) Manish Kalidas Gandhi;
- (6) Chandrasen Ganpatrao Bhise ;
- (7) Ramachandran Ramakrishnan ; ..... (Defaulters)  
111-113, Kalyandas Udyogbhavan,  
Near Century Bhavan,  
Prabhadevi, Mumbai – 400025.

**Order under Section 28A of the SEBI Act, 1992 read with Section 226(3) and  
Rule 16 and 48 of the Second Schedule to the Income Tax Act, 1961**

1. Recovery proceedings have been initiated against M/s **Pancard Clubs Ltd.** and others (Defaulters), for failure to pay a sum of Rs.7035,00,01,000/- (Rupees Seven Thousand Thirty Five Crore One thousand Only) along with returns to the investors on account of a direction to refund money in respect of Certificate No. 1020 of 2016 dated December 02, 2016 drawn up by the Recovery Officer, Mumbai, along with further interest, costs, expenses, etc.
2. Notice of Demand dated December 02, 2016 issued by the Recovery Officer to the defaulters demanding payment of the said sum along with returns promised to the investors, costs, expenses, etc., within 15 days from the date of receipt of the said notice. The Recovery Officer has attached various bank and demat accounts and mutual fund folios of the defaulters in execution of the said notice and sent copies of attachment notices to the defaulters.
3. SEBI had vide orders dated December 09, 2016 attached shareholding of defaulters in subsidiaries. SEBI had also vide orders dated December 21, 2016,



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attached immovable properties of the Defaulters. However, the funds available in the bank accounts, securities available in the demat accounts and the assets of the defaulters already attached are found to be insufficient towards the dues to the investors. It is noted that the value of assets of PCL and its Directors estimated by the defaulters is much higher than the market values and/or government guideline values. Many of the properties which were put for auction also could not be sold inspite of repeating the auctions. Hence, it is felt necessary to secure and prevent disposal or transfer or alienate the assets of the subsidiaries, group companies and associates of the defaulters.

4. It is noted from the additional affidavit dated January 21, 2017 filed before the Hon'ble Securities Appellate Tribunal (SAT) in appeal challenging the SEBI's order dated February 29, 2016, the defaulters have contended that as against the total dues payable to the investors, the defaulters have realizable assets held in the name of the defaulters, its subsidiaries, associates and other group companies. Further, the defaulters have also offered all the assets owned by PCL, its subsidiaries, associates and other group companies as surety towards repayment of the dues to the investors.
5. The Defaulters have vide letter dated January 17, 2017 submitted a list of all the subsidiary companies and enterprises owned/controlled by Directors/ Relatives / Major Shareholders of PCL. As per the Notes forming part of Financial Statements for the year ended 31<sup>st</sup> March 2015, the list of subsidiary companies and enterprises owned/controlled by the Directors, relatives or major shareholders of PCL also include Panoramic Universal Ltd. (PUL). Accordingly, an order attaching all the properties of subsidiaries of Pancard Clubs Ltd. except its listed subsidiary Panoramic Universal Ltd. has been issued vide order dated March 09, 2018.
6. It is noted that Panoramic Group is having multiple entities including Pancard Clubs Ltd., Panoramic Universal Ltd. and many subsidiaries under each of the said companies. The directors of PCL have contended that the entire Panoramic Group is owned by late Mr. Sudhir Shankar Moravekar and on his



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demise in July, 2017, his legal heirs, viz., Ms. Viidyaa S. Moravekar, Mr. Siddhartha S. Moravekar and Mr. Dnyanaraj S. Moravekar have taken over the complete control of the entire Panoramic Group, including Pancard Clubs Ltd.(PCL), Panoramic Universal Ltd.(PUL) and many subsidiaries under each of the said companies. As the assets of PCL which is the main defaulter were not sufficient to the extent of dues outstanding to the investors. In order to ascertain the possibility of diversion of money collected from the investors by PCL, SEBI has appointed Forensic Auditors and directed the defaulters to provide complete accounting details. In spite of repeated reminders and follow ups PCL has not provided complete accounting details on some pretext or other.

7. Upon verification of the available accounting details and bank statements provided by various banks to SEBI, it has been reported the following:

- i. The fund collected from the investors have been routed through investments in some other third party companies and utilised for purchase of assets of PUL and its subsidiaries.
- ii. The reasons for routing through various small and other third party companies are not known.
- iii. Various fund transfers are routed to PUL and its subsidiaries from PCL's fund collections in the form of loans, share capital, etc.
- iv. Assets acquired by PUL and its subsidiaries are directly funded from the accounts of PCL and registered in the name of PUL and its subsidiaries.
- v. Monies routed through some Joint Venture/ other third party companies to advance money to directors of PUL, i.e., family members of Chief Promoter Late Mr. Sudhir Shankar Moravekar.
- vi. PCL transferred some of its assets to PUL and its subsidiaries at throw away prices.
- vii. Subsidiary companies of PCL are incorporated predominantly for holding certain properties and there are no other activities in the said companies.
- viii. There is no separation of the operations, management, staff, infrastructure, etc. between PCL and PUL and their subsidiaries. All the



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offices of PCL are also shared by PUL and its subsidiaries and the employees are common for the entire group.

- ix. While the PCL funds are predominantly the collections of money from the investors across the country, however, the salaries, expenses, etc. of PUL and its subsidiaries have also been paid from the funds of PCL.
  - x. Same set of officials / directors attended SEBI's recovery proceedings represented both PCL, PUL and their subsidiaries.
  - xi. The revenue collections with respect to PCL properties are being credited to PUL accounts directly.
8. It is observed, prima facie, that huge money is due from PUL to PCL. Therefore, in order to recover the money due or to be due to PCL by PUL, SEBI has issued a notice under Section 28A of SEBI Act r.w. Section 226(3) of Income Tax Act, 1961 directing PUL to pay to SEBI, all the monies remitted by PCL to PUL and its subsidiaries and all other dues to PCL towards recovery of dues. Section 226(3)(vi) of the Income tax Act require such person, viz., PUL shall object to such notice if there is no due payable by PUL to PCL. However, SEBI has not received any reply till date to the said notice.
9. Section 226(3)(x) provides that if the person to whom notice under Section 226 is sent fails to make payment, he shall be deemed to be an assessee in default and further proceedings may be taken against him for realization of the amounts, as if such person is the defaulter. It is settled principle that if a person to whom a notice is sent and who does not deny his liability to the assessee, fails to make payment as demanded, he would be deemed to be an assessee in default and recovery proceedings may be taken against him for realization of the amount as if it were an arrear of tax due from him (Re: Lakshmi Commercial Bank v. Dharam Singh (94 I.T.R. 416)). Hence, in the interests of millions of investors, it is necessary to secure the assets held by PUL towards recovery of dues of PCL.
10. It is noted that SEBI had invited Expression of Interest and published Notices of Sale for sale of shareholding of PUL held by PCL but there was no response to the said notices. When circulated among various stakeholders of hotel and resort industry, the answers are startling. Respective associations have



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expelled PCL and PUL and its subsidiaries from memberships for their uncommon practices in the said industries and the assets held by PCL, PUL and their subsidiaries cannot be identified separately.

11. It is learnt that the present management comprising the legal heirs of Late Sudhir Morevekar as directors and Mr Ramachandran Ramakrishnan as Managing Director of PUL are trying to alienate the assets of PUL despite SEBI's attachment of 73.49% shareholding of the defaulters in PUL vide order dated December 09, 2016. The said persons are none other than the defaulters in the matter of Pancard Clubs Ltd. and there is every likelihood that they may try to alienate the assets of PUL and its subsidiaries to delay and defeat the recovery process.
12. In view of complexity of transactions inter-se amongst the entities in the Panoramic Group and in order to ascertain the exact outstanding of dues to PCL by PUL and its subsidiaries, PCL was directed to submit books of accounts maintained in electronic form to the forensic auditors appointed by SEBI. However, in spite of repeated reminders PCL has been playing dilly dallying tactics and not providing the same despite of assurances by the officials / directors of PCL.
13. It is also noted that after the attachment of bank accounts of PCL by SEBI, the revenues from various properties of PCL are being routed through the bank accounts of PUL in clear violation of the directions issued by SEBI. It is observed from the books of accounts of some of the business units of PCL that the revenues have been transferred to the accounts of PUL and its subsidiaries. Despite of repeated reminders, PCL has failed to submit statement of accounts relating to revenues and expenses in respect of each the properties of PCL.
14. Under the above circumstances, it is necessary to protect the interests of millions of investors and to secure the assets of PUL till entire dues payable to PCL are fully recovered. It is also felt that the properties of PUL are not attached immediately, there is strong likelihood that the present management of PUL



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may alienate or dispose the assets to delay and defeat the recovery proceedings initiated by SEBI.

15. In view of the above, and in exercise of the powers conferred under Section 28A of the SEBI Act, 1992 read with Section 226 and Rule 16 and 48 of the Second Schedule to the Income Tax Act, 1961, it is hereby directed that;

- a) All the movable and immovable properties including properties of PUL and its subsidiaries/enterprises referred in the **Annexure A** are hereby attached;
- b) the defaulters and the Directors/Officer in charge of PUL and its subsidiaries are hereby prohibited from disposing, transferring, alienating, or charging in respect of all the aforesaid Immovable properties and any movable and immovable properties of said companies/enterprises including the properties mentioned in **Annexure A**.
- c) All persons are hereby prohibited from taking any benefit under such disposal, transfer, alienation or charge in respect of the properties mentioned above which stands attached in execution of Recovery Certificate.
- d) Directors/Officer in charge of PUL, its subsidiaries group companies/enterprises referred above are hereby directed to furnish the following at SEBI, Head Office, Mumbai;
  - i. complete details of all the movable and immovable properties held by them in the format prescribed at **Annexure B**, duly certified by the Board of Directors/Partners, within two weeks from the date of this order.
  - ii. Original title deeds, valuation reports of all the properties, held either singly or jointly, within two weeks from the date of this order.
  - iii. details of all bank accounts, any financial assets, viz, bank accounts, lockers, investments, etc. held either singly or jointly.
- e) PUL, its subsidiaries/group companies and its directors are hereby directed to immediately furnish all their books of accounts of PUL and its subsidiaries to forensic auditors appointed by SEBI and also permit the said auditors to access the accounting details and to cooperate with the auditors to complete the task relating to diversion of money collected from the investors.
- f) Claims/objections /encumbrances, if any, on the properties attached shall be made in writing to the Recovery Officer, SEBI within 21 days from the date of this order.



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- g) This order shall be served on the defaulters and all the subsidiary companies and enterprises referred above.
- h) A copy of this order shall be forwarded to all The Inspectors General of Registration of all the States and Union Territories; and the concerned District Collectors of the respective areas where the above mentioned properties are located.

with a request not to act upon any documents purporting to be dealing with transfer, mortgage, charge, lease or creation or alteration of any interest in any of the properties of PUL and all its subsidiary companies, if presented for registration and also send the details of encumbrances, if any, on any of the properties of the aforesaid companies/enterprises.

Given under my hand and seal at Mumbai this 28<sup>th</sup> Day of March, 2018.



*D.V. Sekhar*  
28/3/18

**Recovery Officer**

**D.V. Sekhar**

**डी. वी. शेखर**

**General Manager & Recovery Officer**

**महाप्रबंधक एवं वसूली अधिकारी**

**Securities And Exchange Board of India**

**भारतीय प्रतिभूति और विनियम बोर्ड**

**Mumbai**

**मुंबई**

## Annexure A

## Details of Assets of Panoramic Universal Ltd. and its subsidiaries

Sr. No.	Particulars	Name of Legal Entity	Property Description
<b>Assets in India</b>			
1	United 21 Hotel Sagar Kinara, Malvan, Maharashtra	Panoramic Universal Ltd.	2 Star Hotel
2	Graciano Cottages, Goa	Graciano Cottages	2 Star Hotel
3	Hotel Sai Sahavas, Shirdi, Maharashtra	Panoramic Universal Ltd	3 Star Hotel
4	Panoramic Resort, Karnala, Maha'ashtra	Panoramic Universal Ltd	Water Park
5	United 21, Hyderabad, Telangana	Sri Vatsa Hotels Ltd	4 Star Hotel
6	Land at Jaipur with 3 star hotel cum commercial company	Panoramic Universal Ltd	4 Star Hotel
7	Apartment in India Bulls, Parel, Mumbai	Panoramic Universal Ltd	Apartments
8	Land at panvel (Khale) Maharashtra 17.5 Acres	Panoramic Agriculture & Farms Pvt. Ltd. & Panoramic Agricultural Services Pvt. Ltd.	Non Agricultural In Process
9	Land at Volpoi, Goa	Panoramic Universal Ltd	Orchard
10	Neral Land & Project, Maharashtra	Panoramic Land Developers Pvt. Ltd & Sai Nirman Properties Ltd & Panoramic Greeneries Pvt. Ltd & others	Non Agricultural Land
11	Land at Kumarakom, Kerala Hotel Project WIP	Indo Specific Hotels Ltd.	Non Agricultural Land
12	Land at Munnar, Kerala	Panoramic Universal Ltd	Non Agricultural Land
13	Land at Mangaon, Maharashtra	Panoramic Husbundaries Pvt. Ltd, Panoramic Resort (India) Ltd & Sai Nirman Properties Ltd.	Non Agricultural In Process
14	Land at Karjat, raigad, Maharashtra	Panoramic Land Developers Pvt. Ltd & Sai Nirman Properties Ltd.	Non Agricultural In Process
15	Land at Kineshwar & Tamhane Poladpur, Raigad	Individuals	Agricultural Land



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16	Premises - Panoramic Tours & Travels, Mumbai Mahatashtra	Panoramic Universal Ltd	Shop / Office
17	Office Premises at prabhadevi - (KUB), Mumbai, Mahatashtra	Panoramic Clubs Ltd.	Corporate Office
18	Panoramic Tours & Travel office at Prabhadevi, Mumbai, Mahatashtra	Panoramic Universal Ltd	Shop / Office
19	Property at CST, Mumbai, Maharashtra	Panoramic Universal Ltd	Shop / Office
20	Factory at Silvassa, D & N Haveli	Panoramic Universal Ltd	Factory
21	Office at Mahape, Navi Mumbai, Maharashtra	Panoramic Universal Ltd	Corporate Office
22	Travelhot.in Travel Portal		Portal
23	MAGIC HOLIDAY Brand value-Timeshare	Panoramic Universal Ltd	Brand

**Assets in other countries**

24	Clarion Inn, Ohio, USA	Sai Living Hudson Inc	3 Star Hotel
25	Baymont Inn & Suites, North Carolina, USA	Sai Properties Inc	3 Star Hotel
26	Georgian Resort, New York, USA	Georgian Motel Corp	4 Star Hotel
27	Econo Lodge, North Carolina, USA	Panoramic Ace Properties Inc	3 Star Hotel
28	Sky Las Vegas, Nevada, USA	Panoramic Ace Properties Inc	Apartments
29	Sai Motels, Auckland, New Zeland	Sai Motels Limited	Motels
30	Condominium in Patong Tower, Phuket, Thailand	F M Patong Development Corp	Apartments
31	A.D. Condominium Hyatt, Phuket, Thailand	Seaview Homes Co Ltd	Apartments
32	Condominiums at 15 Sukhumvit Residence, Bangkok	Seaview Homes Co Ltd	Apartments
33	Andaman Beach Condominium, Phuket, Thailand	Seaview Homes Co Ltd	Apartments
34	Little India, Singapore	Panoramic Singapore Hospitality Pte. Ltd.	Apartments
35	Regal Palms Resort & Spa, Florida, USA	Panoramic Ace Properties Inc	Bungalows
36	View Talay Apartment, Pattaya, Thailand	Seaview Homes Co Ltd	Apartments
37	Traveluniversally.com Travel Website	Travel Universal	Portal
38	The Cosmopolitan (Burj Damac 4), UAE	Panoramic Holidays DMCC	Apartments

*D. V. Sekar*  
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## Annexure B

Details of all movable and immovable assets of subsidiary companies/enterprises of subsidiaries / associates of M/s Panoramic Universal Ltd. and its Directors & Ors. (defaulters)

Sl. No	Description of the property	Date of purchase	Purchase price	Present Market Value	Details of building, fixtures, fittings, Standing crop, timber, livestock etc.	Details of encumbrance, if any
1	District					
	Subdivision					
	Block					
	Village					
	Mouza					
	Khata No.					
	Plot No.					
	Boundaries					
	Extent of land					
2						
3						
4						
5						



*V. Jeyaram*  
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