



BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

DATED: 22.12.2020

CORAM

THE HONOURABLE MR.JUSTICE G.R.SWAMINATHAN

WP(MD)Nos. 18601 and 18664 of 2020

WEB COPY

PACL-PGF Investors Welfare Association,
Represented by its President,
Door No.B-96/97, ARK Residency,
St.Joseph Street, Perumalpuram,
Tirunelveli-627 007.

... Petitioner
in W.P.(MD)No.18601 of 2020

N.Arumugasamy

... Petitioner
in W.P.(MD)No.18664 of 2020

Vs.

- 1.The Director,
Central Bureau of Investigation,
Plot No.5-B, 6th Floor,
CGO Complex, Lodhi Road,
New Delhi-110003.
- 2.The Director,
Enforcement Directorate,
6th Floor, Lok Nayak Bhawan,
Khan Market, New Delhi-110 003.
- 3.The Chairman,
Securities and Exchange Board of India,
SEBI Bhavan,
BKC, Plot No.C4-A & G Block,
Bandra-Kurla Complex,
Bandra (East), Mumbai-400051.
- 4.The Nodal Officer,
The Justice (Retd.) R.M.Lodha Committee,
SEBI Bhavan,
BKC, Plot No.C4-A & G Block,
Bandra-Kurla Complex,
Bandra (East), Mumbai-400051.
- 5.The Inspector of Police,
Uvary Police Station,
Tirunelveli.



6.The Inspector General of Registration,
Tamil Nadu,
No.100, Santhome High Road,
Chennai-600028.

7.M/s.PACL Limited,
Represented by Sikender Singh Dhillon,
Independent Director,
401-406, Indra Prakash Building,
Barakhamba Road,
New Delhi 110001. ... Respondents in both W.Ps.

Common Prayer: Writ Petitions filed under Article 226 of the Constitution of India, to issue Writ of Mandamus directing the first respondent to register an FIR against those involved in the above mentioned illegal transfer of properties of seventh respondent and conduct a Court monitored investigation into the matter.

In both cases :

For Petitioners	: Mr.M.R.Venkatesh
For R1 & R2	: Ms.L.Victoria Gowri Assistant Solicitor General of India
For R3	: Mr.Sivakumar for Mr.M.P.Senthil
For R5	: Mr.A.Robinson Government Advocate (Crl.side)
For R6	: Mr.K.Sathyasingh Additional Government Pleader

COMMON ORDER

Pearl Agrotech Corporation Limited (PACL) is a Delhi based company which had operations all over India. It floated collective investment schemes. Carried away by its campaign, thousands of persons invested their moneys in such schemes which primarily involved purchase of lands.

2.Since the company was carrying on its activities without getting clearance from Securities and Exchange Board of India (SEBI), a Public Interest Litigation was filed before the Hon'ble Supreme Court. The litigation eventually led to passing of an order on 02.02.2016 directing SEBI to constitute a Committee for disposing of the land purchased by the company so that the sale proceeds can be paid to the investors. Hon'ble Mr.Justice R.M.Lodha, the former Chief Justice of India was named as the Chairman of the Committee. The Committee is presently engaged in auctioning the properties of



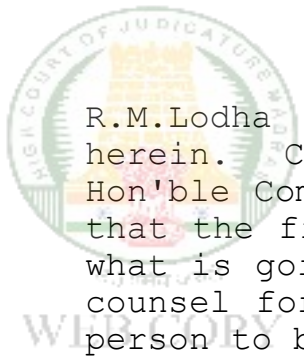
the company. The Hon'ble Supreme Court is also monitoring the process. It has also been specifically directed that no court in India shall pass any order with regard to this subject.

3. PACL had acquired lands all over India. Hundreds of acres of land were purchased in Tirunelveli and Thoothukudi Districts in the State of Tamil Nadu also. While so, these two petitions have been filed alleging that fraudulent transactions pertaining to PACL properties are taking place. The petitioners want this Court to direct the Central Bureau of Investigation to register a case in this regard. The petitioners espouse the cause of the investors. The allegations have not been made in the air. The learned counsel has demonstrated that a number of transactions concerning PACL properties in the aforesaid two Districts have been entered into in the recent past. Specific instances have been cited. Documents have been produced before me. I am satisfied that they *prima facie* indicate commission of cognizable offences. The seals of SEBI and PACL have been liberally used to create fake power of attorney documents.

4. The question that arises for my consideration is whether I can issue the direction sought for by the petitioners. The learned standing counsel for SEBI cautions me against entertaining the writ petitions because of the restraint order passed by the Hon'ble Supreme Court. He would also point out that quite a few cases filed before other courts have been transferred to the file of the Hon'ble Supreme Court. He suggested that the petitions on hand can be adjourned by a few weeks so that in the meanwhile steps can be taken for transfer of these cases to the file of the Hon'ble Supreme Court.

5. I considered the said submissions of the learned standing counsel for SEBI with utmost respect. I therefore propose to dispose of these writ petitions in terms that will not even remotely work at cross purposes.

6. The learned counsel for the petitioners has enclosed materials in the typed set of papers that clearly demonstrate how systematically the system is being subverted by land grabbers. Though an FIR was registered by the local police in the year 2015 nothing has come out of it. This Court cannot turn a blind eye. Article 144 of the Constitution of India obliges all authorities, civil and judicial, in the country to act in aid of the Supreme Court. It is seen that notwithstanding the orders passed by the Hon'ble Supreme Court in respect of the assets of PACL, transactions are being conducted and they are also being registered. This has to be dealt with an iron hand. The persons involved in fabrication of such documents will have to be prosecuted. Therefore, I direct the first respondent to depute the officer who is already investigating the criminal case registered against PACL and its directors and bring it to the notice of the Hon'ble Mr. Justice



R.M.Lodha Committee the materials projected by the petitioners herein. CBI will thereafter act in terms of the mandate that the Hon'ble Committee may consider issuing. All that I am directing is that the first respondent will appraise the Hon'ble Committee about what is going on. I must also record the offer made by the learned counsel for the writ petitioners that he is ready to be present in person to brief the Hon'ble Judge.

7.The writ petitions are disposed of accordingly. No costs.

Sd/-

Assistant Registrar(T & P)

// True Copy //

/ /2021

Sub Assistant Registrar(CS)

skm

Note: In view of the present lock down owing to COVID-19 pandemic, a web copy of the order may be utilized for official purposes, but, ensuring that the copy of the order that is presented is the correct copy, shall be the responsibility of the advocate/litigant concerned.

To:

- 1.The Director, Central Bureau of Investigation,
Plot No.5-B, 6th Floor, CGO Complex, Lodhi Road,
New Delhi-110003.
- 2.The Director, Enforcement Directorate,
6th Floor, Lok Nayak Bhawan,
Khan Market, New Delhi-110 003.
- 3.The Chairman, Securities and Exchange Board of India,
SEBI Bhavan, BKC, Plot No.C4-A & G Block,
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- 4.The Inspector of Police, Uvay Police Station, Tirunelveli.
- 5.The Inspector General of Registration,
Tamil Nadu, No.100, Santhome High Road, Chennai-600028.

+1 CC to Mr.M.P.SENTHIL, Advocate SR.No. 26899

W.P. (MD)Nos.18601 and 18664 of 2020
22.12.2020

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