



IN THE HIGH COURT OF JUDICATURE AT MADRAS

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Order reserved on	05.06.2024
Order pronounced on	22 .01.2025

CORAM

THE HONOURABLE MR.JUSTICE SENTHILKUMAR RAMAMOORTHY

Comp.A. Nos.362 & 363 of 2022 in Comp.A.No.297 of 2021 &
Comp.A.Nos.594, 595 & 596 of 2009

in
C.P.No.57 of 1998

Comp.A.Nos.362 & 363 of 2022

1. S.Jayanthi
2. Ramesh Kumar
3. M/s.Green Harvest Company
Rep. by its Proprietor,
P.K.Ramesh Kumar,
No.10, Kumaran Road,
Thiruppur.

... Applicants

-VS-

- 1.The Official Liquidator,
High Court Madras.
As Provisional Liquidator of
Maxworth Orchards (India) Limited,
High court, Corporate Bhavan, 2nd Floor,
No.29, Rajaji Salai, Chennai-600 001.
(In Provisional Liquidation)



2. Ms. Nagasaila Suresh,
Advocate, Administrator of
M/s. Maxworth Orchards (India) Ltd.
Old No.38/1, New No.14/1,
Akbarabad 2nd Street, Kodambakkam,
Chennai-600 024.

3. G. Chellaian

... Respondents

Comp.A.Nos.594, 595 & 596 of 2009

1. Maxworth Orchards (India) Limited
No.9, Mahalingam Main Road,
Mahalingapuram, Nungambakkam,
Chennai 600 034
Represented by its Administrator/Provisional
Liquidator Mr.K.Alagiriswami

2. The Official Liquidator
UTI Building, 2nd Floor, Rajaji Salai,
Chennai-1.

(2nd Applicant impleaded as per order
of this Court dated 16.11.2010 in Comp.A.Nos.884
to 886 of 2008 in C.P.No.57 of 1998)

... Applicants

-VS-

- 1 Mrs.R.Shanthi
2. Mr.S.Rajagopal
3. Mr.G.Subramanian
4. Mr.Sivakolunthu
5. Mr.M.Thangamani



6. Mrs.Vembuli Ammal
7. Mr.Selvaraju
8.Mr.K.Ramu
9. Mr.K.Vairamani
10. Mr.K.Pethaiyan
11. Mr.K.Mathialagan
12.Mr.V.Krishnamurthy
13. Mr.P.K.Rameshkumar
14. Smt.R.Divya
15. Mr.S.Kulasekaran
16. Smt.R.Sarasu
17. Mr.P.M.Soundararajan
18. Smt.R.Jeyanthi
19. M/S. Green Harvest Company
No.10, Kumaran Road,
Tiruppur Town,
Coimbatore District,
Represented by its Managing Director,
Mr.P.K.Rameshkumar,
20. Mr.S.Marimuthu
21. Mr.A.Venkatesan
22. Mr.R.Natarajan
23.The Sub-Registrar,
Sub-Registrar Office,
Gandharvakottai.



24. The Thasilthar

Kulathur Taluk, Kiranur

Pudukottai District.

25. The Superintendent of Police

Pudukottai, Pudukottai District.

.. Respondents

Prayer in Comp.A.Nos.362 & 363 of 2022: These applications are filed under Order XIV rule 8 of O.S. rules read with Rules 9 and 11(b) of the Companies (Court) Rules, 1959 and Order XXXIX Rule 1 & 2 of CPC praying that the court may be pleased to (a) grant an interim injunction forbearing the 3rd Respondent, his men, agents, servants or anyone claiming under them from interfering with the peaceful possession of the Applicants or in any way alienating or encumbering the Schedule mentioned properties pending disposal of this application and (b) recall the order of this Court dated 10.01.2022 declaring the 3rd respondent as the successful bidder in respect of the properties mentioned in the schedule to the Judge's summons to this application and the order dated 07.04.2022 confirming the sale of properties mentioned in schedule to the Judge's summons in favour of the 3rd Respondent and consequently set aside the sale.

Prayer in Comp.A.Nos.594 to 596 of 2009: These Applications are filed under Order XIV rule 8 of O.S. rules read with Sections 446(2), 450, 456 & 457 of Company's Act & Section 9, 11(b) & 19 of the Companies (Court) Rules, 1959 praying that (A) to set aside the Sale Deeds bearing



Nos.1054/2002 dated 9/7/2002, 1378/2002 dated 26/5/2002, 1764/2005 dated 21/7/2005, 2342/2005 dated 27/9/2005, 1342/2000 dated 24/10/2000, 1343/2000 dated 24/10/2000, 309/2001 dated 20/3/2001, 310/2001 dated 20/3/2001 registered in the Office of the Respondent R23 and consequently declare that the conveyance of the properties under the said Sale Deeds do not convey any right, title or interest in the schedule property (Schedule 1) in favour of the Respondents R1 to R22 and consequently grant order of permanent injunction restraining the Respondents R1 to R22, their men, agent or servants or any one claiming through them from any way interfering with the possession of the Applicant Company over the Scheduled Property (Schedule No.1); (B) to grant an interim order of injunction restraining the Respondents R1 to R22, their men, agent or servants or any one claiming through them from any way alienating by Sale, Mortgage, Lease or otherwise over the property covered under Schedule 1 and consequently granting an injunction restraining the Respondent R23 from registering any further sale, mortgage or lease on the property covered under Schedule 1 and direct the Respondent No.24 not to issue any patta in the Survey Nos. covered in the Schedule of Property 1 and grant an interim order of injunction restraining the Respondents, R1 to R22, their men, agent or servants or any one claiming through them from any way interfering with lawful possession of scheduled property covered under Schedule 1 of the



Applicant Company; and (C) to Direct the Respondent No.R25 to give protection to the caretaker and to the landed property acquired by the Applicant Company and receive any complaint lodged by the caretaker, file FIR and take suitable action against the culprits.

For Applicants : Mrs.A.L.Ganthimathi, Senior Counsel
for M/s.AR.Karthik Lakshmanan
Applicants in Comp.A.Nos.362&363
of 2022 & Respondents in Comp.
A.Nos.594 to 596 of 2009

For Respondents : Mr. H.Karthik Seshadri
Assisted by Ms.Nagasaila Suresh,
Administrator &
Ms.Ambili, B,
Deputy Official Liquidator
Respondents in Comp. A.Nos. 362
& 363 of 2022 and Applicants in
Comp.A.Nos.594 to 596 of 2009
Mr.J.Nithyanandan for R3 in
Comp.A.Nos.362 & 363 of 2022
Mr.C.Selvaraj, AGP
for R23 to R25 in Comp.A.Nos.594 to
596 of 2009

ORDER

Background

The Company in provisional liquidation [the Company] had obtained powers of attorney in favour of its ex-employees,



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A.Venkatesan and R.Natarajan, in relation to the acquisition of lands in the Minnathur Village. According to the Company, these powers of attorney were executed in favour of its ex-employees upon receipt of the entire sale consideration by the respective land owners. After the Company ran into financial trouble, it is stated that fraudulent transactions were undertaken both by the original land owners and by the ex-employees/agents of the Company.

2. Upon obtaining details in respect thereof from the caretaker, the Company filed Comp.A.Nos.594 to 596 of 2009 to set aside the sale deeds mentioned in the Judge's summons of Comp.A.No.594 of 2009, declare that respondents 1-22 therein do not have right, title or interest in the properties described in the schedule and restrain respondent 1 to 22 therein from interfering with the Company's possession; to restrain respondents 23 and 24 from registering conveyances or issuing pattas, respectively; and for a direction to respondent 25 to provide protection to the caretaker, receive complaints lodged by him, file FIRs and take



suitable action. In these applications, notice was initially served on all respondents, except respondents 11, 12, 14, 19 and 21. As regards these respondents, substituted service was effected by publication in the English daily, New Indian Express, and the Tamil daily, Tamil Murasu, issues dated 26.12.2013, pursuant to order dated 08.10.2013.

3. While the said applications were pending, the Company filed C.A.No.297 of 2021 for the sale of the properties described in the Judge's summons thereto, including an aggregate extent of 57.83 acres of the Maxworth-Tanjore (Tamarind II) Project consisting of 24.10 acres at Minnathur Village and 33.73 acres at Vellakalpatti/ Themmavur Circle in Kulathur Taluk, Pudhukkottai District. The third respondent in Comp. A.Nos.362 & 363 of 2022 was declared as the highest bidder by order dated 10.01.2022. Upon receipt of the total sale consideration of Rs.1,75,00,000/- from him, the sale was confirmed in his favour by order dated 07.04.2022 and the Official Liquidator was directed to execute a sale certificate in his favour. Thereafter, the Official



Liquidator executed a sale certificate dated 27.05.2022 in favour of the third respondent and the sale certificate was registered as document No.2446 of 2022 on the file Sub Registrar Office, Perungalur. Subsequently, the revenue records were mutated in the name of the auction purchaser by issuing patta Nos.2917, 3273 and 3269.

4. C.A.No.363 of 2022 was filed thereafter by three rival claimants seeking to recall order dated 10.01.2022 declaring the third respondent as the successful bidder in respect of the properties mentioned in the schedule to the Judge's summons and later order dated 07.04.2022 confirming the sale of the property mentioned in the schedule to the Judge's summons in favour of the third respondent. Pending disposal of such application, in C.A.No.362 of 2022, the applicants also sought an interim injunction to restrain the third respondent from interfering with the peaceful possession of the applicants or in any way alienating or encumbering the schedule mentioned property. By order dated 23.09.2022 in C.A.No.362 of 2022, the auction purchaser/third



respondent was restrained from alienating or encumbering the property.

Counsel and their contentions

5. Oral arguments on behalf of the rival claimants/applicants in Comp.A.Nos.362-363 of 2022 were made by Mrs.AL.Ganthimathi, learned senior counsel, assisted by Mr.AR.Karthik Lakshmanan. Written arguments were also filed on behalf of the said parties. Oral arguments on behalf of the Company were advanced by Mr.H.Karthik Seshadri, learned counsel, assisted by Mrs.D.Nagasaila, learned Administrator. Submissions on behalf of the auction purchaser/third respondent in Comp.A.Nos.362-363 of 2022 were advanced by Mr.J.Nithiyanandan.

6. Learned senior counsel for the applicants in Comp.A.Nos.362-363 of 2022 submitted that the first applicant, Ms.R.Jayanthi, purchased an aggregate extent of 33.37 acres in S.Nos.773/1(2.20 acres), 773/2(3.82



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acres), 773/3(2.24 acres), 774/1(1.35 acres), 774/3(2.32 acres), 776/1(7.75 acres), 777/5(3.14 acres), 778/2(6.55 acres), 780/7(2 acres) and 780/8(2 acres) under Document No.1054 of 2002, which was executed by Mrs.R.Shanthi. The third applicant, Green Harvest Company, purchased an aggregate extent of 6.87 acres in S.Nos.753/1(0.28 acres), 753/2(0.27 acres), 751/2(0.56 acres), 752/1B (1.08 acres), 752/2B(1.29 acres), 752/2C(0.25 acres), 752/3B(0.50 acres) and 780/12(2.64 acres) under Document No.1378 of 2002, which was executed by Mr.Durai Arasu, Laxmanan and Sarasu Ammal through their power of attorney, B.Soundararajan. The second applicant, P.K.Ramesh Kumar, purchased an aggregate extent of 6.55 acres in Survey No.778/2 under Document No.1764 of 2005 from K.Divya through her power of attorney, S.Kulasekaran.

7. Her next contention was that the applicants should have been put on notice regarding the auction sale in view of the applicants being owners of the property under registered sale deeds. As regards the



receipts, she contended that they were not issued by the landowners; are unregistered; and do not contain the survey numbers. She asserted that the applicants are in physical possession of the property and that the Company cannot claim title on the basis of powers of attorney and receipts.

8. In response to these contentions, Mr.Karthik Seshadri opened his submissions by pointing out that the challenge is limited to an extent of 21.10 acres forming part of the sale certificate in favour of the third respondent. He pointed out that the third respondent purchased an aggregate extent of 57.83 acres.

9. Mr.Karthik Seshadri referred to General Power of Attorney (GPA) Document No.898/1995, which was executed by land owners, V.Muthu Konar and M. Thangamani, in favour of A.Venkatesan in respect of Survey No.773/2, 774/1 and 774/3. He pointed out that the parent documents bearing Document Nos. 56 & 57 of 1964 and 158 of



1972, which were executed in favour of Muthu Konar, are in the custody of the Company. He also pointed out that the certificate issued by the VAO in respect of S.Nos.773/2 and 774/3 as well as the chitta are available. He next referred to GPA Document No.1246/1995, which was executed by the land owner, G.Subramanian, in favour of R.Natarajan in respect of S.No.773/1 and 773/3. Upon payment of full consideration, he pointed out that the land owner issued a receipt on 29.09.1995 to R.Natarajan. He referred to the patta in respect of these survey numbers, including the patta transfer receipt.

10. He next referred to GPA Document No.954/1995, which was executed by the land owners, R.Sarasu Ammal and K.Rethinasamy, in favour of A.Venkatesan, an ex-employee of the Company in respect of S.No.780/12. He pointed out that a receipt was issued by these land owners on 21.08.1995 after receipt of the entire sale consideration. The last GPA referred to by him was Document No.170/1995, which was executed by K.Mani Vallatharasu, K. Ramu Vallatharasu, K.Murugesan



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and P. Ponramu in favour of A.Venkatesan in respect of S.No.778/2. He also pointed out that these persons issued a receipt to A.Venkatesan on 07.08.1995 upon receipt of the sale consideration.

11. As regards the assertion of title by the applicants, Mr.Karthik Seshadri pointed out that the applicants failed to produce the antecedent documents referred to in sale deeds relied on by them. For instance, he contended that Document No.1054/2002, which was executed by R.Shanthi in favour of R.Jayanthi/ first applicant in Comp.A.Nos.362-363 of 2022 refers to about 8 registered documents. The sale deed contains no details of these documents and the applicants failed to produce the same. Likewise, he pointed out that Document No.1378/2002 records that it was executed in favour of the third applicant/Green Harvest Company by P.M. Soundararajan acting as agent of Durairaj, Lakshmanan and R.Sarasu under power of attorney document Nos.33 and 34/2002. He further submitted that the sale deed



does not refer to any antecedent documents and that these powers of attorney were not placed on record.

12. Similarly, he submitted that sale deed bearing Document No.1764/2005 in favour of P.K.Ramesh Kumar records that it is being executed by S.Kulasekaran as agent of K.Divya. It also records that K.Divya purchased the property under sale deed bearing Document No. 321/2000 and refers to a power of attorney executed and registered by K.Divya in favour of S.Kulasekaran. In view of the failure to produce these documents, he contended that the second applicant has also failed to establish title. He concluded his submissions by pointing out that an application was filed by the same applicants at the pre-auction stage and that such application was not prosecuted to its logical conclusion.

13. Mr.Nithiyanandan, learned counsel for the third respondent/auction purchaser, filed a memo dated 12.06.2024. He



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pointed out that the entire sale consideration of Rs.1,75,00,000/- was paid by the auction purchaser in March 2022. In spite of such payment, he submitted that the auction purchaser was unable to obtain physical possession of the property and that he has been unable to exploit the property in view of the interim order dated 23.09.2022 restraining alienation and encumbrance. Therefore, he requested that the applications of the rival claimants be dismissed and the Official Liquidator be directed to hand over possession of the total extent of 57.83 acres by further directing the jurisdictional revenue and police officials to provide assistance.

14. By way of rejoinder, learned senior counsel for the applicants in Comp. A.Nos.362-363 of 2022 contended that antecedent documents in respect of all three sale deeds (Document Nos. 1054/2002, 1378/2002 and 1764/2005 had been placed on record in the additional typed set.



Discussion, analysis and conclusions

15. The applicants in Comp.A.Nos.362 and 363 of 2022 were arrayed as respondents 13, 18 and 19 in Comp.A.Nos.594 to 596 of 2009. The ex-employees of the Company, A.Venkatesan and R.Natarajan, were arrayed as respondents 21 and 22, respectively. In spite of service of notice on them, they opted to not contest Comp.A.Nos.594-596 of 2009. In Comp.A.No.594 of 2009, the Company seeks to set aside sale deeds/settlement deeds bearing Document No.1054/2002 dated 09.07.2002; Document No.1378/2002 dated 26.08.2002; Document No.1764/2005 dated 21.07.2005; Document No.2342/2005 dated 27.09.2005; Document No.1342/2000 dated 24.10.2000; Document No.1343/2000 dated 24.10.2000; Document No.309/2001 dated 20.03.2001; and Document No.310/2001 dated 20.03.2001.

16. All three applicants in Comp.A.No.362-363 of 2022 received notice in the earlier applications and even entered appearance. These applicants rely on sale deeds bearing Document Nos.1054/2002,



1378/2002 and 1764/2005, which were impugned in Comp.A.No.564 of 2009. The vendor under Document No.1054/2002, R.Shanthi, was arrayed as respondent 1 therein. Document No.1054/2002 records that the vendor traces title through several antecedent documents, including Document Nos. 1342/2000, 1343/2000, 309/2001 and 310/2001, which were also impugned in Comp.A.No.594 of 2009. The agent through whom Document No.1378/2002 was executed by the vendors, P.M. Soundarajan, was arrayed as respondent 17 and one of the vendors/principals, R.Sarasu, was arrayed as respondent 16 therein. With regard to Document No.1764/2005, the agent of the vendor, S.Kulasekaran, was arrayed as respondent 15 and the vendor/principal, R.Divya as respondent 14 therein. As is evident from the above narration, each sale deed was executed long after the commencement of winding up on or about 24.02.1998. Consequently, the dispositions in favour of these three applicants would be void if the evidence leads to the conclusion that the assets belonged to the Company.



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17. As proof of acquisition of these immovable properties by the Company, the Company relied upon powers of attorney executed in favour of its former employees by the respective land owners. GPA bearing Document Nos.898/1995, 1246/1995, 954/1995 and 170/1995 have been placed on record, and it is asserted that the originals are in the custody of the Company. It, therefore, becomes necessary to examine material documents pertaining to each power of attorney before drawing conclusions with regard to the Company's claim over properties covered by the respective power of attorney.

18. GPA Document No.898 of 1995 dated 14.08.1995 pertains to S.Nos.773/2, 774/1 and 774/3. The power of attorney has been executed by Muthan Konar and Thangamani in favour of A.Venkatesan. The power of attorney refers to three antecedent documents, namely, Document Nos.56/1964, 57/1964 and 158/1972. All three parent documents have been placed on record by the Company and it is asserted that the originals are in the custody of the



Company. In the additional typed set filed by learned Administrator, a receipt dated 14.08.1995 issued by Muthan Konar and Thangamani is included at page 3 thereof. The receipt bears the thumb impression of the said persons and records that Muthan Konar purchased extents of 3.82 acres, 1.35 acres and 2.32 acres, respectively, in Survey Nos. 773/2, 774/1 and 774/3, respectively. It further records that sale consideration of Rs.8500 per acre was received in cash; the vendors and their heirs have no further claim in relation to the property; and that a power of attorney was executed in favour of A.Venkatesan. The chitta in respect of Survey Nos.773/2 and 774/3 reflects the name of Muthan Konar.

19. GPA Document No.1246/1995 dated 29.09.1995 was executed by G.Subramanian in favour of R.Natarajan in respect of Survey Nos.773/1 and 773/3. A receipt dated 29.09.1995 acknowledging payment of consideration of Rs.37,655/- in cash by Venkatesan to G.Subramanian has been placed on record in the typed set of learned Administrator at pages 22-23 thereof. This receipt, which bears the



signature of G.Subramanian, refers to an extent of 2.20 acres in S.No.773/1 and 2.23 acres in S.No.773/3. It is further recorded in the receipt that a power of attorney has been executed in favour of R.Natarajan and that the vendor and his heirs would have no right or title in the property and that the power of attorney may be used to assert ownership over and enjoy the property.

20. GPA Document No.954/95 dated 21.08.1995 has been executed by R.Sarasu Ammal and K.Rethinasamy in favour of A.Venkatesan in respect of S.No.780/12. The corresponding receipt issued in August 1995 is also on record at page 36 of the typed set of learned Administrator. On perusal thereof, it appears that the receipt bears the signatures of Sarasu Ammal and K. Rethinasamy and acknowledges receipt of the total consideration of Rs.22,440/- in cash for the land in S.No.780/12 ad measuring 2.64 acres. The survey number and extent tallies with the description in the power of attorney. It is further recorded in the receipt that a power of attorney has been



executed in favour of A. Venkatesan and that the vendor and his heirs would have no right or title in the property and that the power of attorney may be used to assert ownership over and enjoy the property. The pattas in favour of Sarasu Ammal and Rethinasamy have also been placed on record.

21. GPA Document No.170/1995 dated 07.08.1995 has been executed by K.Mani Vallatharasu, K.Ramu Vallatharasu, K.Murugesan and V.Ponram in favour of A.Venkatesan in respect of S.No.778/2. The corresponding receipt dated 07.08.1995 is also on record at page 55 of the typed set of learned Administrator. The said receipt has been signed by K.Mani, K. Ramu, K. Murugesan and Ponram and acknowledges receipt of the total sale consideration of Rs.55,590/-. It refers to S.No.778/2 of an extent of 6.54 acres, which tallies with the survey number and extent contained in the schedule to the GPA.



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22. The Company has also placed on record employment details of A.Venkatesan and.R.Natarajan. Such employment details are in the form of the employment application form, joining report, confirmation of service, etc.

23. On closely examining the above documents, it is clear that powers of attorney were executed in favour of two former employees of the Company by the respective land owners after receiving the total consideration pertaining to the relevant survey numbers. The contention that the receipts are unregistered does not advance the cause of the applicants because registration of receipts is not mandatory under the law. These powers of attorney were executed between 07.08.1995 and 29.09.1995, which is subsequent to the agents being recruited as employees by the Company as per the employment records referred to in the preceding paragraph.



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24. Although each receipt was issued to the ex-employee on receipt of consideration, the company asserts that the consideration was paid by it and not by the ex-employee. By taking into account the following: there is credible evidence that they were employees during the relevant period; all the original powers of attorney and receipts are in the custody of the company; and these ex-employees did not contest the applications on receipt of notice, I conclude that the Company's assertions are liable to be accepted. The contention of the rival claimants that title cannot be claimed on the basis of powers of attorney is considered next.

25. The rival claimants relied on *Delhi Development Authority v. Gaurav Kukreja* (2024) 14 SCC 254 (*Gaurav Kukreja*) to contend that the Company cannot claim title on the basis of powers of attorney. *Gaurav Kukreja* affirmed the law laid down in *Suraj Lamp & Industries (P) Ltd. v. State of Haryana*, (2009) 7 SCC 363 (*Suraj Lamp I*) and *Suraj Lamp & Industries (P) Ltd. v. State of Haryana*, (2012) 1 SCC 656 (*Suraj Lamp II*). In



Suraj Lamp II, after recording that a conveyance should be by a registered sale deed, the Hon'ble Supreme Court carved out an exception for the use of powers of attorney in certain circumstances, including by the execution thereof in favour of a developer. Paragraphs 26 and 27 of the judgment are as under:

"26. We have merely drawn attention to and reiterated the well-settled legal position that SA/GPA/will transactions are not "transfers" or "sales" and that such transactions cannot be treated as completed transfers or conveyances. They can continue to be treated as existing agreements of sale. Nothing prevents the affected parties from getting registered deeds of conveyance to complete their title. The said "SA/GPA/will transactions" may also be used to obtain specific performance or to defend possession under Section 53-A of the TP Act. If they are entered before this day, they may be relied upon to apply for regularisation of allotments/leases by development authorities. We make it clear that if the documents relating to "SA/GPA/will transactions have been accepted/acted upon by DDA or other developmental



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authorities or by the municipal or Revenue Authorities to effect mutation, they need not be disturbed, merely on account of this decision.

27. We make it clear that our observations are not intended to in any way affect the validity of sale agreements and powers of attorney executed in genuine transactions. For example, a person may give a power of attorney to his spouse, son, daughter, brother, sister or a relative to manage his affairs or to execute a deed of conveyance. A person may enter into a development agreement with a land developer or builder for developing the land either by forming plots or by constructing apartment buildings and in that behalf execute an agreement of sale and grant a power of attorney empowering the developers to execute agreement of sale or conveyances in regard to individual plots of land or undivided shares in the land relating to apartments in favour of prospective purchasers. In several States, the execution of such development agreements and powers of attorney are already regulated by law and subjected to specific stamp duty. Our observations regarding "SA/GPA/will



transactions" are not intended to apply to such bona fide/genuine transactions."

26. Upon taking stock of the evidence placed on record in these applications, I conclude that the claim of the Company is squarely covered by the exception carved out in *Suraj Lamp II*. Consequently, *Gaurav Kukreja* does not advance the cause of the rival claimants.

27. The rival claims of the three applicants in Comp.A.Nos.362 and 363 of 2022 are founded on sale deeds dated 05.07.2002 (Document No.1054/2002), 22.08.2002 (Document No.1378/2002) and 19.07.2005 (Document No.1764/2005). Therefore, close scrutiny of these documents is warranted before reaching conclusions.

28. Document No.1054/2002 pertains to an aggregate extent of 33.37 acres in 10 survey numbers. Out of these, 4 survey numbers, i.e. Survey Nos. 776/1(7.75 acres), 777/5(3.14 acres), 780/7(2 acres) and 780/8(2 acres) do not fall within the scope of these applications. When



compared with the survey numbers and extents conveyed to the auction purchaser, it is evident that the challenge is confined to 6 survey numbers, namely, Survey Nos. 773/1 (2.20 acres), 773/3 (2.24/2.23 acres), 773/2 (3.82 acres), 774/3 (2.32 acres), 774/1 (1.35 acres) and 778/2 (6.55/6.54 acres). As discussed earlier, Survey Nos. 773/1 and 773/3 form the subject of GPA Document No.1246/1995 and a receipt evidencing payment of total sale consideration is on record. Such receipt also refers to the execution of a power of attorney in favour of R. Natarajan. Similarly, Survey Nos. 773/2, 774/1 and 774/3 form the subject of GPA Document No.898/1995 and a receipt evidencing payment of total sale consideration is on record. Such receipt also refers to the execution of a power of attorney in favour of A.Venkatesan. Survey No.778/2 forms the subject of GPA Document No.170/1995 and a receipt evidencing payment of total sale consideration is on record. Such receipt also refers to the execution of a power of attorney in favour of A.Venkatesan. With regard to these 6 survey numbers, the Company has placed on record sufficient evidence of ownership.



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29. Document No.1378/2002 pertains to an aggregate extent of 6.87 acres in 8 survey numbers. Out of these survey numbers, only one survey number, namely, Survey No.780/12 falls within the scope of these applications. Survey No.780/12 forms the subject of GPA Document No.954/1995, and a receipt evidencing payment of total sale consideration is on record. Such receipt also refers to the execution of a power of attorney in favour of A.Venkatesan. With regard to this survey number, the Company has placed on record sufficient evidence of ownership.

30. Document No.1764/2005 pertains to an extent of 6.54 acres in Survey No.778/2. Survey No.778/2 forms the subject of GPA Document No.170/1995, and a receipt evidencing payment of total sale consideration is on record. Such receipt also refers to the execution of a power of attorney in favour of A.Venkatesan. With regard to this survey number, the Company has placed on record sufficient evidence of ownership. Curiously, the rival claimants claim title to Survey



No.778/2 both under Document Nos. 1054/2002 and 1764/2005 although such documents favour the first and third applicants, respectively. The consequence of disposition of the Company's property after the commencement of winding-up falls for consideration next.

31. As per sub-section (2) of Section 536 of the Companies Act, 1956, any disposition of the property of the Company after the commencement of winding up is void unless validated by this Court. Such validation is warranted only if the disposition is in the interest of the Company. As regards all three sale deeds relied on by the applicants, insofar as lands of the Company are concerned, the dispositions were inimical to the interest of the Company inasmuch as they were adverse to the title set up by the Company. This applies equally to the antecedent title documents referred to in Document No.1054/2002, i.e. Document Nos.1342/2002, 1343/2000, 309/2001 and 310/2001. Although a challenge is made to Document No.2342/2005 in favour of S.Marimuthu and pertaining to Survey No.770 of an extent of



1.50 acres, in the absence of relevant documents, it is not possible to adjudicate such challenge. With regard to survey numbers over which the Company does not assert a claim, without expressing any opinion on the merits of the title claim of the applicants in Comp.A. Nos.362 and 363 of 2022, it will be open to these applicants to seek execution of fresh sale deeds covering only such survey numbers and extents.

32. In the result, these applications are disposed of as follows:

(i) Sale/conveyance deeds bearing Document No.1054/2002 dated 09.07.2002; Document No.1378/2002 dated 26.08.2002; Document No.1764/2005 dated 21.07.2005; Document No.1342/2000 dated 24.10.2000; Document No.1343/2000 dated 24.10.2000; Document No.309/2001 dated 20.03.2001; and Document No.310/2001 dated 20.03.2001 are declared void. Without making any observations on the merits of claims, if any, by the applicants in Comp.A. Nos.362-363 of 2022, it is open to these applicants to make claims against their respective vendors.



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(ii) As a corollary, the mutation of revenue records on such basis is also void.

(iii) Notwithstanding the conclusion that Document Nos. 1054/2002 and 1378/2002 are void, it is clarified that no opinion is expressed herein on the claim of the applicants in Comp.A.Nos.362-363 of 2022 over lands in Survey Nos. 776/1, 777/5, 780/7, 780/8, 753/1, 753/2, 751/2, 752/1B, 752/2B, 752/2C and 752/3B. This order will not also stand in the way of these applicants seeking execution of fresh sale deeds by the respective vendors in respect of the above survey numbers.

(iv) Maxworth Orchards (India) Limited is granted leave to challenge sale deed bearing Document No.2342 of 2005 and relating to an extent of 1.50 acres in Survey No.770 in Minnathur village in separate proceedings.



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(v) The interim order dated 23.09.2022 restraining the third respondent in Comp. A.Nos.362-363 of 2022/ auction purchaser from alienating or encumbering or otherwise dealing with the property stands vacated.

(vi) The Official Liquidator is directed to take necessary measures to hand over vacant physical possession of the 57.83 acres of land to the auction purchaser.

(vii) The jurisdictional revenue and police officials are directed to extend necessary assistance in such regard. There shall be no order as to costs.

22.01.2025

Index : Yes / No
Internet:Yes / No
Speaking order / Non-speaking order
Neutral Citation : Yes / No
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To

1. The Sub-Registrar,
Sub-Registrar Office,
Gandharvakottai.

2. The Thasilthar
Kulathur Taluk, Kiranur
Pudukottai District.

3. The Superintendent of Police
Pudukottai, Pudukottai District.



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SENTHILKUMAR RAMAMOORTHY J.

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Pre-delivery order made in

Comp.A. Nos.362 & 363 of 2022 in Comp.A.No.297 of 2021 &
Comp.A.Nos.594, 595 & 596 of 2009
in
C.P.No.57 of 1998

22.01.2025