



WEB COPY

Comp.A.Nos.421, 422, 578 to 581 of 2022 in
C.P.No.57 of 1998

IN THE HIGH COURT OF JUDICATURE AT MADRAS

Order Reserved on	26.06.2024
Order Pronounced on	29.01.2025

CORAM

THE HONOURABLE MR.JUSTICE SENTHILKUMAR RAMAMOORTHY

Company Application Nos.421 & 422 of 2022 &
Company Application Nos. 578 to 581 of 2022
in
C.A.No.169 of 2022
in
Company Petition No.57 of 1998

In C.A.Nos.421 & 422 of 2022

S.Mahendran

... Applicant

-VS-

1.The Official Liquidator,
High Court of Madras
As provisional liquidator of
Maxworth Orchards (India) Ltd.,
High Court, Corporate Bhawan, 2nd Floor,
No.29, Rajaji Salai, Chennai 600 001.

2.Mrs. D.Nagasaila, Administrator of



Comp.A.Nos.421, 422, 578 to 581 of 2022 in
C.P.No.57 of 1998

Maxworth Orchards(India) Ltd,
(In Provisional Liquidation)
Old No.38/1, New No.14/1,
Akbarabad 2nd Street,
Kodambakkam, Chennai-600 024.

... Respondents

Prayer in Comp.A.No.421 of 2022: Judge's Summons filed under Order XIV Rule 8 of the Madras High Court Original Side Rules Read with Rule 9, 11(B) of the Companies Court Rules, 1959, to set aside the auction sale pursuant to the sale notice dated 07.05.2022 in C.A.No.169 of 2022 (In the Maxworth Thimmapuram, M Extension Project comprised in Thimmapuram Village, Aruppukottai Taluk, Virudhunagar District) issued by the 1st Respondent in so far as it relates to the Applicant's land admeasuring an extent of 5 acres and 27 cents in S.Nos.7/1B (22 cents), 7/1C (22cents), 7/1D (64 cents), 7/2A (78 cents), 7/2B (32 cents), 7/2C (16 cents), 7/2D (16 cents), 7/2E (64 cents), 7/2F (14 cents), 7/2G (44 cents), 7/3A (65 cents), 7/3B (89 cents) in Patta Nos.852, 858 and 910 stands in the name of the applicant.

Prayer in Comp.A.No.422 of 2022: Judge's Summons filed under Order XIV Rule 8 of the Madras High Court Original Side Rules Read with Rule



Comp.A.Nos.421, 422, 578 to 581 of 2022 in
C.P.No.57 of 1998

WEB COPY

9, 11(B) of the Companies Court Rules, 1959, to grant stay of the confirmation of the impugned auction sale pursuant to auction sale notice dated 07.05.2022 issued by the 1st Respondent and all proceedings pursuant thereto in so far as it relates to the applicant's land admeasuring an extent of 5 acres and 27 cents in S.Nos.7/1B (22 cents), 7/1C (22cents), 7/1D (64 cents), 7/2A (78 cents), 7/2B (32 cents), 7/2C (16 cents), 7/2D (16 cents), 7/2E (64 cents), 7/2F (14 cents), 7/2G (44 cents), 7/3A (65 cents), 7/3B (89 cents) in Patta Nos.852, 858 and 910 in favour of the applicant, pending disposal of the application for set aside.

C.A.Nos.578 & 579 of 2022

K.Singili

.. Applicant

vs.

1.The Official Liquidator, High Court, Madras
As the provisional liquidator of
M/s.Maxworth Orchards (India) Ltd.,
High Court, Corporate Bhawan, 2nd Floor,
No.29, Rajaji Salai, Chennai 600 001.
(In Provisional Liquidation).

2.Mrs.D.Nagasaila, Administrator of
M/s.Maxworth Orchards (India) Ltd,



Comp.A.Nos.421, 422, 578 to 581 of 2022 in
C.P.No.57 of 1998

(In Provisional Liquidation)
Old No.38/1, New No.14/1,
Akbarabad 2nd Street,
Kodambakkam, Chennai-600 024.

... Respondents

Prayer in Comp.A.No.578 of 2022: Judge's Summons filed under Order XIV Rule 8 of the Madras High Court Original Side Rules Read with Rule 9, 11(B) of the Companies Court Rules, 1959, to direct the Official Liquidator to exclude the land properties of the Applicant from the auction sale dated 15.06.2022 conducted pursuant to the sale notice dated 07.05.2022 issued by the 1st Respondent in C.A.No.169/2022 in C.P.No.57/1998 and all the consequential proceedings, in respect of the applicants properties shown in the Serial Nos.5 to 10, 17, 18, 20, 22, 23, 24, 26, 27, 29, 30, 56, 58, 59, 60, 61, 62, 63, 102, 105, 107 of Annexure under the caption “Project : Maxworth – Thimmapuram – M - Extension, Village : Thimmapuram, Aruppukottai Taluk, Virudhunagar District”.

Prayer in Comp.A.No.579 of 2022: Judge's Summons filed under Order XIV Rule 8 of the Madras High Court Original Side Rules Read with Rule 9, 11(B) of the Companies Court Rules, 1959, to stay all consequential



Comp.A.Nos.421, 422, 578 to 581 of 2022 in
C.P.No.57 of 1998

WEB COPY

proceedings of the auction sale dated 15.06.2022 conducted pursuant to the sale notice dated 07.05.2022 issued by the official liquidator/1st Respondent in C.A.No.169/2022 in C.P.No.57/1998 and all the consequential proceedings, in respect of the applicants properties shown in the serial nos.5 to 10, 17, 18, 20, 22, 23, 24, 26, 27, 29, 30, 56, 58 to 63, 102, 105, 107, of Annexure, under the caption “Project : Maxworth – Thimmapuram – M – Extension; Village : Thimmapuram”.

Comp.A.Nos.580 & 581 of 2022

K.Karuppiah

.. Applicant

vs.

1.The Official Liquidator, High Court, Madras
As the provisional liquidator of
M/s.Maxworth Orchards (India) Ltd.,
High Court, Corporate Bhawan, 2nd Floor,
No.29, Rajaji Salai, Chennai 600 001.
(In Provisional Liquidation).

2.Mrs.D. Nagasaila, Administrator of
M/s.Maxworth Orchards (India) Ltd,
(In Provisional Liquidation)
Old No.38/1, New No.14/1,
Akbarabad 2nd Street,
Kodambakkam, Chennai-600 024.

... Respondents



Comp.A.Nos.421, 422, 578 to 581 of 2022 in
C.P.No.57 of 1998

Prayer in Comp.A.No.580 of 2022: Judge's Summons filed under Order

XIV Rule 8 of the Madras High Court Original Side Rules Read with Rule 9, 11(B) of the Companies Court Rules, 1959, to stay all consequential proceedings of the auction sale dated 15.06.2022 conducted pursuant to the sale notice dated 07.05.2022 issued by the official liquidator/1st Respondent in CA.No.169 of 2022 in C.P.No.57 of 1998 and all the consequential proceedings, in respect of the applicant's properties shown in the Serial Nos.36 to 41, 49, 54, 55, of Annexure, under the caption “Project: Maxworth – Thimmapuram – M – Extension; Village : Thimmapuram”.

Prayer in Comp.A.No.581 of 2022: Judge's Summons filed under Order

XIV Rule 8 of the Madras High Court Original Side Rules Read with Rule 9, 11(B) of the Companies Court Rules, 1959, to direct the Official Liquidator to exclude the land properties of the Applicant from the auction sale dated 15.06.2022 conducted pursuant to the sale notice dated 07.05.2022 issued by the 1st Respondent in CA.No.169 of 2022 in C.P.No.57 of 1998 and all the consequential proceedings, in respect of the applicant's properties shown in the Serial Nos.36 to 41, 49, 54, 55 of



Comp.A.Nos.421, 422, 578 to 581 of 2022 in
C.P.No.57 of 1998

Annexure, under the caption “Project : Maxworth - Thimmapuram-M
Extension Village Thimmapuram, Aruppukottai Taluk, Virudhunagar
District”.

In C.A.Nos.421 & 422 of 2022

For Applicant : Mr.M.C.Swamy

For R1 : Ms.Ambili B., Deputy Official Liquidator

For R2 : Mr.H.Karthik Seshadri, assisted by
Mrs.D.Nagasaila, Administrator

In C.A.Nos.578 to 581 of 2022

For Applicant : Mr.Nanchill J. Rajkumar

For R1 : Ms.Ambili B., Deputy Official Liquidator

For R2 : Mr.H.Karthik Seshadri, assisted by
Mrs.D.Nagasaila, Administrator

COMMON ORDER

Background:

Maxworth Orchards (India) Limited (the Company) was engaged in the business of acquiring lands and setting up fruit orchards/plantations thereon. Upon the Company running into financial difficulties, one of its



Comp.A.Nos.421, 422, 578 to 581 of 2022 in
C.P.No.57 of 1998

creditors filed C.P.No.57 of 1998 for winding up the Company. The said petition was presented on or about 24.02.1998. By order dated 06.02.2006 in Comp.A.No.353 of 2006, the then Administrator (Shri.K.Alagiriswami), was conferred with all the powers of the Official Liquidator. By subsequent order dated 17.09.2010 in Comp.A.Nos.884 to 886 of 2008, the Official Liquidator was appointed as the Provisional Liquidator of the Company.

2. While the Company was in operation, one of the projects developed by the Company was the Maxworth-Thimmapuram – M & Extension Project. In respect of this project, the Company approached the owners of about 81 parcels of land and obtained one registered sale deed (Document No.715/1995) dated 06.06.1995 and about 80 powers of attorney. The total extent of land in this project was about 284.915 acres. Thereafter, the lands were divided into one acre, 1/2 acre and 1/4 acre plots, which were partly conveyed to customers. The unsold extent of 182.165 acres was brought for sale by public auction pursuant to a sale notice. At the auction, Damodar Techno System Private Limited was declared as the successful bidder for a total sale consideration of Rs.3.40 crores. These



Comp.A.Nos.421, 422, 578 to 581 of 2022 in
C.P.No.57 of 1998

WEB COPY

applications were filed thereafter by three rival claimants.

3. The rival claimants are S.Mahendran (applicant in Comp.A.Nos.421 & 422 of 2022), K.Singili (applicant in Comp.A.Nos.578 & 579 of 2022) and K.Karuppaiah (applicant in Comp.A.Nos.580 & 581 of 2022). By these applications, the respective applicants seek to set aside the auction sale in so far as the lands described in the respective Judge's summons are concerned and also seek a stay of further proceedings in relation to such sale.

Counsel and their contentions:

4. Oral arguments on behalf of the applicant in Comp.A.Nos.421 & 422 of 2022 were advanced by Mr.M.C.Swamy, learned counsel. Oral arguments in Comp.A.Nos.578 to 581 of 2022 were advanced on behalf of the respective applicants by Mr.Nanchill J.Rajkumar, learned counsel. Mr.H.Karthik Seshadri, learned counsel, advanced arguments on behalf of the Administrator.



WEB COPY

5. Mr.M.C.Swamy submitted that the applicant in Comp.A.Nos.421 & 422 of 2022 asserts ownership over an aggregate extent of 5.27 acres in the survey numbers mentioned in the Judge's summons of such applications. He further submitted that title is asserted on the basis of two sale deeds, both dated 14.06.2006, which were executed by the original owners, namely, S.Subbiah and others and K.Paranjothi and another, represented by their power of attorney, Mr.J.Jesuraj. Both the sale deeds were in favour of Vardhan Foods Private Limited (Vardhan Foods). He next pointed out that Vardhan Foods, represented by its Director, Mrs.Anju Jain, executed a general power of attorney dated 06.03.2012 in favour of Mr.Sanjay Mehra. Thereafter, on 18.03.2019, Vardhan Foods, represented by Mr.Sanjay Mehra, executed sale deed bearing Document No.813/2019 in favour of Mr.R.Pramod Kumar. Mr.R.Pramod Kumar, in turn, executed a sale deed dated 26.04.2019, bearing Document No.1176 of 2019, in favour of the applicant, Mr.S.Mahendran. He also referred to and relied upon Patta No.691 in favour of Vardhan Foods and Patta Nos.852, 858 & 910 in favour of the applicant. He concluded his submissions by pointing out that the



Comp.A.Nos.421, 422, 578 to 581 of 2022 in
C.P.No.57 of 1998

applicant is the *bona fide* purchaser of 5.27 acres for valuable consideration and that such purchase was made after examining the encumbrance certificate for the relevant period. Therefore, he submitted that the auction sale is liable to be set aside as regards the 5.27 acres owned by the applicant.

6. Mr.Nanchill J.Rajkumar made submissions next on behalf of Mr.K.Singli, the applicant in Comp.A.Nos.578 & 579 of 2022. He submitted that the applicant asserts title over 30.655 acres in the survey numbers described in the Judge's summons. He submitted that these lands were purchased under four sale deeds executed by the respective land owners (sale deeds bearing Document Nos.915/2019 and 916/2019, both dated 27.03.2019; sale deed bearing Document No.3485/2020, dated 24.12.2020; and sale deed bearing Document No.4162/2021, dated 11.11.2021). He also referred to and relied upon three sale deeds, each dated 18.03.2019, under which the predecessors-in-title of K.Singli acquired the lands. The Applicant herein also relies on Pattas Nos. 853, 896, 897, 898, 965. As regards the claim made by the Company over these lands, he



Comp.A.Nos.421, 422, 578 to 581 of 2022 in
C.P.No.57 of 1998

WEB COPY

contended that the Company asserts title solely on the basis of registered powers of attorney and that the receipts produced by the Company are only in respect of about ten acres out of the total extent of 30.655 acres.

7. Mr.Nanchill J.Rajkumar proceeded to make submissions in respect of the applicant in Comp.A.Nos.580 & 581 of 2022 thereafter. He pointed out that the applicant asserts title to an extent of 4.03 acres in the survey numbers mentioned in the Judge's summons. He pointed out that these lands were owned by Vardhan Foods, and that the said entity transferred these lands under sale deed bearing Document Nos.813/2019, dated 18.03.2019, in favour of Mr.R.Pramod Kumar. The said Mr.R.Pramod Kumar, thereafter, conveyed the land to the applicant under sale deed bearing Document No.1177/2019, dated 26.04.2019. He also referred to and relied upon Patta Nos.911 and 1006. He concluded his submissions by referring to the encumbrance certificate and pointing out that no encumbrance in favour of the Company was reflected therein.

8. Mr.H.Karthik Seshadri, who appeared on behalf of the



Administrator, responded to the submissions. At the outset, he pointed out that all three applicants trace their title with regard to the respective lands from Vardhan Foods. He next submitted that even the earliest purchases by the predecessors-in-title of the respective applicants were after the commencement of winding up. By referring to the respective sale deeds, he submitted that the purchase price mentioned therein was below the guideline value. Therefore, he submitted that these transactions were not *bona fide*.

9. He also pointed out that the original parent documents under which the original land owners acquired title are in the custody of the Company. Before the Company went into liquidation, out of the lands acquired in Thimmapuram, he submitted that parcels of land were conveyed to about 165 customers of the Company. Apart from being in possession of original title documents, he also contended that receipts were issued by the land owners acknowledging receipt of consideration and that these receipts establish that the powers of attorney were coupled with interest. As a consequence, he submitted that the original land owners were not entitled to



Comp.A.Nos.421, 422, 578 to 581 of 2022 in
C.P.No.57 of 1998

either directly convey the lands or do so through an agent. Since all the three applicants trace title from the original land owners and had failed to produce any evidence of revocation of the registered powers of attorney in favour of the ex-employees of the Company, he submitted that the purported conveyances in favour of these applicants are void.

Discussion, analysis and conclusions:

10. Out of the three sets of applications, the applications filed by Mr.K.Singili (Comp.A.Nos.578 & 579 of 2022) are considered first. The earliest documents through which K.Singili traces title are three sale deeds, each dated 18.03.2019, bearing Document Nos.811, 816 and 841 of 2019. Each sale deed was executed by Mr.Sanjay Mehra as agent of Vardhan Foods. While the sale deeds bearing Document Nos.811/2019 and 841/2019 are in favour of M.Ramar and A.Jayaraj, sale deed bearing Document No.816/2019 is in favour of R.Pramod Kumar.

11. Document No.811 of 2019 covers Survey Nos.4/2 (1.48 acres), 4/3 (1.80 acres), 4/4 (1.26 acres), 4/5 (0.86 acres), 5/1A (1.40 acres), 5/1B



Comp.A.Nos.421, 422, 578 to 581 of 2022 in
C.P.No.57 of 1998

(0.94 acres), 5/6A (0.89 acres), 5/6B (0.82 acres), 19/1(5.84 acres), 15/6 (0.83 acres), 15/7 (1.03 acres), 23/2 (3.37 acres) and 23/4 (3.36 acres).

Document No. 841 of 2019 covers Survey Nos. 6/1A (0.37 acres), 6/1B (0.73 acres), 6/1C (1.04 acres), 6/2 (0.90 acres), 6/3 (0.85 acres), 6/5 (0.84 acres), 6/6 (1.72 acres), 8/2 (1.05 acres), 8/4 (0.33 acres), 8/5 (0.22 acres), 8/6 (0.77 acres), 8/7 (0.77 acres), 8/8 (1.44 acres) and 8/9 (0.73 acres).

Document No.816 of 2019 covers Survey Nos.19/3A (0.27 acres), 19/3C (0.27 acres), 19/2C (1.01 acres) and 5/8 (1.87 acres). The general power of attorney document in favour of Mr.Sanjay Mehra has not been placed on record. More importantly, no document antecedent to 18.03.2019 has been placed on record.

12. The claim of the Company, as regards these survey numbers, is on the basis of 14 general powers of attorney executed by the original owners. The Company asserts that it has the original registered powers of attorney in its custody. The Company has also placed on record receipts evidencing the payment of consideration in respect of lands originally owned by Kandasamy Thevar and others (corresponding GPA Document



Comp.A.Nos.421, 422, 578 to 581 of 2022 in
C.P.No.57 of 1998

No.41/1996); Chinna Velan and others (corresponding GPA Document No.726/1996); Dhanyalakshmi Investments (corresponding GPA Document No.385/1996); Akkiyan, Muthu, Ayyanar & Karuppiah (corresponding GPA Document No.1636/1996); Vellaisamy (corresponding GPA Document No.1320/1996); Kandasamy Thevar and Kannan (corresponding GPA Document No.1536/1996); Ramasamy Thevar (corresponding GPA Document No.724/1996); Chinna Velan and others (corresponding GPA Document No.42/1996); and R.Mayandi & others (corresponding GPA Document No.39/1996). Thus, in respect of a significant proportion of survey numbers and extents, the Company has placed on record proof of receipt of consideration by the original land owners. The parent documents, under which the said original land owners acquired title, have also been placed on record. The typed set filed by the Administrator on 05.01.2023 is pertinent in this regard.

13. The Company has also placed on record documents evidencing that the agents under these powers of attorney, namely, G.M.Selvaraj, A.Venkatesan and K.Narayanan were employees at the relevant point of time. These documents are by way of offers of appointment, joining reports,



Comp.A.Nos.421, 422, 578 to 581 of 2022 in
C.P.No.57 of 1998

WEB COPY

and terms of employment.

14. Upon taking into consideration the following: the execution of registered powers of attorney in favour of ex-employees of the Company; the availability of receipts evidencing payment of consideration for the purchase of significant proportion of the lands claimed by K.Singili; and the custody of both original powers of attorney and parent documents being with the Company, the only reasonable conclusion that follows is that the Company has established ownership over these lands.

15. In *Suraj Lamp & Industries (P) Ltd. v. State of Haryana*, (2009) 7 SCC 363 and (2012) 1 SCC 656 (*Suraj Lamps I and II*), while holding that title to immovable property should be conveyed by a registered sale deed, the Supreme Court carved out an exception for genuine transactions by way of a power of attorney, including in favour of a developer. Paragraphs 26 and 27 of the said judgment are as under:

*“26....The said “SA/GPA/will transactions”
may also be used to obtain specific performance or*



WEB COPY



Comp.A.Nos.421, 422, 578 to 581 of 2022 in
C.P.No.57 of 1998

to defend possession under Section 53-A of the TP Act. If they are entered into 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 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



WEB COPY



Comp.A.Nos.421, 422, 578 to 581 of 2022 in
C.P.No.57 of 1998

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.”

The subsequent judgment of the Hon'ble Supreme Court in *Ghanshyam v. Yogendra Rathi*, (2023) 7 SCC 361 (*Ghanshyam*), affirms the ratio in *Suraj Lamps I and II*.

16. Once it is concluded that the relevant immovable property is that of the Company, Section 536 of the Companies Act, 1956 is triggered. As per sub-section (2) thereof, any disposition of the assets of the Company, after the commencement of winding up is void unless validated by the Court. The power of validation is intended to validate transactions which were undertaken after commencement of winding up in the interest of the Company. The applicant, K.Singili, asserts title by relying on sale deeds



executed in the year 2019 in his favour. In fact, as stated earlier, the sale deeds in favour of the immediate predecessor of the applicant were also executed in the year 2019. Especially in the absence of any other antecedent parent documents in favour of the predecessors-in-title of the applicant, these documents do not inspire confidence. On such basis, the applicant has set up a claim which is adverse and inimical to the interest of the Company. Hence, no case is made out to validate the dispositions in favour of the applicant. Consequently, the documents of conveyance and the revenue records on which the applicant relies are void against the Company.

17. The claims made by S.Mahendran (the applicant in Comp.A.Nos.421 & 422 of 2022) are dealt with next. In support of his title to 5.27 acres, S.Mahendran relies upon the sale deed bearing No.1176/2019, which was executed in his favour by R.Pramod Kumar on 26.04.2019. Document No.1176/2019 covers an aggregate extent of about 5.27 acres in Survey Nos.7/1B (0.22 acres), 7/1C (0.22 acres), 7/1D (0.64 acres), 7/2A (0.78 acres), 7/2C (0.16 acres), 7/2D (0.16 acres), 7/2E (0.64 acres), 7/2F (0.14 acres), 7/2G (0.44 acres), 7/3A (0.65 acres) and 7/3B (0.89 acres). The



Comp.A.Nos.421, 422, 578 to 581 of 2022 in
C.P.No.57 of 1998

antecedent documents that he relies on are sale deeds bearing Document Nos.1298/2006, 1300/2006, 813/2019 and also GPA dated 06.03.2012. Sale deed 813/2019 was executed by Vardhan Foods, represented by Mr.Sanjay Mehra, to and in favour of R.Pramod Kumar. The sale deeds in favour of Vardhan Foods, being Document Nos.1298/2006 and 1300/2006, refer to the execution of powers of attorney in favour of J.Jesuraj by the original land owners. None of these powers of attorney have been placed on record.

18. The Company relies upon powers of attorney executed by the original land owners in favour of its ex-employees. As stated while dealing with the applications of K.Singili, the Company asserts that the original powers of attorney are in its custody. The Company also asserts that the parent documents are in its custody. In the typed set filed by the Administrator on 22.11.2022, the relevant general powers of attorney, parent documents and employment details of the agent of the Company, G.M.Selvaraj, have been placed on record. The parent documents stand in the name of the land owner, who, thereafter, executed the powers of attorney in favour of the Company in the year 1998. The following parent



Comp.A.Nos.421, 422, 578 to 581 of 2022 in
C.P.No.57 of 1998

documents are on record: Document Nos. 90/1988, 99/1988, 100/1988, 104/1988, 300/1988, 298/1988, 303/1988, 1152/1993, and they collectively cover all the survey numbers (except S.Nos.7/2C) and extents forming the subject of the sale deed (Document No.1176/2019), which is relied on by the applicant in Comp. A. Nos.421 and 422 of 2022, Mahendran. The Company has also placed on record receipts issued by one of the original land owners. Thus, there is sufficient evidence to conclude that the lands claimed by Mahendran appear to be lands of the Company.

19. By contrast, as discussed above, the applicant, S.Mahendran, has failed to place on record any document prior to the year 2006. These documents were executed in favour of the applicant more than eight years after the commencement of winding up on or about 24.02.1998. For reasons discussed in the context of K.Singili, these dispositions are void. As a consequence, the mutation of revenue records on such basis are also void.

20. The applications filed by K.Karuppaiah remain to be considered. K.Karuppaiah claims title over 4.03 acres. Title is asserted on the strength



Comp.A.Nos.421, 422, 578 to 581 of 2022 in
C.P.No.57 of 1998

WEB COPY

of the sale deed dated 26.04.2019 bearing Document No.1177/2019. This sale deed was executed in favour of the applicant by R.Pramod Kumar. Document No.1177/2019 covers Survey Nos.7/1F (0.33.5 hectares), 7/1G (0.08.0 hectares), 7/1H (0.08.0 hectares), 7/1I (0.16.0 hectares), 7/1J (0.15.5 hectares), 7/1K (0.15.0 hectares), 7/2H (0.10.5 hectares), 7/3C (0.31.5 hectares) and 8/1 (0.24.5 hectares). In support of the ownership claim, the applicant had relied upon sale deed dated 18.03.2019 bearing Document No.813/2019. This document was executed in favour of R.Pramod Kumar by Vardhan Foods, acting through its agent Sanjay Mehra. No document prior to 18.03.2019 has been placed on record. Even the power of attorney in favour of Sanjay Mehra is not on record.

21. The Company's claim in respect of these lands is based on registered powers of attorney executed by the original land owners, namely Kandasamy Thevar, Rakkammal, S.Subbiah Thevar, A.Nallal and K.Paranjothi in favour of ex-employees of the Company. Apart from asserting that the original powers of attorney are in its custody and that there is no evidence of revocation thereof, the Company has also placed on record



WEB COPY

receipts for payment of consideration to the original land owners. The Company has also placed on record the following parent documents: Document Nos. 1151/1993, 298/1988, 297/1988, 299/1988 104/1988, 100/1988 and 101/1988. A large proportion of the survey numbers and extents of land in Document No.1177/2019, i.e. the sale deed relied on by the applicant, Karuppiah, fall within the scope of these parent documents, which stand in the names of the persons who executed powers of attorney in favour of ex-employees of the Company.

22. Upon considering the facts and circumstances holistically, there is reasonable evidence to conclude that these lands appear to be lands of the Company. In addition, as stated above, the applicant/K.Karuppaiah has failed to produce any documents prior to the year 2019. Since all the documents on which the applicant relies were executed more than two decades after the commencement of winding up, these dispositions are void unless validated. For reasons set out while discussing the claim of K.Singili, no case is made out for validation of the disposition in favour of K.Karuppaiah.



WEB COPY



Comp.A.Nos.421, 422, 578 to 581 of 2022 in
C.P.No.57 of 1998

23. Therefore, all these applications are dismissed by declaring that the sale deeds in favour of the respective applicants are void. As a corollary, the mutation of revenue records on such basis is also void. The Official Liquidator is directed to take all necessary measures to mutate the title and revenue records in terms of this order. There shall be no order as to costs.

29.01.2025

Index : Yes / No

Internet : Yes / No

Neutral Citation: Yes / No

kj



WEB COPY



Comp.A.Nos.421, 422, 578 to 581 of 2022 in
C.P.No.57 of 1998

SENTHILKUMAR RAMAMOORTHY J.

kj

To

1.The Official Liquidator,
High Court, Madras
as provisional liquidator of
Maxworth Orchards (India) Private Ltd.,
Corporate Bhawan, 2nd Floor,
No.29, Rajaji Salai, Chennai 600 001.

2.The Sub-Registrar,
Denkanikottai Sub-Registrar Office,
Denkanikottai, Krishnagiri District-635 107.

Pre-delivery order in
C.A.Nos.421 & 422 of 2022 in C.P.No.57 of 1998
& C.A.Nos. 578 to 581 of 2022
in C.A.No.169 of 2022
in C.P.No.57 of 1998



WEB COPY



Comp.A.Nos.421, 422, 578 to 581 of 2022 in
C.P.No.57 of 1998

29.01.2025