

**NATIONAL COMPANY LAW APPELLATE TRIBUNAL
PRINCIPAL BENCH, NEW DELHI**

Company Appeal (AT) (Insolvency) No. 1293 of 2025

**[Arising out of the Impugned Order dated 01.07.2025 passed by the
Adjudicating Authority, National Company Law Tribunal,
Chandigarh Bench, Court-I, in C.P. (IB) No. 10/CHD/HRY/2018]**

In the matter of:

**LATE BABU LAL
THROUGH ITS LEGAL HEIR
MR. SUNDER LAL**

HOUSE NUMBER 31,
NEAR THAKUR WALI DHAN,
OLD H.B.C, SIRSA, SIRSA HARYANA – 125055
EMAIL: krishan.joshi1884@gmail.com
PHONE: 930656525

...Appellant

Versus

1. JASRATI EDUCATION SOLUTIONS LIMITED

CIN: U70104HR2006PLC045915
Through its Director/Authorised Signatory
Mr. Paramjit Gandhi (Successful Resolution Applicant)
S/o Sh. Mohan Singh Gandhi,
R/o: R-2/221, Raj Nagar, Ghaziabad, Uttar Pradesh
Email- eism12023@gmail.com

.... Respondent No.1

**2. M/S OSN INFRASTRUCTURE & PROJECTS
PRIVATE LIMITED & ORS.**

CIN: U45300DL2010PTC202167
Registered office at: WZ 520,
Palam Village, New Delhi -110045
Email ID: osninfra@gmail.com

.... Respondent No.2

3. MR. SHONU CHANDRA

S/o Sudhir Chandra
R/o Flat 2302, Tower 4,
Kalypso Court, Jaypee Wishtown,
Sector-128, Noida, Uttar Pradesh-201304
Email Id: shonu.chandra@edterra.com

.... Respondent No.3

4. SUB-REGISTRAR - DISTRICT ALWAR

Address: Naugaon, Tehsil Ramgarh,
District Alwar, Rajasthan – 301025
Email- tehsildar.ram@gmail.com
Email Id: shonu.chandra@edterra.com

.... Respondent No.4

5. MR. ASHWINI MEHRA

Erstwhile Resolution Professional and
2 erstwhile Chairman, Monitoring Committee of
Educomp Infrastructure & School Management Limited
C 1201, Salarpuria Magnificia, Old Madras Rd,
Bengaluru, Karnataka – 560016
Email- Mehra.ashwini@gmail.com

.... Respondent No.5

**6. EDUCOM INFRASTRUCTURE &
SCHOOL MANAGEMENT LIMITED**

Address: 514, Udyog Vihar Phase V Rd,
4 Phase V, Udyog Vihar, Sector 19,
Gurugram, Haryana 122001

.... Respondent No.6

Present:

For Appellant : Mr. Anil K. Airi, Sr. Advocate with Mr. Mudit Ruhella, Mr. Vishal Tyagi, Mr. Harsh Gautam, Advocates.

For Respondent : Mr. Abhijeet Sinha, Sr. Advocate with Mr. Shashank Agarwal, Mr. Saikat Sarkar, Mr. Abhishek Taneja, Mr. Sahil Sharma, Mr. A. Raghav, Advocates for R-1 to R-6.

Mr. Rohit Khanna, Advocates for Erstwhile RP.

J U D G M E N T
(Hybrid Mode)

Per: Barun Mitra, Member (Technical)

The present appeal filed under Section 61(1) of Insolvency and Bankruptcy Code 2016 (**'IBC'** in short) by the Appellant arises out of the Order dated 01.07.2025 (hereinafter referred to as **'Impugned Order'**) passed by the Adjudicating Authority (National Company Law Tribunal, Chandigarh Bench-I) in C.P. (IB) No. 10/CHD/HRY/2018. By the impugned order, the Adjudicating Authority has allowed IA No. 1620 of 2024 and directed the Appellant and Respondent No.3 to execute the Sale Deeds in favour of the Jasrati Education Solutions Ltd.-Respondent No.1. Aggrieved by the impugned order, the present

appeal has been preferred by the Appellant-Shri Sunder Lal, Legal heir of Late Babu Lal.

2. The chronological sequence of events and the important milestones which are necessary to be noticed for deciding the matter at hand is as follows:

- Late Babu Lal and his four sons had entered into separate Memorandums of Understanding (“**MoU**” in short) on 25.08.2010 with OSN Infrastructure and Projects Pvt. Ltd. (“**OSN**” in short) for sale of agricultural land situated in Alwar, Rajasthan (hereinafter referred to as “**subject land**”).
- Each of the five sellers executed Agreement to Sell (“**A2S**” in short) on 16.03.2011 with OSN for sale of the subject land. The A2S were admittedly not registered.
- All the five sellers executed separate “Appointment of Nominee Agreement” appointing Shri Shonu Chandra (hereinafter referred to as ‘**Shonu**’) as their respective nominee on 25.03.2011. Thereafter, Babu Lal and four others executed their respective “General Power of Attorneys” (“**POA**” in short) authorising Shonu to execute the Sale Deed for sale of the subject land on 08.04.2011. The POAs were duly registered with the Sub-Registrar. Shonu who was given the POA by the five sellers of the subject land was the erstwhile director of Educomp.
- All the five sellers had handed over possession of the subject land to OSN on 24.04.2011 by executing a Deed of Possession. This Deed of Possession was preceded by execution of a Assignment Deed.
- On 28.03.2011, OSN entered into a Deed of Assignment with Educomp Infrastructure & School Management Ltd. (“**Educomp**” in short)

transferring their rights, title and interest in the subject land under the A2S in favour of Educomp-Corporate Debtor. The Corporate Debtor had thus acquired all the rights, title and interest in the subject land from OSN and remained in actual possession of the subject land until it went under CIRP. The Deed of Assignment was however not registered. The Corporate Debtor went into CIRP on 25.04.2018 at which point of time the subject land was in their actual possession.

- Babu Lal had in the meantime expired on 28.03.2017.
- In the CIRP of the Corporate Debtor, Jasrati Education Solutions Ltd. had emerged as the Successful Resolution Applicant ("**SRA**" in short). The resolution plan of the SRA had been approved by the CoC on 23.09.2019 with 100% votes in favour of the resolution plan.
- The SRA on taking over the management of the Corporate Debtor noticed that the Corporate Debtor had all the rights and interests in the subject land barring the legal title in the form of a registered Sale Deed. Hence, the SRA sent an e-mail to Mr. Shonu on 02.02.2024 to execute the Sale Deed in respect of the subject land but did not get proper cooperation and response from Shonu.
- Thereafter the SRA filed I.A. No.1620 of 2024 before the Adjudicating Authority seeking directions against Shonu to execute the Sale Deed with a view to perfect their title.
- Shonu refused to proceed with the execution of sale deed raising several grounds viz. siphoning off funds by the Corporate Debtor and consequential investigation by various agencies; pending criminal

proceedings against him as erstwhile Director of the Corporate Debtor and the death of some of the executants of the A2S and therefore sought a judicial order or direction for allowing him to proceed with execution of the Sale deed.

- The Adjudicating Authority on 01.07.2025 passed an order directing Shonu and other legal heirs of sellers to execute the Sale Deed in favour of the SRA.
- Aggrieved by the impugned order dated 01.07.2025, the present Appeal has been preferred by the Appellant who is the legal heir of Babu Lal.

3. Making his submissions, Shri Anil K. Airi, Ld. Senior Counsel submitted that the Appellant-Shri Sunder Lal inspite of being the legal heir of Babu Lal was never impleaded as a party to the proceedings before the Adjudicating Authority in which impugned order dated 01.07.2025 was passed with directions for Shonu and the legal heirs of the sellers to execute the Sale Deed in respect of the subject land which tantamount to violation of the principles of natural justice. Submission was also pressed that since Babu Lal had demised, the POA given by him in favour of Shonu stood terminated in terms of Section 201 of the Indian Contract Act, 1872. Shonu therefore had no authority to execute any Sale Deed on behalf of Babu Lal who had already expired.

4. It was emphatically asserted that the A2S was not a registered agreement. The Adjudicating Authority had failed to appreciate that the A2S was an unregistered document and in terms of the judgment of the Hon'ble Apex Court in ***Suraj Lamps and Industries Pvt. Ltd. Vs State of Haryana (2021) 1 SCC 656*** any transaction under an unregistered A2S cannot be given effect to. Hence

no rights can be claimed to have been made in favour of OSN. Moreover, being an unregistered A2S, the sale of the subject land could not have been assigned to another third party. The Deed of Assignment was also unregistered and hence the Adjudicating Authority could not have relied on this Deed in view of the embargo laid down by Sections 17 and 49 of the Registration Act, 1908.

5. The directions given by the Adjudicating Authority to the sellers and their legal heirs to execute the Sale Deed was beyond the purview of the Adjudicating Authority as disputes relating to title and specific performance lie exclusively within the domain of the Civil Court under the Specific Relief Act, 1963. It was therefore contended that the Adjudicating Authority had travelled beyond its jurisdiction to direct execution of the Sale Deed. It was also added that the limitation period for seeking performance of the A2S is three years from the date of entering into the agreement. The A2S having been entered into on 16.03.2011 had crossed the limitation period way back in 2014. In such circumstances, when the A2S could not have been enforced by OSN after 15.03.2014, the SRA who came into the picture much later cannot be seen to seek enforcement of the A2S. It was therefore erroneous on the part of the Adjudicating Authority to allow relief of specific performance after 14 years from the date of entering into the A2S.

6. Refuting the contentions of the Appellant, Shri Abhijeet Sinha, Learned Senior Advocate representing the SRA contended that it is a well settled position of law under IBC that the jurisdiction of the Adjudicating Authority under Section 60(5) of the IBC has a wide amplitude and covers any cause of action arising out of or in relation to the insolvency resolution of a Corporate Debtor.

Since IA No. 1620 of 2024 was filed with the aim of implementing the resolution plan by perfecting the title of the SRA over the subject land which rightfully belonged to the Corporate Debtor, the matter clearly fell within the jurisdiction vested on the Adjudicating Authority under Section 60(5) of IBC. It was pointed out that the present appeal has been filed by Mr. Sunder Lal as a legal heir but no documents like probate order or succession certificate have been submitted to establish his claim as an heir. Questioning the locus of the Appellant, it was also submitted that the Appellant appeared to be acting in collusion with Shonu to deprive the SRA of the assets rightfully belonging to the Corporate Debtor for which the SRA has already paid value under the resolution plan. Repelling the contention of the Appellant that the POA was invalidated upon the death of the original executant, reliance was placed on the judgment of the Hon'ble High Court of Delhi in ***Harbans Singh Vs Shanti Devi (ILR (1977) II Delhi 649)*** in which it was held that where the POA is conferred for the benefit of the agent representing a third party, the POA becomes irrevocable.

7. Submission was further pressed that there were five A2S and five POAs which had been executed by the sellers including Babu Lal. All the POAs were duly registered documents including the one signed by the Babu Lal. The POA clearly noted that the entire consideration amount had been paid to the seller. The sellers including Babu Lal had already received the full consideration amount and had transferred the possession of the land to the Corporate Debtor. In such circumstances, the heir of Babu Lal had no right, title or interest in the subject land as his predecessor in interest had already sold the same in 2011 and therefore cannot claim himself to be an aggrieved party or a necessary or

proper party in the matter. Given this backdrop, when the Appellant was not an affected party, the denial of the right of hearing cannot be held to be a violation of the principles of natural justice.

8. We have also heard Shri Rohit Khanna, Ld. Counsel who has appeared on behalf of the erstwhile Resolution Professional. We have duly considered the arguments advanced by the Learned Counsel for all the parties and perused the records carefully.

9. Before we get into the substantive issue on merits, we would like to dwell upon the question of limitation which has been raised by the Respondent No.1-SRA.

10. It is contended by the Respondent No.1 that the Appellant had filed the Appeal beyond the prescribed limitation period of 30 days but failed to explain the delay in filing the present Appeal with cogency. In the present case, the impugned order was pronounced in the open court on 01.07.2025 triggering the clock of limitation. In terms of judgement of the Hon'ble Supreme Court in **V. Nagarajan Vs SKS Ispat and Power Ltd. (2022) 2 SCC 244** the limitation starts ticking from the date of pronouncement of the judgement. The 30 days period from the date of pronouncement had expired on 01.08.2025 but the Appeal was filed on 11.08.2025. The ground taken by the Appellant of lack of knowledge of the impugned order to explain the delay cannot be a tenable ground as it is a settled position of law that date of knowledge has no relevance in seeking delay condonation as has been held by the Hon'ble Supreme Court in **Tata Steel Ltd. Vs Raj Kumar Banerjee 2025 SCC OnLine SC 1942**. Moreover, besides filing the appeal beyond the prescribed limitation period of 30

days, the appeal has been filed without certified copy of the impugned order. Attention was drawn by the Respondent No.1 that the benefit of exclusion of time lost in obtaining certified true copy is available only if the request for certified copy is made within the 30 days limitation period and not during the condonable period of 15 days in terms of the judgment of the Hon'ble Supreme Court in ***Ashdan Properties Pvt. Ltd. Vs DSK Global Education and Research Pvt. in Civil Appeal No. 10603 of 2024.*** Hence, it was contended vehemently that the appeal on all these counts must be dismissed as barred by the limitation.

11. It is the case of the Appellant that their appeal is not hit by limitation. It was contended that the Delay Condonation Application was filed by the Appellant as a matter of abundant caution. Submission was pressed that the Appellant came to know of the impugned order on 23.07.2025 since they were not a party in the matter. They had acquired knowledge of the impugned order only when they were informed by their well-wishers that the SRA alongwith Shonu, on the directions of the Adjudicating Authority, had approached the office of the Sub-Registrar, Alwar to execute the title deed of the subject land belonging to Babu Lal and to effect corresponding change in the land records. Since the Appellant was not a party to the proceedings at any stage before the passing of the impugned order, hence the limitation would commence from the date of knowledge which in the present facts of the case was 23.07.2025. In any case, the Appeal was filed on 11.08.2025 which date was within the condonable period of 30 plus 15 days from the date of pronouncement of the order. The Appellant had also applied for certified copy of the impugned order within 45 days from the date of knowledge of the impugned order and had also filed an

application for seeking exemption from filing of certified copy of the impugned order before this Tribunal.

12. We have no quarrel with the proposition of law as laid down by the Hon'ble Supreme Court in ***V. Nagarajan Vs SKS Ispat and Power Ltd. (2022) 2 SCC 244*** wherein it has been held that the limitation for filing the appeal starts from the day the order is pronounced. It is also well settled that date of knowledge of the impugned order has no relevance in justifying delay condonation as has been held by the Hon'ble Supreme Court in ***Tata Steel Ltd. Vs Raj Kumar Banerjee 2025 SCC OnLine SC 1942***. It has been also laid down by the Hon'ble Apex Court that the benefit of the exclusion of the time taken in obtaining the certified copy of the impugned order is available only if it is applied for before the expiry of the 30 days limitation period.

13. It is well settled that as per the statutory construct of IBC, the period of limitation is 30 days in terms of Section 61(2). However, proviso to Section 61(2) confers upon this Tribunal to allow an appeal after the expiry of the said period of 30 days if it is satisfied that there is "sufficient cause" for not filing the appeal subject to such delay not exceeding 15 days.

14. The impugned order was passed on 01.07.2025. The 30 days limitation period plus the 15 days extended period comes to an end on 16.08.2025. The present appeal was filed on 11.08.2025 with a delay of 41 days from the date of pronouncement of the impugned order. The certified copy of the impugned order was applied for on 11.08.2025 which was beyond the 30 days limitation period and hence the benefit of exclusion of time taken in obtaining the impugned order cannot be allowed in the fact of the present case.

15. In the present case, the total delay in filing the appeal has undisputedly exceeded the 30 days limitation period but did not exceed the 15 days extended period since the delay was 11 days. It is indisputable that the delay in filing the present appeal is within 15 days post the expiry of the 30 days period of limitation. In other words, the delay in filing was very much within the condonable period of 15 days. Having regard to the fact that the Appellant has filed the appeal within the 30 plus 15 days extended period of limitation and the reason for delay has been the practical difficulties arising out of lack of timely awareness and knowledge of the impugned order, not having been made a party in the relevant proceedings before the Adjudicating Authority, we are satisfied with the reasonableness in the above explanation offered for the delay. As long as the period of delay does not cross the bar of 15 days extended period, we are of the considered view that the words “sufficient cause” appearing in the proviso to Section 61(2) of the IBC needs to be construed liberally since better justice is always achieved when a *lis* is decided on a contested hearing. Taking an overall view of the matter especially taking into account that there was no intentional or deliberate delay on the part of the Appellant, we proceed to condone the delay which is within the condonable period. The delay condonation application is allowed. We now proceed to adjudicate the appeal on merits.

16. It is the case of the Appellant that it is trite law that a contract of agency gets automatically terminated by the death of either of the parties. Once the executant of the POA dies, the right given to the agent comes to an end and as soon as the agency is terminated, the agent cannot act on the basis of POA granted to him. A POA granted by the executant is operative only during the life

time of the executant and a POA cannot subsist after the death of the executant. On the death of Babu Lal on 28.03.2017, the POA in favour of Shonu became null and void and hence any act done by the agent subsequent to the death of Babu Lal would become void ab initio including execution of the Sale Deed. The impugned order directing Shonu as the POA holder to execute the Sale Deed therefore suffered from material irregularity in the eyes of law.

17. Yet another argument canvassed by the Appellant is that the POA was a revocable POA without any consideration which had been entered into only for the purpose of executing Sale Deed in favour of OSN. The holder of POA cannot pass on the title that he did not possess. Thus, once Babu Lal passed away before execution of the registered Sale Deed, the subject land would devolve on his legal heirs and the Adjudicating Authority could not have compelled POA holder for execution of the Sale Deed for the subject land now vested in the hands of the legal heir. It was further asserted that the Appellant being the legal heir of Babu Lal had to inevitably step into the shoes of Babu Lal. This made the Appellant a necessary and proper party in the matter, however, the Adjudicating Authority passed the order directing the execution of the Sale Deed without giving an opportunity of hearing to the heir of Babu Lal thus contravening the principles of natural justice.

18. It was contended that from the payment terms contained in the MoU dated 25.08.2010, it was clear that Babu Lal had not been paid the full consideration for sale of the subject land. Only part consideration was paid and the balance consideration was to be paid at the time of execution of the Sale Deed and at the time of mutation in favour of the purchaser. That only part payment of

consideration amount was made is also corroborated by the payment terms given in the A2S. As the full consideration amount had not been paid to Babu Lal, no Sale Deed had been executed. Since Babu Lal died before the Sale Deed execution, no valid conveyance had taken place. Even if the subject land was in possession of the Corporate Debtor, it did not confer any right of ownership on the Corporate Debtor. It was contended that SRA having given only part consideration was now avoiding to bear the financial burden of clearing the balance consideration and hence instead of filing a civil suit for specific performance which would be the appropriate course of action had instead chosen to seek the intervention of the Adjudicating Authority under Section 60(5) of IBC and that too without making the legal heir a party to the proceedings.

19. Per contra, it is the case of the SRA-Respondent No.1 that the right, entitlement and interest of the Corporate Debtor in the subject land is well established in a chain of transactions beginning with execution of A2S. The POAs which were registered documents were executed by all the sellers including Babu Lal which POAs clearly acknowledges the receipt of entire consideration amount by each of the sellers. It is a settled precept that even after the death of executants, the validity of the POA subsists and does not get frustrated on account of death of the executants of the POA as long as there is a substratum of commercial transaction embedded in the POA. Even the Deed of Possession which was a registered document clearly recorded that all the sellers including Babu Lal had received the entire consideration prior to handing over the possession of land by the sellers. Furthermore, the POAs also records reference to the transaction with the OSN thus indicating that the POA was for the sale of

subject land to OSN and its assignees. There also existed a Deed of Assignment, though unregistered, by which OSN had transferred their rights, title and interest in the subject land under the A2S in favour of Educomp-Corporate Debtor. The sellers and purchasers having performed their respective part under the A2S, the Corporate Debtor had acquired the rights and interests in the subject land and the fact that the subject land had come into the possession of the Corporate Debtor during CIRP was also reflected in the Information Memorandum during CIRP of the Corporate Debtor. The possession of the subject land had subsequently passed under the new management of SRA and as only the formality for perfecting the title to the subject land by executing the Sale Deed remained pending it was for this purpose that the Adjudicating Authority had been approached to exercise its jurisdiction under Section 60(5) of the IBC. It was contended that after the unsuccessful attempt on the part of Shonu to resist the execution of the Sale Deed, the present appeal was filed by the Appellant as yet another veiled attempt mounted by the past management of the Corporate Debtor to put hurdles in the implementation of the resolution plan.

20. Coming to our analysis and findings, the first question that needs to be answered is whether the entire consideration amount had been paid to the sellers.

21. When we look at the material placed on record before us, we find that the consideration amount which was required to be paid to the seller, Babu Lal was recorded in Clause 1 of the A2S as may be seen at page 73 of Appeal Paper Book (“**APB**” in short). Further, Clause 2 of the A2S at page 73 of APB recorded the fact that the Babu Lal had received part consideration. This now brings us to the

POA dated 08.04.2011 as placed at page 80-84 of the APB. The POA clearly records that Babu Lal as the executant has executed an MoU with OSN and has received the total consideration amount for the said land and is appointing Shonu as an Attorney to perform all obligations of the executant under the MoU and A2S. We also find nothing on record which show that any of the other sellers had contested that entire consideration amount was not paid to them at the time of signing of the respective POAs. What cannot be lost sight of is the fact that the POA was signed after the signing of both the MoU and the A2S. When the POA which was a later document clearly records that the entire consideration amount as worked out in the MoU and A2S had been paid, the contention of the Appellant that the consideration amount was not paid is misplaced. Further, with the consideration amount having been paid and the possession of the subject land which stood transferred to the Corporate Debtor, the right to assign also stood vested in the Corporate Debtor.

22. The fact that the payment of consideration amount had already been made by the purchaser is also evidenced by the fact that the subject land figured as an asset in the balance sheet records of the Corporate Debtor. The balance sheet being a document in public domain and the same not having been challenged clearly shows that the rights and interests of the sellers in the subject land had ended and stood transferred to the Corporate Debtor. The Information Memorandum which had been prepared in the CIRP of the Corporate Debtor also depicted the subject land as belonging to the Corporate Debtor. However, while showing the subject land to be an asset of the Corporate Debtor, a caveat had been placed in the Information Memorandum that the mutation of the subject

land had not taken place. This caveat in the Information Memorandum has also been extracted in the impugned order at para 4(xiii) which states that: *“It may be noted that as per the data furnished by the representative of company, the mutation (agreement to sell/sale deed) in favour of company (OSN Infrastructure and Projects Pvt. Ltd.) for 1.29 Hectare is pending.”*

23. We are therefore of the view that the requisite consideration amount was paid to the sellers including Babu Lal by the purchasers thereby clearly establishing the right, entitlement and interest of the Corporate Debtor in the subject land.

24. We next proceed to examine who came into possession of the subject land after the signing of A2S in 2011.

25. We notice that after receipt of the entire consideration amount, each of the sellers had handed over possession of the subject land under their own signatures by signing separate Deeds of Possessions with OSN. When we look at the Deed of Possession as placed at page 243 of the documents as placed on record by Respondent No.1-SRA, we find that in the opening statement at paragraph C of the Deed of Possession, it has been recorded that Babu Lal as the Possessor of the subject land *“has divested & transferred all rights and interests in the Land to the Company and also received the entire sale consideration. However, some formalities with regards the transfer, are yet to be completed. On account of the same, it is agreed that the unfettered possession of the Land shall be passed on to the company by way of this DOP henceforth....”*

Further at Clause 7 of the Deed of Possession, it has also been noted that the OSN shall be *“entitled to peaceful and uninterrupted use of the Land and the*

possession of the same shall be deemed to be with the Company, free of any interference, interruption or objection whatsoever from the Possessor or any person or persons whomsoever claiming through and on behalf of the Possessor.” The Deed of Possession thus clearly records that the possession of land was with the OSN. Shortly before the Deed of Possession, a Deed of Assignment had been entered into between OSN and the Corporate Debtor by which assignment of rights over the subject land to the Corporate Debtor had already taken place. The other sons of Babu Lal had also entered into identical agreements and had never questioned the receipt of consideration amount and having signed off the Deeds of Possession, there is no cogent ground to dispute the fact that the subject land had become the asset of OSN. Then again when we look at the Information Memorandum, we find that the same also stated that *“as per verbal information furnished by the representative of company, the possession of the said land parcel is laying with company i.e. OSN Infrastructure and Projects Pvt. Ltd. and execution of Sale Deed is pending.”*

26. That the possession of the subject land had shifted from Babu Lal and the other sellers had also been confirmed by Shonu who was an ex-director of the Corporate Debtor in his communication dated 26.04.2011 addressed to another director of the Corporate Debtor. The relevant letter is as extracted below:

Date: 26th April 2011

*To,
Mr. Shantanu Parkash, Director
Educomp Infrastructure and School Management Limited*

Sub: Completion of formalities with regards land parcels situated at Village Para, Tehsil Ramgarh, Distt. Alwar, Rajasthan admeasuring 321.06 Bighas, which was under the ownership of Rajesh, Babulal, Surender, Pradeep and Vijender.

Dear Mr. Shantanu Prakash,

As per the authority given vide letter dated 18th March 2011, I have executed five "Appointment of Nominee Agreement" and "General Power of Attorney" with Mr. Rajesh, Mr. Babulal, Mr. Surender, Mr. Pradeep and Mr. Vijender on 25th March 2011 and 8th April 2011 respectively in relation to land parcels situated at Village Pata, Tehsil Ramgarh, Distt. Alwar, Rajasthan admeasuring 321.06 Bighas. Further to execution of document, I have also taken the possession on 24th April 2011 of land from the sellers Mr. Rajesh, Mr. Babulal, Mr. Surender, Mr. Pradeep and Mr. Vijender.

Also it is requested to provide security at this land to protect the land from any unauthorised encroachment.

Shonu Chandra

27. Thus to answer the question posed by us as to who was in possession of the subject land, we are of the considered view that when the subject land was depicted as an asset of the Corporate Debtor in the Information Memorandum; when the subject land also stands reflected in the balance sheet of the Corporate Debtor as an asset of the Corporate Debtor; when the Deed of Possession stood signed and even the Attorney had admitted that the possession had passed over from the sellers to him; it leaves no doubt in our minds that the subject land was already in possession of the Corporate Debtor. Further the fact that none of the other four sons of Babu Lal who were also the other sellers have claimed this property for the last fifteen years since 2011 nor have they questioned the Information Memorandum which came to be published after the Corporate Debtor was admitted into the rigours of CIRP six years back clearly shows that the rights, title and interest in the land had shifted to the Corporate Debtor.

28. We now come to the reliance placed by the Appellant on the judgement of the Hon'ble Apex Court in ***Suraj Lamps and Industries Pvt. Ltd. Vs State of Haryana (2021) 1 SCC 656*** which held that any transaction under an unregistered A2S cannot be given effect to and that no rights can be claimed to

have been made in favour of Corporate Debtor basis the A2S. The applicability of this judgment has been duly considered by the Adjudicating Authority in the impugned order. We notice that the Adjudicating Authority in the impugned order has extracted paras 25, 26 and 27 of **Suraj Lamp judgment**, in which it has been clearly observed by the Hon'ble Apex Court that their decision in the above judgment was to be applicable prospectively and that transactions entered into earlier may not be disturbed. In the facts of the present case, the handing over of the possession of the subject land had taken place on 24.04.2011 while the **Suraj Lamp judgment** came into play from 10.11.2011. As this judgment had protected all transactions concluded under POAs prior to the date of the judgment, it does not apply to the present transaction which got concluded before this judgment. Thus, in the present case when sale consideration had already been paid to the seller and the possession handed over to the purchaser much prior to the date of the judgment, this transaction would remain unaffected by this judgment.

29. Now that we have concluded that the consideration amount had been paid to Babu Lal and the land was not in the possession of the seller any longer, but had come under the possession of the Corporate Debtor, we now come to the issue as to whether the Adjudicating Authority had committed any error in directing Shonu and the legal heir of the sellers to execute the Sale Deeds.

30. It is a well settled precept that the Adjudicating Authority can adjudicate disputes which relate to and arises out of the insolvency resolution process. We are guided by the judicial precedent as laid down by the Hon'ble Supreme Court in **Gujarat Urja Vikas Nigam Limited Vs Amit Gupta & Ors. in Civil Appeal**

No. 9241 of 2019 which held that Adjudicating Authority can be approached for adjudication of disputes which relate to the insolvency resolution process.

We may notice the relevant findings of this judgement which is as under:

“42. The primary issue upon which the outcome of this appeal would turn is the nature of the jurisdiction which is exercised by the NCLT under Section 60(5) of the IBC. The provision reads thus:

(5) Notwithstanding anything to the contrary contained in any other law for the time being in force, the National Company Law Tribunal shall have jurisdiction to entertain or dispose of –

(a) any application or proceeding by or against the corporate debtor or corporate person;

(b) any claim made by or against the corporate debtor or corporate person, including claims by or against any of its subsidiaries situated in India; and

(c) any question of priorities or any question of law or facts, arising out of or in relation to the insolvency resolution or liquidation proceedings of the corporate debtor or corporate person under this Code.

67.....Therefore, considering the text of Section 60(5)(c) and the interpretation of similar provisions in other insolvency related statutes, NCLT has jurisdiction to adjudicate disputes, which arise solely from or which relate to the insolvency of the Corporate Debtor. However, in doing do, we issue a note of caution to the NCLT and NCLAT to ensure that they do not usurp the legitimate jurisdiction of other courts, tribunals and fora when the dispute is one which does not arise solely from or relate to the insolvency of the Corporate Debtor. The nexus with the insolvency of the Corporate Debtor must exist.

72. Therefore, we hold that the RP can approach the NCLT for adjudication of disputes that are related to the insolvency resolution process. However, for adjudication of disputes that arise dehors the insolvency of the Corporate Debtor, the RP must approach the relevant competent authority. For instance, if the dispute in the present matter related to the non-supply of electricity, the RP would not have been entitled to invoke the jurisdiction of the NCLT under the IBC. However, since the dispute in the present case has arisen solely on the ground of the insolvency of the Corporate Debtor, NCLT is empowered to adjudicate this dispute under Section 60(5)(c) of the IBC.”

31. From the sequence of events as they have unfolded in the present case, we find that the resolution plan of the SRA having been approved by the CoC, the latter was now endeavouring to take control of the Corporate Debtor and as part of this process had sought to perfect their title over the subject land which belonged to the Corporate Debtor. For this purpose, the SRA had approached the Adjudicating Authority by filing IA No. 1620 of 2024 to direct Shonu being the POA holder to execute the Sale Deed. It is at this stage, that objections came to be raised for the first time by Shonu who expressed his inability to execute the Sale Deed on the ground that some of the sellers of the subject land had died and hence the POA had become invalid and unenforceable. The Adjudicating Authority after giving an opportunity to Shonu to identify the sellers who had died and on finding that Shonu was not able to identify or give details of the deceased sellers, proceeded to give directions to Shonu to execute the Sale Deeds in favour of the SRA. The Adjudicating Authority, in all fairness, while passing this order had also directed that if any of the original executants of the POA had expired, their legal representative shall step in to execute the Sale Deed either through Shonu or any other legally competent person. We therefore do not find any infirmity in the impugned order aiming to give effect to the concluded transaction so as to uphold the lawful implementation of the resolution plan. The Adjudicating Authority in passing the impugned order has acted within the boundaries of jurisdiction conferred under Section 60(5) of the IBC as the subject matter of the title over the subject land was intrinsically interwoven in the present insolvency proceedings.

32. Given this backdrop, we find the Appeal to be devoid of substance. The Appeal is dismissed. We find no reasons to modify the impugned order and direct Respondent No.3, namely, Shonu Chandra POA holder and Appellant-Sunder Lal, legal heir of the deceased Babu Lal to execute the Sale Deed in favour of the Corporate Debtor to give effect to the concluded transaction within 30 days from the date of passing of this order. No order as to costs.

**[Justice Ashok Bhushan]
Chairperson**

**[Barun Mitra]
Member (Technical)**

Place: New Delhi

Date: 15.10.2025

Abdul/ Harleen