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IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION
IN INSOLVENCY JURISDICTION

OFFICIAL ASSIGNEE'S REPORT NO.21 OF 2019
WITH
OFFICIAL ASSIGNEE'S REPORT NO.19 OF 2016
IN
INSOLVENCY PETITION NO.95 OF 2001

Re.:- Rajesh M. Shah & Ors. ... Insolvents
Ex-parte
M/s. Lakhotia Udyog ... Petitioning
Creditor

INSOLVENCY PETITION NO.96 OF 2001

Re.; Sushila M. Shah & Os. ... Insolvents
Ex-parte
M/s. Lakhotia Udyog ... Petitioning
Creditor

Mr. Ravi Gadagkar, *Amicus Curiae*.
Mr. A.P. Bagwe for Petitioning Creditor.
Mr. E.B. Shivkumar, Deputy O.A. is present.
Mr. Achal Gupt.

CORAM: R. I. CHAGLA, J.
DATE: 1ST OCTOBER, 2019

PC:-

1. The Official Assignee's Report ("OAR") is placed before this Court for consideration. In the said OAR it is stated that pursuant to the order dated 6th August, 2018, the valuer viz. M/s. H. Mehta and Company inspected the said premises for valuation of the same and has submitted their report. The valuation report has

been considered by this Court, and the license fees of the said premises has been mentioned therein as Rs.1,33,583/-. The invoice bill of the valuer for sum of Rs.23,600/- is also enclosed in the report.

2. It appears that Official Assignee vide letter dated 9th September, 2019 had issued letter to the Petitioning Creditor and the Applicants who have filed Notices of Motion in the above matter, to submit their bids / offers in a sealed envelope on or before 18th September, 2019 latest by 4.00 p.m. and also to remain present in the office of the Official Assignee on Friday, the 20th September, 2019 at 12.30 p.m. The Official Assignee has stated that there were two bids received from one Shri Achal Gupt of M/s. Frizzon Services Pvt. Ltd and Shri Jimit Shah of M/s. The Catalog Bazar for the use of the Gala No.18, J.K. Industrial Estate, Off. Mahakali Caves Road, Behind Holy Family High School, Andheri (East), Mumbai 400 093 on leave and license basis. It is further stated by the Official Assignee that in the meeting held on 20th September, 2019 the Official Assignee had opened the said two bids / offers. Upon perusal of the said offers, it was found initially that Mr. Jimit Shah had given an offer of Rs.1,11,111/- per month as against Shri Achal Gupt had given an offer of Rs.75,000/- per month for the license rent / fee in respect

of the subject premises. Thereafter, further bidding took place between Shri Rajesh H. Shah, representative of Shri Jimit Shah and Shri Achal Gupt pursuant ti which Shri Achal Gupt offered the highest offer of Rs.1,46,000/- as license rent / fee for the said Gala. Shri Rajesh Shah, representative of Shri Jimit Shah was not ready and willing to increase his offer over and above the offer of Rs.1,46,000/- given by Shri Achal Gupt.

3. The Official Assignee has sought direction from this Court whether the highest offer of Rs.1,46,000/- per month given by Shri Achal Gupt as license rent / fee for using the Gala No.18 be accepted and a formal agency agreement be entered into for such period as this Court deems fit.

4. Considering, the valuation report of the M/s. H. Mehta and Associates, it would be proper to accept the offer of Rs.1,46,000/- per month given by Shri Achal Gupt which is more than the license fee valued by M/s. H. Mehta and Associates. Accordingly, the Official Assignee is directed to enter into a formal agency agreement with Shri Achal Gupt. The agreement to be entered by the Official Assignee with Shri Achal Gupt shall be on the same terms as the formal agency which had been previously entered between them pursuant to the order dated 16th October, 2018 passed by this Court (K.R. Shriram,J.). It is made clear that the

period of the formal agency agreement shall be the same period as the formal agency agreement which was previously entered by the Official Assignee with Shri Achal Gupt i.e. for a period of 36 months. Shri Achal Gupt shall deposit with the Official Assignee a sum equivalent to three months leave and license fees in respect of the said Gala No.18. The Official Assignee is directed to enter into the leave and license agreement with Shri Achal Gupt prior to 1st November, 2019. The period of their leave and license agreement shall commence from 1st November, 2019.

5. Considering that, the charges of the appointed valuer M/s. H. Mehta and Associates is Rs.23,600/-, the Petitioning Creditor has deposited a sum of Rs.50,000/- as directed by this Court vide order dated 6th August, 2019. The balance sum of Rs.26,400/- shall be refunded by the Official Assignee to the Petitioning Creditor.

6. In view of the above, the Official Assignee's Report is disposed of.

(R I. CHAGLA, J.)