

**A.No.312 of 2018**  
**in I.P.No.25 of 2014**

**Dr.G.Jayachandran, J.**  
**&**  
**Mr.C.V.Karthikeyan, J.**

On a creditor's petition filed by one Chitra Desai, by order dated 21.04.2014 made in I.P.No.25 of 2014, S.Arjunlal Sunderdas was adjudicated as insolvent. Pursuant to such order of adjudication, the assets of the insolvent vested with the Official Assignee for realization and distribution among the General Body of the Creditors. Among the assets, property bearing Door No.23, Anderson Road, Nungambakkam, Chennai, was one of the assets and was brought for sale and its upset price after following due process was asserting at Rs.21,66,00,000/-. The assistance of M/s.Murray and Company was requisited to bring the property for sale. The first notice was for auction for selling the property through e-auction on 27.02.2019. Though wide publicity was given, offers were not received. A second attempt was made by tender cum auction sale of the property on 22.04.2019. Again, wide publicity was given. Again offers were not received. The third attempt was made to bring the property for sale fixing the date of auction on 29.08.2019. Unfortunately no offer came for purchasing the property. Subsequently offers were received, but

did not come up to the upset price, which had been determined. The following offers had been received from prospective purchasers.

| <b>Sl.Nos.</b> | <b>Name and Address of the Offeror &amp; Address</b>                                                                                                                                          | <b>Offer amount Quoted<br/>Rs.</b>              |
|----------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------|
| 1.             | Mr.Prashant Tikmani,<br>No.5, Lakshmi Street,<br>Prathamnesh Apartment,<br>Flat 3 B, Kilpauk, Chennai – 600 010                                                                               | 11 crores (letter dated<br>23.08.2020)          |
| 2.             | Thiru Rm.Rajendran,<br>Partner, RVS Estates,<br>Flat – 1A, No.11, Kasthuri,<br>Estate, 1 <sup>st</sup> Street, Chennai – 600 018.                                                             | 12 crores (letter dated<br>31.08.2020)          |
| 3.             | The Managing Partner,<br>FOURCEE HOUSING,<br>28, Poes Garden, Chennai – 600 086.                                                                                                              | 14.14 crores (letter dated<br>05.11.2020)       |
| 4.             | Mr.Sunil Rallan,<br>Managing Director,<br>J.Matadee Free Trade Zone Pvt. Ltd,<br>Mannur – Valarpuram Village,<br>Perambakkam Road, Sriperumbudur Taluk,<br>Kancheepuram, Tamil Nadu – 602 105 | 14 crores (letter dated<br>30.01.2021)          |
| 5.             | Mr.Prakash Venkataramani,<br>KNS LAW ChAMBERS,<br>New No.13, Old No.5/1,<br>Jagadeeswaran Street, T.Nagar,<br>Chennai – 600 017                                                               | 17 crores 25 laksh (letter<br>dated 24.03.2021) |

2. In the meanwhile, one Dr.Arumugam who had laid a claim, had filed application No.56 of 2021 offering to purchase the property for a sum of

Rs.17.5crores but he wanted to adjust his claim of Rs.6 crore. That being a conditional offer and also less than the upset price, orders had been passed in A.No.56 of 2021 rejecting the said offer.

3. Thereafter, on 20.04.2021, the Official Assignee received an offer from M/s.Bharath Bio Tech, Hyderabad rep. by Authorized person Damayanthi Rathakrishnan offering to purchase the property at Rs.21,66,00,000/- which matched his upset price fixed. After receiving this particular offer, a communication was again addressed to the earlier offerers inviting them to increase their offer. Accordingly, enhanced offer letters were received which are furnished hereunder:-

| <b>Sl. No.</b> | <b>Name and Address of Offerors</b>                                                                                                 | <b>Enhanced Offer amount Quoted Rs.</b>      | <b>Earlier Offer Quoted</b> | <b>Difference in enhanced amount Rs.</b> |
|----------------|-------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------|-----------------------------|------------------------------------------|
| 1.             | The Managing Partner,<br>FOURCEE HOUSING,<br>28, Poes Garden,<br>Chennai – 600 086.                                                 | 14.29 crore (letter dated 26.04.2021)        | 14.14 Crores                | 15 lakhs                                 |
| 2.             | Mr.Prakash,<br>Venkataramani,<br>KNS LAW CHAMBERS,<br>New No.13, Old No.5/1,<br>Jagadeeswarn Street,<br>T.Nagar, Chennai – 600 017. | 17 crores 50 lakhs (letter dated 27.04.2021) | 17 crores 25 lakhs          | 25 lakhs                                 |

| <b><i>Sl. No.</i></b> | <b><i>Name and Address of Offerors</i></b>                                                                                             | <b><i>Enhanced Offer amount Quoted Rs.</i></b> | <b><i>Earlier Offer Quoted</i></b> | <b><i>Difference in enhanced amount Rs.</i></b> |
|-----------------------|----------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------|------------------------------------|-------------------------------------------------|
| 3.                    | Thiru Rm.Rajendran,<br>Partner,<br>RVS Estates,<br>Flat – 1A, No.11,<br>Kasthuri Estate,<br>1 <sup>st</sup> Street, Chennai – 600 018. | 15 crores (letter dated 27.04.2021)            | 12 crores                          | 3 crores                                        |

4. It is again seen that the enhanced offers were much less than the upset price which had been determined.

5. Thereafter, the matter was listed for hearing today.

6. Heard Mr.P.R.Balasubramanian, Learned Counsel, who represented M/s.Bharath Bio Tech and the Official Assignee, who was also represented by Mr.K.V.Ananthakrushnan.

7. Mr.S.R.Raghunathan, learned Counsel, who had filed Application No.56 of 2021, was also heard and it was informed that the offer of Dr.Arumugam was conditional in nature and also less than the upset price. It was also informed that a fresh offer had been received matching the upset price

determined by this Court.

8. The Official Assignee also presented a statement, claiming the following.

| <i>Sl. Nos.</i> | <i>Details of expenses</i>                                                                                                                                                                                                                                                                  | <i>Amount Rs.</i> | <i>Amount required Rs.</i> |
|-----------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|----------------------------|
| 1.              | Sale expenses incurred for the property at No.23, Anderson Road, Nungambakkam, Chennai – 600 006, towards Paper Publication effected in the Hindu, Financial Express and Daily Thanthi, Catalogue charges, Postage Charges                                                                  | 3,10,334/-        | 3,10,334/-                 |
| 2.              | 7% Government Commission to be remitted to R.B.I. if the offer submitted is accepted on the upset price fixed as Rs.21,66,00,000/-                                                                                                                                                          | 21,66,00,000/-    | 1,51,62,000/-              |
| 3.              | Valuer Charges to Er.P.Anbarasan, for having valued the property at No.23, Anderson Road, Nungambakkam, Chennai – 600 006, on 19.09.2018 and preparation of plan charges (Rs.1,14,000/- + Rs.6,000/- = Rs.1,20,000/-)                                                                       | 1,20,000/-        | 1,20,000/-                 |
| 4.              | Auctioneer expenses (M/s.Murray & Company ) for having conducted e-auction sale held on 27.02.2019                                                                                                                                                                                          | 25,000/-          | 25,000/-                   |
| 5.              | Legal fee to Thiru.K.V.Ananathakrishnan counsel for Official Assignee (Rs.3,00,000/-) for applications filed under Section 7 & 55 of the Presidnecy Towns Insolvency Act, 1909, and charges for printing Flyer and distribution (Rs.10,000/-) (Rs.3,00,000/- + Rs.10,000/- = Rs.3,10,000/-) | 3,10,000/-        | 3,10,000/-                 |
|                 | <b>Total</b>                                                                                                                                                                                                                                                                                |                   | 1,59,27,334/-              |

9. We invited Mr.P.R.Balasubramaniam, to enhance the offer and after consideration, the Learned Counsel came up with a revised offer of Rs.22 crores and stated that the said amount is the final offer for which his client had prepared to offer for the property. He also pointed out the existing Covid-19 situation and also the fact owing to the diminishing market, the value of the property has devalued. He also states that M/s.Bharath Bio Tech is prepared to purchase the property and also stated that the entire consideration would be transferred by Bank transfer within a period of one week, from today.

10. We gave our deep consideration to the offer made by M/s.Bharath Bio Tech and we feel that in the interest of the creditors, who have been waiting to receive a portion of their money which had been locked up owing to the acts of the insolvent, can be distributed among them in a pro rate manner. We had made more than sufficient efforts to invite purchasers by issuing e-tenders and auction and since all the offers had been much less than the upset price fixed, we are of the considered opinion that it would be advantageous not only to the creditors but also to the estate of the insolvent that the offer of M/s.Bharath Bio Tech is accepted. We also, take into consideration the fact that they had offered to pay the entire sale consideration within a period of one week, from today.

**11.** In view of these facts the offer of M/s.Bharath Bio Tech is accepted for a total consideration of Rs.22/- crores.

**12.** We are informed that the original title deeds pertaining to the property are with the Joint Registrar, Original Side. Therefore, we direct the Joint Registrar, Original Side to handover the title deeds to the Official Assignee, so that necessary sale papers can be made ready to execute the same in favour of M/s.Bharath Bio Tech. We also direct the Official Assignee to issue any letters to the Revenue Authorities if required for mutation of revenue records in the name of the purchaser. On payment of entire consideration, it only be appropriate that we also respond by handing over possession.

(Dr.G.J.J)

(C.V.K.J)

30.04.2021

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**30.04.2021**