

A.No.897 of 2020

R.SUBBIAH, J

This application is filed by the learned Administrator General and Official Trustee (A.G. & O.T) to pass an order confirming the public auction to Sl.Nos.1, 2, 3, 4, 5, 8, 9, 11, 14, 15, 16, 20, 23, 24, 25 and 28 as stated in the tabular column to grant lease for 11 months for 16 schedule properties to the highest bidders for the highest amount quoted by them respectively, with direction to pay advance amount within fifteen days from the date of order and thereafter execute the lease/rental agreement in their favour.

2. The learned A.G. & O.T. has filed report stating as follows:

(i) As per the order dated 06.12.2019 of this Court in A.No.9204 of 2019 and A.No.9474 of 2019, the A.G. & O.T. was permitted to hold public auction for 29 vacant properties in Chennai belonging to various trust estates by fixing the upset price according to the plinth area and market value of the properties scheduled in that reports and additional report and by making paper publication in "Daily Thanthi" (Tamil edition) having circulations in Chennai, Kancheepuram and Thiruvallur Districts.

(ii) In pursuance of the said order, the learned A.G. & O.T. had advertised about the tender in the Chennai Edition of "Daily Thanthi" on 22.12.2019. In response to the advertisement, the Office of the A.G.& O.T. had received offers from various bidders only for 24 scheduled properties and no bidder offered for remaining 5 properties for auction.

(iii) The public auction was conducted on the scheduled date for each properties from 20.01.2020 to 29.01.2020. The public auction was conducted for 24 properties and accepted to the highest bidder, subject to the confirmation by this Court. The full details of the public auction conducted are tabulated below for better appreciation:

<i>Sl. No,</i>	<i>Property address</i>	<i>Nature of property</i>	<i>Lease area in Sq.Ft</i>	<i>Upsent price for monthly Rent in Rs.</i>	<i>Auction date</i>	<i>Number of bidders participated in the auction</i>	<i>Highest bidder knocked down in the auction Mr/Ms./Mrs.</i>	<i>Highest bidder quoted amount in Rs.</i>
1	No.68, Jermaiah Road, Vepery, Chennai-7.	old building	3,812	80,000/-	20.01.2020	07	S.Balaji	1,60,000/-
2	No.114, Ramasamy Street, Chennai-1	Old house	2,044	20,000/-	20.01.2020	06	M.Dinesh	37,000/-
3	No.18, Sami Thiruneelakandar Street, Chennai-79.	Vacant site	845	13,000/-	20.01.2020	01	Manohar Lal Jain	13,500/-
4	No.23, Kannakkar Street, Thiruvotriyur, Chennai-19	Shop-I (ground floor)	125	3,000/-	21.01.2020	02	M.A.S.Sudha	5,100/-
5	No.23,Kannakkar Street, Thiruvotriyur, Chennai-19.	Shop-II (ground floor)	125	3,000/-	21.01.2020	02	R.Ramu	5,700/-

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6	No.23, Kannakkar Street, Thiruvotriyur, Chennai-19.	Commercial Hall	1800	27,000/-	21.01.2020	No one applied	-	-
7	No.23, Kannakkar Street, Thiruvotriyur, Chennai-19.	House-1 (First Floor + A room in Second Floor)	700	8,500/-	21.01.2020	No one applied	-	-
8	No.23, Kannakkar Street, Thiruvotriyur, Chennai-19.	House-II (First floor)	550	6,500/-	21.01.2020	01	A.K.Mohammed Shriff	8,000/-
9	No.23, Kannakkar Street, Thiruvotriyur, Chennai-19.	House-III (First Floor)	550	6,500/-	21.01.2020	01	V.Tharabai	6,600/-
10	No.877, Thiruvotriyur High Road, Chennai-19.	Vacant site	4,644	43,000/-	21.01.2020	06	Mithalal (now withdrew EMD forfeited)	1,95,000/-
11	Nos.910 & 911, Thiruvotriyur High Road, Chennai-19.	Vacant site	2,158	17,000/-	21.01.2020	05	K.R.C.Jayakumar Raja	40,500/-
12	No.108, Narayana Mudalil Street, Chennai-1	Vacant site	2,036	40,000/-	23.01.2020	06	Rupa Ram & Mohammed Khasim	1,16,000/-
13	No.79, Broadway, Chennai-108.	Old building	2,771	70,000/-	23.01.2020	06	K.Swaminathan	1,75,000/-
14	No.80, Broadway, Chennai-108	old building	3,882	97,000/-	23.01.2020	08	Herald Lobo	2,19,000/-
15	No.6, Ellai Amman Kovil Street, West Mambalam, Chennai-33	Vacant site	6,464	97,000/-	23.01.2020	01	R.Tharini Ratna	98,000/-
16	No.197, N.S.C.Bose Road, Chennai-1.	Shop	392	40,000/-	24.01.2020	13	Jaffer Rabeek	71,500/-
17	No.47, Moore Street, Chennai-1	Ground Floor	3,021	90,000/-	24.01.2020	02	K.Swaminathan	94,500/-
18	No.47, Moore Street, Chennai-1	Second Floor	4,417	88,000/-	24.01.2020	No one applied	-	-
19	No.161/78, Lingi Chetty Street,	Demolished	2,518	60,000/-	24.01.2020	01	Huzefa Saifuddin Khokhar (income	

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	Chennai-1	condition					proof not produced EMD forfeited)	65,000/-
20	No.15, Thatha Muthaiyapan Street, Chennai-1	Ground floor (shop)	148	5,000/-	27.01.2020	08	T.Lalu	15,600/-
21	N.No.6, O.No.1, Narayana Chetty Lane, Chennai-1	Ground floor - Residential, FF - 4 Rooms and 670 Sq.Ft. area vacant site	2,089	31,000/-	27.01.2020	02	R.Rajkumar	43,500
22	No.202, Thambu Chetty Street, Chennai-1	Shop	920	36,000/-	27.01.2020	05	M.Balan alias Manathanammel Balan	62,000/-
23	No.21, Perianna Mudali Street, Seven Wells, Chennai-79	House Dilapidated condition	860	20,000/-	28.01.2020	05	U.Akbar Ali	53,000/-
24	No.18, Sami Pandaram Street, Sindadripet, Chennai-2	House dilapidated condition	3,285	49,000/-	28.01.2020	08	A.P.Ashok Kumar	1,15,000/-
25	No.14, Nagamani Street, Chennai-2	House dilapidated condition	1,370	20,000/-	28.01.2020	11	S.Divya	40,000/-
26	New No.41, Old No.19, S.M.M.Street, Chennai-1	House dilapidated condition	4,374	65,000/-	29.01.2020	No one applied	-	-
27	No.14, S.M.M.Street, Chennai-1	House dilapidated condition	2,046	30,000/-	29.01.2020	No one applied	-	-
28	No.51 & 52, Moore Street, Chennai-1	dilapidated condition	2,309	35,000/-	29.01.2020	16	K.Palanisamy	3,00,000/-
29	No.29, Singarachari Street, Triplicane, Chennai-5	old building	3,294	40,000/-	29.01.2020	18	M.Ismailgani	2,70,000/-

(iv) No bid was received to the properties in Sl. Nos. 6, 7, 18, 26 and 27 respectively. When the paper publication was issued, terms and conditions would apply was stated. The bidder has to produce last 3 years Income Tax return filing or Form 16. Some of the bidders have submitted Income Tax Return or Form 16 as the case may be.

(v) For the 24 properties to the highest bidders, 16 highest bidders submitted the Income Tax details / Form 16 along with the bid applications. Monthly rents quoted by the highest bidder to few properties are very meager having smallest area and the annual rent comes in few lakhs. These details are in Sl. Nos.3, 4, 5, 8, 9 and 20. For other persons, last year Income Tax filing is lesser than the annual rent. Therefore, their bank account statement from 01.04.2019 to 31.01.2020 has been called for verification to know whether they are capable to pay rent once lease is confirmed.

(vi) On such verification of their bank statements shows that some of them have good amount of transactions for the last 10 months and it goes few fold more than the annual rent. Their details are in Sl. Nos.1, 11, 12, 14, 15, 16, 23, 24, 25, and 28. However, the bidders in Sl. Nos.13, 17, 21, 22 and 29 have no adequate transaction in the bank statements. The persons in

Sl.No.10, who offered highest bid for the property, subsequently withdrew from the lease for his personal reasons by his letter dated 06.02.2020 and the same was accepted by the applicant by forfeiting the EMD amount of Rs.1,29,000/-. It was communicated to him by letter in D.No.304/2020/OTHC, dated 10.02.2020.

(vii) The person in Sl.No.19 has neither submitted his Income Tax filing nor Bank Statement so far. On our repeated reminders and information, he has been telling that he has been out of station, not interested to take property for lease, he is ready to withdraw from the auction etc. Even he did not send any written communication by way of mail or through messenger etc. Therefore, it is decided that he has no income proof to pay rent and is not interested to take the property on lease, and accordingly by office note dated 25.02.2020, his EMD deposit of Rs.1,80,000/- has been forfeited and a proper letter was addressed to him.

(viii) Out 24 highest bids received, one person withdrew and 5 persons income is not satisfactory both from Income Tax Returns and Bank Statement Account. Therefore, these 5 persons in Sl. Nos.13, 17, 21, 22, and 29 bid amount to lease the property may not be confirmed and whatever

their EMD may be returned once this application is ordered. From the Income Tax return for 3 years or Form 16 and for the past 10 months Bank Statement, the highest bidders for the properties are in Sl. Nos.1, 2, 3, 4, 5, 8, 9, 11, 12, 14, 15, 16, 20, 23, 24, 25, and 28 may be confirmed with direction to the applicant to execute 11 months lease agreement in favour of the highest bidders to the respective properties by collecting advance amount of security deposit and caution deposit, as the procedure adopted so far or as decided by the applicant, as the case may be.

(ix) One of the bidders to property in Sl.No. 12, namely, Jain Mission Society, has challenged the auction to that property before this Hon'ble Court in A.Nos.432 & 433 of 2020 for re-auction on flimsy ground which is pending for consideration. The applicant has filed report to that case. Except to that property, to the decision of this Court, other properties in Sl. Nos.1, 2, 3, 4, 5, 8, 9, 11, 14, 15, 16, 20, 23, 24, 25 and 28 auction to the highest bidder may be confirmed.

01	Total properties brought for auction	29
02	Bid received for total properties	24
03	No bid received for properties (Sl.Nos.6, 7, 18, 26, 27)	05
04	Withdrawn (Sl.No.10)	01

05	One person has not deposited income proof of Income Tax Return or Bank Statement (Sl.No.19). His EMD amount forfeited	01
06	Income not satisfactory - Auction would not be confirmed - (Sl.Nos.13, 17, 21, 22, 29)	05
07	One property auction is challenged, pending for decision (Sl.No.12)	01
08	Income satisfactory - Auction may be confirmed (Sl.Nos.1, 2, 3, 4, 5, 8, 9, 11, 14, 15, 16, 20, 23, 24, 25, 28)	16

Hence, for the above reasons, the learned Official Trustee has filed this application for the relief stated supra.

3. Heard the submissions made by the learned Official Trustee and perused the materials available on record. Accepting the above report filed by the learned Official Trustee, this Application is ordered as prayed for. The learned Administrator General and Official Trustee is permitted to collect the advance amount as per the Administrative Order.

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Speaking Order: Yes

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Page No.8/9

A.No.897 of 2020

R.SUBBIAH, J

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A.No.897 of 2020

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28.02.2020