



O.P. No. 191 of 2022

C.V.KARTHIKEYAN, J.

The petition is filed under Section 7 of the Charitable and Religious Trusts Act, 1920, seeking permission by the petitioners, who are the Managing Trustees and Trustees of Arul Nambi Educational Trust, to sell the properties, which are in the name of the trust and which are situated at Survey Nos. 290/A1, 290/A2, 293/1, 2, 3, 4, 5, 6, 295/A2 and 295/A3 in Kalpambadi Village, Pennagaram Taluk, Dharmapuri District.

2. It is stated that the total extent of the land is 9.96. acres. The land had been transferred by the Managing Trustee, A. Arul Nambi to the Arul Nambi Educational Trust, by a document registered on 22.01.2010 as Document No. 110/2010 in the office of the Sub-Registrar, Pennagaram. The patta was also transferred in the name of the Trust. It is stated in the petition that the petitioners had mortgaged the property and had also borrowed money with an aim to build up an educational institution. However, they could not get necessary approvals and there were no admission of students from the year 2014-15 till 2021-22.



3. In view of the fact that the students have not been admitted, the jurisdictional Talsildar had also issued two notices stating that if necessary explanation is not submitted, the lands will be considered as excess lands and action will be initiated under Section 37 (b) of the Tamil Nadu Land Reforms Act, 1961. Thereafter, the Trustees had taken a decision to dispose of the properties. It is stated that, out of the sale consideration received, they would have to, in the first place, discharge the amount paid by the Managing Trustee towards settlement of the mortgage. It is also stated that the said sale would also be informed to the jurisdictional Tahsildar.

4. The petitioners were directed to effect publications and a memo has been filed stating that publications had been effected in Indian Express and in Dinamanai Newspapers. But offers were not received for purchasing of the lands.

5. The petitioners were directed to tender evidence. The first petitioner, A. Arul Nambi, examined himself as P.W.1 and a copy of the Trust Deed was marked as Ex. P.1 and a copy of the sale deed transferring



the lands of the properties was marked as Ex.P.2. The copy of the patta was marked as Ex.P.3. A copy of the mortgage loan discharge receipt was marked as Ex.P.5. The copy of the memos received from the Tahsildar, Pennagram, were marked as Exs. P6 and P7. The encumbrance certificate was marked as Ex.P.8. Copies of the resolutions were marked as Exs.P9 and P10.

6. To support his evidence, first petitioner also examined both the second and third petitioners, who confirmed the resolutions passed by the Trust to sell the lands.

7. In view of the above, permission is granted to sell the lands. The sale should also be done after informing the Tahsildar who had issued notices, which had been marked as Exs. P6 and P7. A statement should be filed before the Court, regarding the sale consideration received. Thereafter, the mortgage amount discharged by the first petitioner should be settled and thereafter, the balance amount should be deposited in fixed deposit in a nationalised bank. The fixed deposit receipt should be handed over to the Registry Original Side, Madras High Court, to be kept to the



credit of OP No. 191 of 2022. If the petitioner seeks to utilise the amount for the purpose of any other object of the trust, necessary application can be filed seeking payment out of the said amount.

8. With the above directions, the petition stands allowed.

21.11.2022

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