



CRP.No.4658 of 2024

IN THE HIGH COURT OF JUDICATURE AT MADRAS

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Order reserved on : 19.06.2025

Order pronounced on : 04.07.2025

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THE HON'BLE MR. JUSTICE P.B.BALAJI

CRP.No.4658 of 2024

S.Kalliappan

..Petitioner

Vs.

NIL

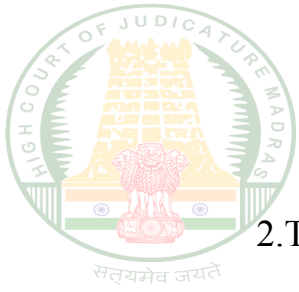
..Respondent

Prayer: Civil Revision Petition filed under Article 227 of Constitution of India, to set aside and modify the conditions made in order made in Trust O.P.No.256 of 2019 dated 28.10.2021 on the file of the Principal District Judge, Kanchipuram, Chengalpattu.

For Petitioner : Mr.A.K.Sriram
Senior Counsel
for Mr.A.Kowshik Raghu Rajaa

ORDER

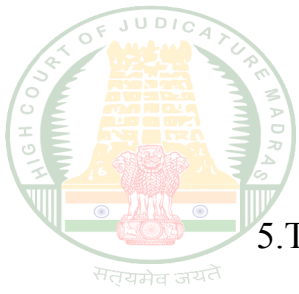
This revision has been filed by the petitioner in the Trust O.P.No.256 of 2019, on the file of the Principal District Judge, Kancheepuram.



2.The revision petitioner had sought for permission to sell the trust properties. The Trial Court though permitted sale, has imposed conditions for the sale and the petitioner trust, aggrieved by some of the conditions, has approached this Court by way of this civil revision petition.

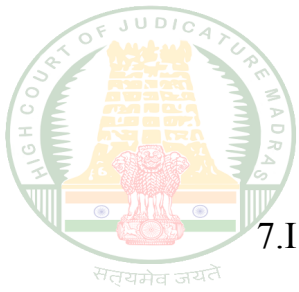
3.Heard Mr.A.K.Sriram, learned Senior Counsel for the petitioner. I have also gone through the records.

4.It is seen that the petitioner trust is a public charitable trust which is also duly registered in the year 2007. The petitioner trust runs a School where about 4500 students are studying. With a view to expand the School, the petitioner seeking to augment funds, decided to sell its property measuring 60 cents at Mudichoor Villagae, Tambaram Taluk. Being a public charitable trust, the petitioner thought it fit to approach the District Court to seek permission for sale of the said property. The learned District Judge, by order dated 28.10.2021, has granted permission to sell the said property. However, the petitioner is aggrieved by the imposition of certain conditions for the sale.



5.The learned Senior Counsel, Mr.A.K.Sriram would submit that though the learned Judge has directed sale by public auction, the Court has directed the sale to be conducted by an Advocate Commissioner which would seriously prejudice the interest of the petitioner trust. The learned Senior Counsel would further state that, firstly, if an Advocate Commissioner is bringing the property for sale, it would invariably sent out a wrong signal to the general public that there is some litigation connected with the property and therefore, the property will not fetch a fair market price. Secondly, he would state that unnecessary expenses would be mulcted on the petitioner for meeting the remuneration and incidental charges of the Advocate Commissioner.

6.With regard to the condition requiring the trust to deposit the sale consideration in a Nationalized Banks and withdraw the interest alone, learned Senior Counsel would submit that the very decision of the petitioner trust to sell the property was only to meet the costs of expansion of the School and therefore, no useful purpose would be served by directing deposit of the sale consideration in a Nationalized Bank. He would therefore pray for the order of the Principal District Judge to be suitably modified.



7.I have paid my anxious and careful consideration to the arguments advanced by the learned Senior Counsel. I have also gone through the order passed by the learned Principal District Judge.

8.As rightly pointed out by the learned Senior Counsel, when the petitioner approached the Court seeking permission to sell its property, being a public charitable trust, the Court has to either grant permission or refuse permission for such sale. There is no necessity for supervising the sale transaction by the Court. Moreover, I find force in the submission of the learned Senior Counsel that if an Advocate Commissioner is going to advertise for sale of the property, the general perception in the minds of the public would be that the property is under cloud and litigation and it is very likely that the property would not fetch the fair market value, which is otherwise would fetch.

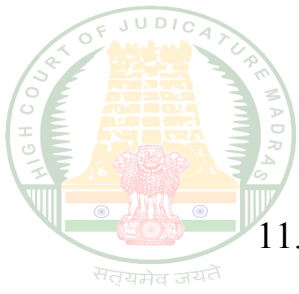
9.Further, the expenses to meet the Advocate Commissioner's remuneration and other incidental expenses that the Commissioner may claim is again an additional burden to the trust and therefore, the said conditions are also not warranted. The deposit of the sale consideration before the Court and thereafter, the expenses to be deducted and balance amount to be invested in



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Nationalized Bank, entitling the petitioner to receive interest alone, once in every six months is again unworkable in the light of the request made by the petitioner trust. Evidently, the Principal District Judge has failed to see that the permission was sought for only to expand the School for which the interest on the sale consideration will not serve the purpose.

10.The Principal District Judge ought not to have imposed such conditions as a condition precedent for the sale of its properties. Also, with regard to the time limit for conclusion of the transaction, the learned Principal District Judge has granted a period of six months. Again, this condition fixing a time limit also, is impractical and not workable for the simple reason that the permission to sell the trust property to an extent of 60 cents is only for constructing a new building and expanding the school premises. Therefore, if at all the learned Judge had wanted to ensure that the trust really utilizes the sale proceeds for the purposes of expansion of the School, then appropriate condition could have been imposed, rather than directing the sale to be completed within a period of six months.



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11. In the light of the above, the order in Trust O.P.No.256 of 2019 on the file of the Principal District Judge, Kancheepuram is set aside and the Civil Revision Petition is allowed in the manner following:-

(i) the petitioner trust is permitted to sell the properties which are sought to be sold in public auction.

(ii) the upset price fixed by the learned Principal District Judge at Rs.1 crore was in October 2021, I am inclined to fix the upset price at Rs.2 crores considering the passage of about four years now.

(iii) the petitioner shall file copies of the sale / sales before the District Court within a period of 60 days from the date of the Sale / Sales.

(iv) the petitioner trust shall file a detailed report together with a true statement of account, indicating the manner of expending the sale consideration towards expansion of its school, within a period of two years from the date of receipt of the sale consideration.

(v) There shall be no order as to costs.

04.07.2025

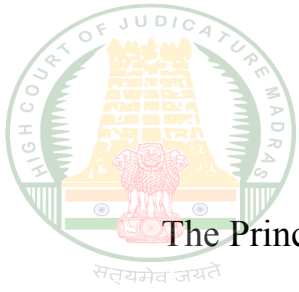
Speaking/Non-speaking order

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The Principal District Judge, Kanchipuram, Chengalpattu

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P.B.BALAJI.J.



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Pre-delivery order made in
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