



O.S.A.No. 95 of 2025

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 03.07.2025

CORAM :

THE HONOURABLE DR.JUSTICE ANITA SUMANTH
and
THE HONOURABLE MR.JUSTICE N.SENTHILKUMAR

O.S.A.No. 95 of 2025
and
C.M.P.No. 5547 of 2025

R.Sankarasubramanian

.. Appellant

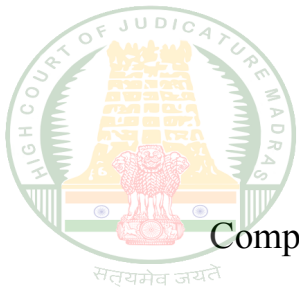
VS

1.The Official Liquidator
High Court, Madras
As the Liquidator of
M/s. Maxworth Orchards (India) Ltd.,
(In Provisional Liquidation),
2nd Floor, No.29, Corporate Bhavan,
Rajaji Salai, Chennai - 600 001.

2.Mrs.Naga Saila Suresh, Administrator,
M/s. Maxworth Orchards (India) Ltd.,
(In Provisional Liquidation),
Old No.38/1, New No.14/1,
Akbarabad II Street, Kodambakkam,
Chennai - 600 024.

.. Respondents

Prayer : Appeal filed under Order XXXVI Rule 11 of OS Rules read with
Clause XV of Letters Patent against order dated 07.06.2023 made in



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Company Application No. 198 of 2023 in Company Petition No. 57 of 1998.

For Appellant : Mr.S.Adarsh Subramanian

For Respondents : Ms.B.Ambili
Official Liquidator

JUDGMENT

(Delivered by Dr. ANITA SUMANTH..J)

The present appeal is filed challenging an order passed on 7.6.2023 in Company Application No. 198 of 2023.

2. The applicant / appellant before us, had been successful in an auction in respect of the properties set out in the annexure to Comp.A.No. 297 of 2021 filed by the Official Liquidator (OL) for Maxworth Orchards (India) Limited ('Company').

3. As the appellant had been unable to deposit the entire sale consideration within the time stipulated, he filed Comp.A.No. 48 of 2022 seeking extension of time and that application was allowed on 26.04.2022 with a condition to remit balance sale consideration prior to 06.05.2022. As the appellant had not remitted the amount even within the extended time, the EMD was forfeited and the property brought for re-



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auction where there were no bidders. The appellant had then filed yet another application in Comp.A.No. 198 of 2023 seeking more time to remit the balance sale consideration, which came to be dismissed on 07.06.2023, as against which the present appeal has been filed.

4. In the course of the appeal, there was some doubt as to the valuation of the property and an order was passed on 07.03.2025 reading as follows:-

"Mr.Pola Raghunathan, learned Official Liquidator will file a report including specifically i) whether the property at Max – Chokkampatty, Poigai, Tenkasi, Tirunelveli ad measuring 10.05 acres ('property'/'subject property') is still available or whether it has been sold in a subsequent auction and ii) what is the present value of the property and whether there has been any enhancement of the same subsequent to the upset price fixed in the auction in which the present appellant participated.

2. List on 04.04.2025."

5. Thereafter, report of ITCOT dated 15.04.2025 was received, as per which incidentally, the property ad-measures 12.55 acres and not 10.5 acres. The following order was passed on 17.04.2025:-

"We have perused the valuation of ITCOT of the subject property i.e. at Chokkampatti, Poigai Village ad-measuring 12.55 acres and find that the distress valuation of ITCOT in March 2023 is of an amount of Rs.151.64 crores.

2. In April 2025 ITCOT indicates a fall by



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around 50% and the distress valuation of the same property is Rs.81.35 lakhs only.

3. We are unable to appreciate the fall in value as even if computed on distress terms, there has only been an appreciation in the value of the property as may be seen from a comparison of the guideline values between March 2023 and April 2025.

4. Let a clarification be obtained from ITCOT and placed before the Court on 03.06.2025.

5. List on 03.06.2025."

6. The OL has filed report on 02.06.2025, wherein they had taken the matter up with ITCOT to furnish the clarification sought for.

The explanation furnished by ITCOT on 07.05.2025 is as follows:-

"The overall Remarks submitted by M/s. ITCOT Limited vide their letter dated 07.05.2025 is as follows:

(i) The web portal of TNGIS map was not available during March'2023 and hence a detailed scrutiny of the survey numbers and its sub divisions could not be ascertained for 12.55 Acres. It was possible in the April, 2025 valuation as the TNGIS map was available.

(ii) To locate the exact location of 12.55 acres, a physical land survey has to be done through a government surveyor.

(iii) The market value during 2023 and 2025 remains the same. However, it was due to the nature of the land, access, etc., that the base fair market value was taken as Rs.10.00 Lakhs as against Rs.20.00 lakhs (base value) in March'2023. Accordingly, the 2025 valuation will be 50% lower than the March'2023 valuation.

(iv) The major reasons for adopting 50% less than March'2023 valuation are provided in the April,



2025 valuation.

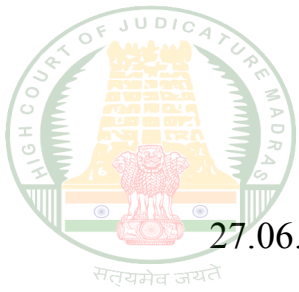
4. Further, determination of Fair Market Value and Distress Sale Value during valuation done during 2023 and 2025 by M/s. ITCOT Limited has been stated in S.No.16 of the said letter is reproduced as follows:

Information Provided in Valuation Report 2023	Information Provided in Valuation Report 2025
Considering the above observations regarding the subject land, ITCOT has determined the Fair Market Value and Distress Sale Value as follows:	Considering the above observations regarding the subject land, ITCOT has determined the Fair Market Value and Distress Sale Value as follows:-
The total fair market value of land admeasuring 12.55 Acres belonging to M/s. Maxworth Orchards (India) Limited (In Provisional Liquidation) comprised various survey numbers located at Poigai Village, Kadayanallur Taluk, Tenkasi District is estimated at 189.55 Lakhs.	The total fair market value of the subject land measuring 12.55 Acres belonging to M/s. Maxworth Orchards (India) Limited (In Prov.Liqn) i.e., Max Chokkampatti Project comprised of various survey numbers located at Poigai Village, Kadayanallur Taluk, Tenkasi District 627 856 is estimated at Rs.116.22 Lakhs.
The distress sale value of the subject property is taken at 80% of the fair market value. Accordingly, the distress sale value of the subject land is estimated at Rs.151.64 lakhs.	The distress sale value of the subject property is taken at 70% of the fair market value. Accordingly, the distress sale value of the subject land is estimated at 81.35 Lakhs.

7. It thus stands explained as to how the valuation of the property as on date is a sum of Rs.81.35 lakhs.

8. Since the appellant had expressed interest in purchasing the property at that rate, an opportunity was extended, and he had, also on 25.06.2025 expressed his concurrence to the same.

9. However, when the matter was taken up for hearing on



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27.06.2025, the OL had indicated that rather than by way of a private sale, fresh auction may be permitted in the interests of obtaining the highest bid for the subject properties.

10. When the matter is taken up today, Mr.Adarsh, would reiterate the intention of the appellant that he may be permitted to proceed with the private sale. In fact, they hold a Demand Draft for a sum of Rs.10 lakhs to show their bonafides.

11. Learned OL, on the other hand, would reiterate that they would file an application before the Company Court seeking re-auction.

12. Having heard their rival contentions, we believe that the balance of convenience would be best served by directing the OL to file an application within three (3) weeks from today bringing the subject properties to sale. Naturally, the appellant will be permitted to participate in the auction and in the event he is successful, the EMD which now stands forfeited will be adjusted in those proceedings.

13. The appellant also seeks and is granted liberty to make an application seeking leave of the Court to negotiate a private sale in respect of the subject properties for the consideration of the Court.



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14. With this and as nothing further survives in this Original

Side Appeal, the same is closed. No costs. Connected miscellaneous petition is closed.

[A.S.M., J] [N.S., J]
03.07.2025

Index: Yes/No
Neutral Citation: Yes
ssm

To

1. The Sub Assistant Registrar,
Original Side,
High Court, Madras.
2. The Official Liquidator
High Court, Madras
As the Liquidator of
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(In Provisional Liquidation),
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