

IN THE HIGH COURT OF JUDICATURE AT BOMBAY
CIVIL APPELLATE JURISDICTION
WRIT PETITION NO. 16307 OF 2025

Matushree Gomatiben Ratanshi Khimji Chheda ..Petitioner
Suvaivala Educational and Charitable Trust

Versus

State of Maharashtra & Anr ...Respondents

Mr. Rohaan Cama, with Ashish Jagiasi and Minal Chandnani, for the
Petitioner.

Ms. S.D. Chipade, AGP, for the Respondent-State.

CORAM: N. J. JAMADAR, J.

DATE : 27th JANUARY 2026

ORAL ORDER:

1. Heard Mr. Cama, the learned Counsel for the Petitioner and Ms. Chipade, the learned AGP for the Respondent-State.

2. The challenge in this Petition is to an order dated 25th June 2025 passed by the learned Joint Charity Commissioner, Mumbai, whereby the learned Charity Commissioner on an Application under Section 36 of the Maharashtra Public Trusts Act, 1950 (“the Act, 1950”) being Application No. 39 of 2024, filed for grant of sanction to alienate the immovable property of the Petitioner-Trust.

3. By the said order, though the Charity Commissioner found that the permission was required to be granted to the Petitioner-Trust to alienate the subject Trust-property to advance the object of the Trust,

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yet directed that the property be sold to the highest bidder at a consideration of Rs.4,41,25,000/-.

4. Before filing the Application, the Trust had obtained the Valuer's Report of the subject property. Gokhale and Associates, Government Certified Valuer has assessed the market value of the subject property at Rs.2,43,69,200/-. The Petitioner-Trust thereafter, invited offers by publishing notices in the daily editions of "Business Standard" (English) and "Pudhari" (Marathi) dated 26th January 2024, and "Dainik Maharashtra Samrat" (Marathi), in its edition dated 4th February 2024.

5. In response to the public notices, the Trust received five bids in sealed covers. The bid of Ms. Ramila Amarshi Bauva at Rs. 2,77,20,000/- was the highest. The Board of Trustees of the Petitioner Trust passed a resolution to accept the highest bid and sale the property.

6. The Petitioner-Trust thereafter sought sanction to sell the property to Ms. Ramila Bauva, for a consideration of Rs. 2,77,20,000/-.

7. The learned Charity Commissioner was of the view that the consideration at which Ms. Ramila Bauva offered to purchase the subject property was not optimum, convincing and acceptable. After advertizing to certain factors, the learned Charity Commissioner arrived at the conclusion that the market value of the subject property would be Rs.4,41,25,000/-. Thus, sanction was granted to sell the trust property to Ms. Ramila Bauva for a consideration of Rs.4,41,25,000/-.

8. Mr. Cama, the learned Counsel for the Petitioner, submitted that the Charity Commissioner has arrived at the market value of the subject property in an arbitrary manner. Neither fresh Valuer's Report was obtained, nor the willingness of the highest bidder to purchase the subject property at the said consideration of Rs.4,41,25,000/-. Since the Trust has followed a transparent process of inviting bids by issuing public notices in the newspapers and had accepted the highest bid, the learned Charity Commissioner could not have determined the market value of the subject property at Rs.4,41,25,000/-

9. The learned Charity Commissioner seems to have taken into account certain factors to arrive at the optimum value which, in his opinion, the subject property could fetch. However, it does not seem that the willingness of the prospective purchaser Ms. Ramila Bauva was ascertained. The sale would materialise only if the said bidder is willing to enhance the bid and purchase the property at Rs.4,41,25,000/-.

10. Mr. Cama, on instructions, submits that the bidder has declined to purchase the said property at the rate fixed by the learned Charity Commissioner. Copy of the letter dated 11th August 2025 sent by the prospective purchaser is tendered for the perusal of the Court.

11. The situation which thus obtains is that, the sale could not materialise as the highest bidder has declined to purchase the property at the value determined by the Charity Commissioner. In such a

situation, if the learned Charity Commissioner was of the view that the market value of the property is higher than the one for which the prospective purchaser has shown willingness to purchase the Trust property, the proper course would have been to invite fresh bids from the prospective purchasers to purchase the property at the enhanced price. If the Charity Commissioner receives bids to purchase the property at such higher consideration, or even for a consideration more than the value determined by the Charity Commissioner, the sale could be effected in favour of such prospective purchaser.

12. In this view of the matter, since the order passed by the Charity Commissioner cannot be implemented on account of the disinclination of the prospective purchaser to purchase the property at the consideration of Rs. 4,41,25,000/-, the proper course would be to remit the matter back to the Charity Commissioner for inviting fresh bids from the prospective purchasers for the sale of the subject property indicating the price of Rs.4,41,25,000/-, as the base price at which the Charity Commissioner is willing to sanction the sale. The bidder's will, however, be free to offer bid at the price they consider appropriate.

13. Such notice be published in leading English and Marathi daily newspapers published in Thane. Two weeks time be given for submitting bids after publication of such notice.

14. In addition to public notice, the Charity Commissioner shall invite the five bidders, who have submitted bids for purchasing the subject property in response to the public notice issued by the Trust.

15. In the event, the Charity Commissioner receives the bids to purchase the property for a consideration of Rs.4,41,25,000/-, or more, or even less than Rs.4,41,25,000/- but more than Rs.2,77,20,000/- offered by Ms. Ramila Bauva, the Charity Commissioner may confirm the same in favour of such bidder.

16. In case the Charity Commissioner does not receive the bid, in excess of the amount of Rs.2,77,20,000/-, the Charity Commissioner may pass an appropriate order to grant sanction to sell the property to Ms. Ramila Bauva, who has submitted bid to purchase the property, at Rs.2,77,20,000/-.

17. The Petitioner shall bear the expenses of publication of the notice in the newspapers by the Charity Commissioner.

18. The Petitioner shall also serve the notices on the five bidders who have submitted the bids in response to the public notice issued by the Petitioner inviting their bids to purchase the property.

19. Petition disposed.

20. Public notice be published within a period of two weeks from the date of communication of this order.

21. The learned Charity Commissioner is requested to pass appropriate final order within a period of two weeks of the last date for receiving the bids.

[N. J. JAMADAR, J.]