IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 22-06-2026

CORAM

THE HON'BLE DR.JUSTICE A.D.MARIA CLETE

C.S. No. 260 of 2025

1. ESSA AHMED SAIT AND RUKIYA BAI MEMORIAL TRUST
   Rep by its Author and Managing Trustee,
   Mr.Salim Iqbal
2. Salim Iqbal
   S/o.Muhamed Iqbal Essa,
   Author-Managing Trsutee,
   Essa Ahmed Sait and Rukiya Bai Memorial Trust

3. Anwar Azeez Sait
   S/o.Abdul Azeez Sait,
   Trustee,
   Essa Ahmed Sait and Rukiya Bai Memorial Trust

4. Nasser Iqbal
   S/o.Muhamed Iqbal Essa,
   Trustee,
   Essa Ahmed Sait and Rukiya Bai Memorial Trsut
   All having their Office at
   No.14, Park Street, Kilpauk , Chennai-600010

..Plaintiff(s)

Vs

Nil
Nil

..Defendant(s)

PRAYER: Civil Suit filed praying to permit the Plaintiffs to sell the Trust property, morefully described in the schedule hereunder to and in favour of any Intending purchaser.

For Plaintiff(s):	M/S.Rathina Asohan Ms.B.Manjula Ms.S.Sivapriya
For Defendant(s):	Nil

JUDGMENT

This Civil Suit has been filed under Order IV Rule 1 of the Original Side Rules read with Order VII Rule 1 of the Code of Civil Procedure and Section 92(1) of the Code of Civil Procedure, seeking permission of this Court to sell the Trust property more fully described in the schedule hereunder, to and in favour of any intending purchaser, and for such further or other orders as this Court may deem fit and proper.

2. The averments in the plaint are that the 1st plaintiff is M/s. Essa Ahmed Sait & Rukiya Bai Memorial Trust, represented by its Author and Managing Trustee, Mr. Salim Iqbal, having its registered office at No.14, Park Street, Kilpauk Garden, Kilpauk, Chennai, which falls within the jurisdiction of this Court. The 2nd plaintiff is the Author and Managing Trustee of the 1st plaintiff-Trust. The 3rd and 4th plaintiffs are the Trustees of the 1st plaintiff-Trust.

3. The 1st plaintiff-Trust is a Public Charitable Trust founded by the 2nd plaintiff by executing a Deed of Declaration of Trust dated 12.04.2012, registered as Document No.206 of 2012, Book-IV, in the office of the Sub-Registrar, Purasawalkam, by setting apart a sum of Rs.10,000/- towards the corpus of the Trust.

4. The plaintiff further states that the 1st plaintiff-Trust is a non-profit, tax exempted service organisation, dedicated to providing financial help for the benefit of all persons irrespective of caste, creed and religion, and to provide scholarships and financial aid to the poor, needy and destitute, including creating infrastructure to promote study and research of various languages, establishing houses for orphans, widows and the aged, and providing them financial and medical help, as declared in the Deed of Declaration of Trust.

5. The plaintiffs have further pleaded that the Trust has been registered under Section 12A of the Income Tax Act and has also obtained approval under Section 80G of the Income Tax Act. It is also pleaded that the Trust has been periodically submitting Income Tax Returns and maintaining statements of accounts in respect

of donations, contributions and expenditures, and that the income received through donations, contributions and rental income has been utilised only towards the objects of the Trust.

6. According to the plaintiffs, during the year 2021, Mrs. Talat Salim, wife of Mr. Salim Iqbal, came forward to gift a residential flat bearing Flat No.F-3, First Floor, having a built-up area of 756 sq.ft., including the common area, bearing Door No.103, Old No.77, Padavattamman Koil Street, Kosapet, Chennai – 600 012, together with undivided share of land of 250 sq.ft. out of 1813 sq.ft., comprised in T.S.No.1583/3, Block No.26, Purasawalkam Village, Purasawalkam Taluk, Chennai, more fully described in the schedule hereunder.

7. The said property was gifted under a Deed of Gift dated 22.01.2021, registered as Document No.359 of 2021, Book-I, in the office of the Sub-Registrar, Purasawalkam, Chennai, in favour of the 1st plaintiff-Trust. The plaintiffs have pleaded that the said property is in the exclusive possession and management of the 1st plaintiff-Trust, with all original title deeds, and that the property is subject to payment of property tax, water tax and monthly maintenance charges.

8. The plaintiff further states that the 1st plaintiff-Trust earns a sum of Rs.20,000/- as monthly rent from the said residential flat. It is averred that, at the time of gift, the flat was 8 years old and that it is now 12 years old. The plaintiffs have pleaded that the residential flat will not have any appreciative value in the coming years and that the value of the flat will get depreciated year by year. It is also pleaded that the undivided share of land is too less.

9. The plaintiffs have pleaded that the income derived from the flat is a very meagre amount when compared to the present market value, and that property tax, water tax, maintenance charges and recurring repair charges are all mounting and making inroads into the income derived from the said residential flat. It is also pleaded that the overall maintenance cost of the flat is going up every year.

10. The plaintiff further states that the little income derived from the flat, as well as from the contributions received by the 1st plaintiff-Trust, is not sufficient to effectively fulfil the objects of the Trust and that the Trust is unable to meet its requirements. Therefore, according to the plaintiffs, the monthly income derived from the said flat is disproportionate to the value of the asset.

11. It is the further case of the plaintiffs that, in order to continue the main objects of the Trust, it is just and necessary to sell the schedule property of the 1st plaintiff-Trust, so that the sale proceeds can be deposited in any Bank or Financial Institution offering higher interest rates, and the income therefrom can be utilised for fulfilling the objectives of the 1st plaintiff-Trust.

12. The plaint further states that the Board of Trustees held a Special Meeting on 01.08.2025 to discuss the income generation of the 1st plaintiff-Trust, since monetary contributions are received only from limited persons and organisations, and the Trustees have also been contributing funds on various occasions.

13. It is specifically pleaded that, considering the limited resources of the Trust, the Board of Trustees unanimously decided to sell the schedule property, which was gifted by the donor, Mrs. Talat Salim, in the year 2021, and to utilise the income derived from the property for charitable purposes. The plaint further states that the Board also obtained the donor's consent and approval to sell the property in the meeting held on 01.08.2025 by passing a resolution to that effect.

14. As per the resolution dated 01.08.2025, the Board unanimously resolved to get permission from this Court to sell the schedule property and, after obtaining such permission, to organise the sale of the schedule property, namely Flat No.F-3, First Floor, situate at Door No.103, Old No.77, Padavattamman Koil Street, Kosapet, Chennai – 600 012, as directed by this Court.

15. The plaint also states that, as per Clause VI(d) and VI(g) of the Deed of Declaration of Trust dated 12.04.2012, which deals with the functions and powers of Trustees, the Board of Trustees is vested with power to sell the properties of the 1st plaintiff-Trust. However, the Trustees have been advised to obtain permission of this Court for the proposed sale of the schedule property.

16. The plaintiffs have pleaded that they have no other efficacious alternative option except to sell the schedule property of the 1st plaintiff-Trust and utilise the sale proceeds by investing the same in fixed deposit in any nationalised bank, as directed by this Court, and derive the accrued interest to fulfil the main objects of the Trust.

17. It is further pleaded that the entire Board of Trustees, as well as the donor of the gifted property, are in agreement for such sale and that there is no impediment for the sale. According to the plaintiffs, no prejudice will be caused to anyone if the 1st plaintiff-Trust sells the only immovable property owned by the Trust, more fully described in the schedule hereunder, for the purpose of fulfilling the objects of the Trust, after obtaining permission from this Court.

18. On the basis of the above pleadings, the plaintiffs seek a judgment and decree permitting them to sell the schedule mentioned Trust property to and in favour of any intending purchaser.

19. Pursuant to the direction of this Court, paper publication was effected in one Tamil daily and one English daily. Thereafter, it was recorded that no objections were received from any parties, and the matter was directed to be listed before the learned Master for recording evidence.

20. Before the learned Additional Master-III, Mr. Salim Iqbal was examined as PW1. His proof affidavit was treated as part and parcel of his chief examination. Through PW1, Ex.P1 to Ex.P13 were marked.

21. The documents marked on the side of the plaintiffs are as follows:

Ex.P1 - Certified copy of the Deed of Declaration of Trust dated 12.04.2012, registered as Document No.206 of 2012, Book-IV, SRO, Purasawalkam, Chennai – 600 007.

Ex.P2 - Digitally signed copy of the certificate under Section 12A of the Income Tax Act dated 04.11.2021.

Ex.P3 - Digitally signed copy of the provisional certificate under Section 80G of the Income Tax Act dated 29.03.2023.

Ex.P4 - Digitally signed copy of the Income Tax Returns for AY 2024-2025 dated 26.09.2024.

Ex.P5 - Digitally signed copy of the assessment order for AY 2024-2025 dated 11.11.2024.

Ex.P6 - Digitally signed copy of the final approval certificate under Section 80G of the Income Tax Act dated 14.12.2024.

Ex.P7 - Printout copy of the donations received by the Trust for AY 2022-23 to 2024-25.

Ex.P8 - Photocopy of the Gift Deed executed by the donor, Mrs. Talat Salim, in favour of the 1st plaintiff-Trust, dated 22.01.2021, registered as Document No.359 of 2021, Book-I, SRO, Purasawalkam, Chennai – 600 007. Original produced, verified and returned.

Ex.P9 - Photocopy of the Sale Deed in favour of the donor, Mrs. Talat Salim, in respect of the schedule property, dated 17.09.2013, registered as Document No.3678 of 2013, Book-I, SRO, Purasawalkam. Original produced, verified and returned.

Ex.P10 - Printout copy of the property tax receipt and water tax receipt for the year 2025-2026 in the name of the 1st plaintiff-Trust dated 17.04.2025.

Ex.P11 - Original resolution passed in the meeting of the Board of Trustees of the 1st plaintiff dated 01.08.2025.

Ex.P12 - Photocopy of the property valuation report dated 07.08.2025. Original produced, verified and returned.

Ex.P13 - Downloaded copy of the Encumbrance Certificate for the period from 01.01.2021 to 29.08.2025.

22. A certificate under Section 65B of the Indian Evidence Act was also filed for the electronic records. The evidence of PW1 was recorded and the plaintiff-side evidence was closed. There were no respondents or objectors before this Court.

23. Heard the learned counsel appearing for the plaintiffs and perused the plaint, proof affidavit, deposition of PW1 and the exhibits marked on the side of the plaintiffs.

24. The following points arise for consideration:

i. Whether the plaintiffs have made out a case for grant of permission to sell the schedule mentioned Trust property?

ii. To what reliefs are the plaintiffs entitled?

25. Point Nos.1 and 2:

The 1st plaintiff is a Public Charitable Trust. The Trust has been established under Ex.P1 Deed of Declaration of Trust. The objects of the Trust, as pleaded in the plaint, are charitable in nature. The plaintiffs have produced documents to show that the Trust is registered under Section 12A of the Income Tax Act and has also obtained approval under Section 80G of the Income Tax Act.

26. The schedule mentioned property came to the 1st plaintiff-Trust under Ex.P8 Gift Deed executed by the donor, Mrs. Talat Salim. The donor's title is traced through Ex.P9 Sale Deed. The property tax and water tax receipts stand in the name of the 1st plaintiff-Trust. Therefore, the plaintiffs have established that the schedule mentioned property belongs to the 1st plaintiff-Trust.

27. The plaint specifically states that the property is yielding only Rs.20,000/- per month as rent and that the income from the property is not sufficient to effectively fulfil the objects of the Trust. The plaint also states that property tax, water tax, maintenance charges and recurring repair charges are increasing, and that the overall maintenance cost of the flat is going up every year.

28. The Board Resolution dated 01.08.2025 has been marked as Ex.P11. From the pleadings and evidence, it is seen that the Board of Trustees, considering the limited resources of the Trust, unanimously resolved to seek permission of this Court to sell the schedule property. It is also pleaded that the donor, Mrs. Talat Salim, gave her consent and approval for the proposed sale.

29. Ex.P12 is the property valuation report and Ex.P13 is the encumbrance certificate for the period from 01.01.2021 to 29.08.2025. The evidence of PW1 remains unchallenged. Further, paper publication was effected as directed by this Court and no objection was received from any party.

30. On considering the plaint averments, the oral evidence of PW1 and Ex.P1 to Ex.P13, this Court is satisfied that the proposed sale of the schedule mentioned property is in the interest of the 1st plaintiff-Trust and is intended for better fulfilment of the charitable objects of the Trust. Since the Board of Trustees has passed a resolution and the donor has also given consent and approval for the proposed sale, this Court finds no impediment to grant permission to sell the schedule mentioned property.

31. The reasons stated in the suit disclose a genuine necessity for alienation of the trust property and this Court is satisfied that sale of the property would be beneficial to the trust and its objects. In a suit under Section 92 CPC, the Court should not ordinarily grant a blanket or unrestricted permission to alienate trust property. Even when the necessity for sale is accepted, the Court, as parens patriae of the public trust, must ensure that the trust property is sold in a transparent manner and for the best available price.

32. However, the petition does not disclose the particulars of the proposed purchaser, the sale consideration, the upset price or the mode by which the property is proposed to be sold. In the absence of such particulars, this Court is not inclined to grant an unconditional or blanket permission to alienate the trust property.

33. Accordingly, the suit is allowed in part and permission is granted in principle to the trustees to proceed with the proposal for sale of the trust property, subject to the following conditions:

(i) The property shall not be sold by private negotiation without prior approval of this Court;

(ii) The trustees shall thereafter place before this Court the proposed mode of sale, the upset price fixed on the basis of the valuation report and the particulars of the proposed purchaser, if any;

(iii) The actual sale shall be effected only after obtaining further orders of this Court approving the sale consideration and other terms and conditions;

(iv) The sale proceeds shall be utilized only for the purposes stated in the affidavit and in accordance with the objects of the trust.

(v) With the above directions, the suit stands decreed of. No costs. Consequently, connected applications, if any, stand closed.

22-06-2026

Index: Yes/No
Speaking/Non-speaking order
Neutral Citation: Yes/No

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DR.A.D.MARIA CLETE, J.

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22-06-2026