

REPORT ON TITLE

M/s. Shreeniwas Cotton Mills Limited

(ex parte)

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Re : Property details of which are mentioned hereinbelow i.e.

Cadastral Survey Number (Lower Parel Division)	Area as per document		Area as per Property Card	
	Sq. yards	Sq. mts.	Sq. yards	Sq. mts.
443	11,258.00	9,413.12	11,450.00	9,574.20
444	4,261.00	3,562.73	4,671.00	3,905.55
2/445	3,447.00	2,282.00	---	2,882.00
446	58,119.00	48,594.89	59,686.00	49,905.72
	77,085.00	63,852.74	75,807.00	66,267.47

aggregating in all 77,085 sq. yards equivalent to 63852.74 sq.mts. (as per documents) and 75,807.00 sq. yards equivalent to 66,267.47 sq.mts. (as per Property Card) known as Shreeniwas Mills, lying being and situated at Senapati Bapat Marg, Lower Parel, Mumbai – 400 013 and assessed by Municipal Corporation in "G" South Ward under various ward numbers.

1. By Deed of Conveyance dated 7th August, 1935 executed and registered under No.3385 of 1935 on 09.09.1935 in Book - I with the Sub-Registrar of Assurances at Mumbai, between Fazulboy Mills Limited (in liquidation) as a Vendor of the One Part, the Official Liquidator of the Second Part and Hazarimal Somani and 14 Others, Partners of Hazarimal Somani as Confirming Parties of the Third Part and Shreeniwas Cotton Mills Limited as Purchasers of the Fourth Part, the said Vendors with the confirmation of Liquidator and Confirming Parties sold and conveyed to Shreeniwas Cotton Mills Limited ALL THAT Forus land admeasuring 58,119 sq. yards equivalent to 48,594.89 sq.mts. bearing Cadastral Survey No.446 Lower Parel Division more particularly described in First Schedule hereunder written for valuable consideration and on terms, covenants and conditions stated therein. Pursuant thereto, name of the Shreeniwas Cotton Mills Limited as an Owner was entered on the Property Card.
2. By Deed of Conveyance dated 25th November, 1935 executed and registered under No.5179 of 1935 on 29/01/1936 in Book – I with the Sub-Registrar of Assurances at Mumbai, by Shantaram Bauram Rawate and Others as Vendors of the One Part and The Shreeniwas Cotton Mills Limited as Purchasers of the Other Part, the said Shantaram Bauram Rawate and Others had sold and conveyed to Shreeniwas Cotton Mills Limited ALL THAT piece and parcel of land bearing in Cadastral Survey

No.443 Lower Parel Division admeasuring 11,258 sq. yards equivalent to 9413.12 sq.mts. more particularly described in Schedule - B thereunder and Second Schedule hereunder written for valuable consideration and on terms, covenants and condition stated therein. Pursuant thereto, name of the Shreeniwas Cotton Mills Limited as an Owner was entered on the Property Card.

3. By Deed of Conveyance dated 31st January, 1959 executed and registered under No.1458 of 1959 on 27/08/1959 in Book - I with the Sub-Registrar of Assurances at Mumbai by Kantilal Jivabhai as a Vendor of the One Part, and The Shreeniwas Cotton Mills Limited as Purchasers of the Other Part, the said Kantilal Jivabhai had sold and conveyed to Shreeniwas Cotton Mills Limited ALL THAT portion of piece and parcel of land comprised in Cadastral Survey No.444 Lower Parel Division admeasuring 2639 sq. yards equivalent to 2206.54 sq.mts. more particularly described in Second Schedule thereunder and Firstly in Third Schedule hereunder written for valuable consideration and on terms, covenants and condition stated therein. However, the Property Card of the said Property is reflecting the name of Kantilal Jivabhai as a Beneficial Owner.
4. By Indenture dated 16th July, 1963 executed and registered under No. 3036 of 1963 on 05/10/1964 with the Sub-Registrar of Assurances at Mumbai by Kantilal Jivabhai in his personal capacity and as a karta and manager of his Joint and Hindu family comprise of his wife Sushila, sons Balkrishna and Umesh (minor) and daughters Rashmi and Meenu (minor) as Vendors of the One Part and Shreeniwas Cotton Mills Limited as the Purchasers of the Other Part, the said Vendors granted, sold, released, conveyed, transferred and assured to and unto the said Purchasers, the Property bearing Cadastral Survey No.444 of Lower Parel Division admeasuring 1622 sq. yards equivalent to 1356.19 sq.mts. more particularly described in Schedule thereunder written and Secondly in Third Schedule hereunder written for valuable consideration and on terms, covenants and condition stated therein. However, the Property Card of the said Property is reflecting the name of Kantilal Jivabhai as a Beneficial Owner.
5. By Indenture dated 30th June, 1973 executed and registered under No. 2582 of 1973 on 29/10/1975 in Book – I with the Sub-Registrar at Bombay by Madhusudan Mills Limited as Vendor of the One Part and Shreeniwas Cotton Mills Limited as the Purchaser of the Other Part, the said Vendor had granted, sold, released, conveyed and assured to and unto the said Purchasers, the Property bearing Cadastral Survey No.445P (now 2/445) of Lower Parel Division admeasuring 3447 sq. yards equivalent to 2882 sq.mts. more particularly described in Second Schedule thereunder written and Fourth Schedule hereunder written for valuable consideration and on terms, covenants and condition stated therein. Pursuant thereto, name of the Shreeniwas Cotton Mills Limited as an Owner was entered on the Property Card.

6. By an Order dated 25th July 1984 passed in Company Petition No. 642 of 1983, the Hon'ble Bombay High Court directed that the Company viz. Shreeniwas Cotton Mills Limited be wound up. Pursuant to the Order dated 3rd August, 2009 passed in Company Application No.1294 of 2007 in Company Petition No.642 of 1983, the Hon'ble Bombay High Court inter alia permanently stayed the said Order dated 25th July, 1984 of winding up the said Company and further ordered that the Liquidator stood discharged in respect of Shreeniwas Cotton Mills Limited and its properties and thereupon the Official Liquidator of the said Company was ordered to hand over the properties and record of the said Company to the Shreeniwas Cotton Mills Limited to restart spinning activity.
7. I have also perused Property Register Cards issued in respect of aforesaid Properties which records their respective area as follows :-

Cadastral Number	Survey	Area in Sq.mtrs
443		9,574.20
444		3,905.55
446		49,905.72
2/445		2,882.00
Total		66,267.47

8. Besides, (i) the Property Register Card of Property comprised in Cadastral Survey No. 446 reflects entries viz.
 - a) Deed No.626 i.e. Debenture Trust Deed dated 27/12/1958 from Shreeniwas Cotton Mills Limited to (i) Purushottamdas Bangur, (ii) Vasudev Somani and (iii) Dhirajlal Maganlal.
 - b) Deed No.3127 i.e. Supplemental Debenture Trust Deed dated 20/07/1970 between Shreeniwas Cotton Mills Limited to (i) Purushottamdas Bangur, (ii) Vasudev Somani and (iii) Dhirajlal Maganlal.
 - c) Deed No.247 i.e. Confirmation Deed dated 14/01/1971 between Shreeniwas Cotton Mills Limited to (i) Purushottamdas Bangur, (ii) Vasudev Somani and (iii) Dhirajlal Maganlal.
- (ii) the Property Register Card of Property comprised in Cadastral Survey No. 444 reflects entry viz.
 - a) Deed No.1337/79 i.e. Deed of Supplemental Debenture Trust dated 28/05/1979 between (i) Shreeniwas Cotton Mills Limited and State Bank of India.

(iii) the Property Register Card of Property comprised in Cadastral Survey No. 443 reflects entries viz.

- a) Deed No.626 i.e. Debenture Trust Deed dated 27/12/1958 from Shreeniwas Cotton Mills Limited to (i) Purushottamdas Bangur, (ii) Vasudev Somani and (iii) Dhirajlal Maganlal.
- b) Deed No.3127 i.e. Supplemental Debenture Trust Deed dated 20/07/1970 between Shreeniwas Cotton Mills Limited to (i) Purushottamdas Bangur, (ii) Vasudev Somani and (iii) Dhirajlal Maganlal.
- c) Deed No.1351 i.e. Deed of Appointment of New Trustees dated 20/03/1972 between Shreeniwas Cotton Mills Limited to State Bank of India.
- d) Deed No.1337 i.e. Deed of Supplemental Debenture Trust Deed dated 28/05/1979 between Shreeniwas Cotton Mills Limited to State Bank of India.

9. By an Order dated 8th January 2010 passed in Company Application No. 1326 of 2009 in Company Application No. 1294 of 2007 in Company Petition No. 642 of 1993, the Hon'ble Bombay High Court inter alia directed that :-

- (i) the State Bank of India shall stand discharged as the Debenture Trustee and Mortgagee in respect of assets and properties of The Shreeniwas Cotton Mills.
- (ii) All the documents in connection with Debentures shall stand cancelled generally and in particular a) the Debenture Trust Deed dated 27th December, 1958, b) Supplemental Trust Deed dated 20th December, 1970, c) Deed of Confirmation dated 14th January 1971 and d) Deed of Appointment of New Trustees, e) Declaration of Directors confirming the mortgage dated 21st January 1981 which are mentioned in Clause No.8 hereinabove.

10. In this regard, the State Bank of India has issued a Certificate dated 21st November 2009 certifying that there are no dues payable by Shreeniwas Cotton Mills Limited with regard to the credit facility extended by State Bank of India. Thus, all debts and liabilities under the Debenture Trust Deed and Supplemental Trust Deed thereto have now been paid off. However, the necessary mutations to that effect are yet to be carried out on the Property Register Card. The Shreeniwas Cotton Mills Limited are in process of carrying out deletions/mutations, as the case may be, to update the Property Register Card as stated hereinafter

11. Under the cover of letter dated 11th June 2010, Shreeniwas Cotton Mills Limited have made an application to the Superintendent of Land Record for deletion of the Entries reflected in the Property Card in connection with

Debenture Trust Deed, Supplemental Debenture Trust Deed thereto and other documents in connection therewith pursuant to the Order dated 8th January 2010 annexed therewith Minutes of Order as referred in Clause No. 9 hereinabove and same are awaited.

12. Simultaneously, by an another letter dated 11th June 2010 Shreeniwas Cotton Mills Limited have made an application to the Superintendent of Land Record for mutation of revenue record viz. Property Register Card to bring the name of Shreeniwas Cotton Mills Limited with respect to Cadastral Survey No.444 pursuant to the Deed of Conveyance dated 31st January 1959 and Deed of Conveyance dated 16th July 1963 as stated in Clause No. 3 and 4 hereinabove and the same are awaited.
13. I have investigated the Title of Shreeniwas Cotton Mills Limited to the captioned properties more particularly described in FIRST TO FOURTH Schedule hereunder written by (i) perusing the copies of the documents and title deeds produced for my inspection and (ii) by causing to take search in the office of Sub-Registrar of Assurances at Mumbai for the period 1924 to August, 2010 and with the revenue authorities and as per Search Report there is no document of title other than Debenture Trust Deed and Supplemental thereto and Other ancillary documents in connection therewith (which stand cancelled / terminated as stated hereinabove), was found to have been registered affecting title of Shreeniwas Cotton Mills Limited to the said Properties.
14. I have also seen a copy of online Search by Jinal Shah Company Secretary dated 27th September 2010 and her Report indicates there is no charge found to have been registered on the said Properties.
15. I am informed that there is only pending subsisting litigation viz. :-

“T.E. & R. Suit No.72/94 of 2010 filed by Shreeniwas Cotton Mills Limited against Central Bank of India before Hon’ble Small Causes Court at Mumbai for eviction of Central Bank of India from the suit premises viz. ground floor and first floor admeasuring 2496 sq.ft. or thereabout in the building standing on the land bearing CTS No.446 of Lower Parel Division known as Shreeniwas Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai – 400 013”.
16. By a Deed of Mortgage dated 24/09/2010 registered under No.9580 of 2010 on 27/09/2010 executed amongst Shreeniwas Cotton Mills Limited as the Mortgagor of First Part, Lodha Developers Limited as the First Borrower of the Second Part, Shreeniwas Cotton Mills Limited as the Second Borrower of the Third Part and IDBI Trusteeship Service Limited as a Security Trustee of the Fourth Part, the Mortgagor has mortgaged, transferred by way of mortgage and charged the said Property as security

in favour of Security Trustee for the benefit of Lenders therein for mortgaged amount and on terms, conditions and covenants stated therein.

17. Subject to what is stated hereinabove and on the basis of documents made available for my inspection, I am of the opinion that Shreenivas Cotton Mills Limited is having a clear and marketable title free from all encumbrances to the captioned properties more particularly described in the First Second Third and Fourth Schedules hereunder written.

FIRST SCHEDULE ABOVE REFERRED TO:

ALL THAT Forus land and structure standing thereon bearing Cadastral Survey No.446 Lower Parel Division admeasuring 58,119 sq. yards equivalent to 48,594.89 sq.mts. (as per documents) and 59,686 sq. yards equivalent to 49,905.72 sq.mts.(as per property card) and lying being and situated at Senapati Bapat Marg, Lower Parel, Mumbai – 400 013 in the district and sub-district of Mumbai City and Mumbai Suburban and assessed by Municipal Corporation under Ward “G - South” under various ward numbers

SECOND SCHEDULE ABOVE REFERRED TO:

ALL THAT piece and parcel of land and structure standing thereon comprised in Cadastral Survey No.443 Lower Parel Division admeasuring 11,258 sq. yards equivalent to 9413.12 sq.mts. (as per the document) and admeasuring 11450 sq.yards equivalent to 9574.20 sq.mts. (as per the Property Card) lying being and situated at Senapati Bapat Marg, Lower Parel, Mumbai – 400 013 in the district and sub-district of Mumbai City and Mumbai Suburban and assessed by Municipal Corporation under Ward “G - South” under various ward numbers.

THIRD SCHEDULE ABOVE REFERRED TO:

FIRSTLY : ALL THAT portion of piece and parcel of land and structure standing thereon comprised in Cadastral Survey No.444 Lower Parel Division admeasuring admeasuring 2639 sq. yards equivalent to 2206.54 sq.mts. (as per document) lying being and situated at Senapati Bapat Marg, Lower Parel, Mumbai – 400 013 in the district and sub-district of Mumbai City and Mumbai Suburban and assessed by Municipal Corporation under Ward “G - South” under various ward numbers

SECONDLY : ALL THAT portion of piece and parcel of land and structure standing thereon comprised in Cadastral Survey No.444 Lower Parel Division admeasuring 1622 sq. yards equivalent to 1356.19 sq.mts. (as per document) lying being and situated at Senapati Bapat Marg, Lower Parel, Mumbai – 400 013 in the district and sub-district of Mumbai City and Mumbai Suburban and assessed by Municipal Corporation under Ward “G - South” under various ward numbers.

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FOURTH SCHEDULE ABOVE REFERRED TO:

ALL THAT piece and parcel of land and structure standing thereon comprised in Cadastral Survey No.445P (now 2/445) of Lower Parel Division admeasuring 3447 sq. yards equivalent to 2882 sq.mts. (as per document and as per property card) lying being and situated at Senapati Bapat Marg, Lower Parel, Mumbai – 400 013 in the district and sub-district of Mumbai City and Mumbai Suburban and assessed by Municipal Corporation under Ward “G - South” under various ward numbers.

Dated this 8th day of October, 2010

Garach
(Pradip Garach)
Advocate High Court, Bombay