



IN THE HIGH COURT OF JUDICATURE AT BOMBAY
BENCH AT AURANGABAD

WRIT PETITION NO. 7436 OF 2025

BALAJI ELECTRICAL AND POWER PROJECT THR ITS
PROPRIETOR NAGNATH JAGANNATH CHAVAN

VERSUS

THE STATE OF MAHARASHTRA AND ANOTHER

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Advocate for the Petitioner : Sr. Advocate Mr. R. N. Dhorde i/b Mr.V. S. Kadam

Addl. GP for Respondents-State : Mr. M. M. Nerlikar

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**CORAM : RAVINDRA V. GHUGE AND
Y. G. KHOBRAGADE, JJ.**

Dated : June 23, 2025

PER COURT :-

1. **Issue notice to the Respondents**, returnable on 14.07.2025.

The learned AGP waives service of notice on behalf of both the Respondents.

2. We find a peculiar situation before us. A sand-ghat at Nandgaon Khurd on river Purna for a layer of 0.5 mtr. in the Gat Numbers mentioned in the Auction Advertisement with further dimensions, indicates the minimum reserve price for the sand to be excavated. The total sand to be excavated was 3534 brass. The Environment Management Plan (EMP) cost was Rs. 4.50 Lakhs. The

reserve price was Rs. 21,20,400/- (Rs. Twenty One Lakhs Twenty Thousands Four Hundreds). The earnest money deposit was Rs.5,30,100/-, which is 25% of the amount. Once such auction took place and 7 bidders posed their bids ranging between Rs. 3,05,47,313/- (highest bid) to Rs. 1,13,22,313/- (lowest amongst the 7). All these 7 bidders did not turn up to pay a single rupee in the face of the requirement of depositing 25% of the bid amount. The Collector tried to contact the first three bidders and there was no response. As per the Rules, the Collector does not have to look any further.

3. Since the auction failed, the Collector proceeded for a second auction. As there were only two bidders, the time was extended and in the extended time from 25.05.2025 to 03.06.2025, the Petitioner bid Rs.41,10,000/-. The Petitioner was the highest bidder in this online bidding at Rs.41,10,000/-.

4. The learned Senior Advocate for the Petitioner relies upon the judgment delivered by the Hon'ble Supreme Court in ***EVA Agro Feeds (P) Ltd. Vs. Punjab National Bank and Anr. [(2023)10 SCC 189]***, more particularly paragraph No. 79 which he has read out to us.

5. The learned AGP relied upon a judgment delivered by the

Hon'ble Supreme Court in **Municipal Council, Neemuch Vs. Mahadeo Real Estate and Ors.** [(2019)10 SCC 738] and a recently delivered judgment dated 25.04.2025 in the case of ***The Principal Chief Conservator of Forest and Ors. Vs. Suresh Mathew and Ors. [Special Leave Petition (C) No.(s). 12353-12355 of 2021]***, wherein it is concluded that the Competent Authority monitoring the auction has the jurisdiction to cancel an auction, if there is a serious expectation of higher return, if a fresh auction bid is floated. Accordingly, the concerned District Collector has initiated the third auction. The Petitioner has also participated in this third auction. The online auctioning would be concluded in around 8 to 10 days.

6. We, therefore, permit the Concerned Authority to proceed with the auction bidding process and after the entire process is complete, he would seek the permission of this Court for finalizing the auction. The data be placed before us through an affidavit-in-reply.

(Y. G. KHOBRADE, J.)

Omkar Joshi

(RAVINDRA V. GHUGE, J.)