

IN THE HIGH COURT OF JUDICATURE AT BOMBAY
CIVIL APPELLATE JURISDICTION

WRIT PETITION NO. 10807 OF 2025

GS Mahanagar Co-operative Bank Ltd.

... Petitioner

Versus

The State of Maharashtra & Ors.

... Respondents

.....

Mr. Madhur Rai a/w. Mr. Sachin Kanse i/b PRS Legal for the Petitioner.

Ms. Kavita N. Solunke, AGP for the Respondent-State.

Ms. Namrata Parmar a/w. Ms. Laxmi Mishra i/b M/s. Kaushik & Co. for
Respondent Nos.4 & 7.

CORAM : M. S. KARNIK AND
N. R. BORKAR, JJ.

DATED : 06th AUGUST, 2025.

P.C. :

1. Heard learned counsel for the parties.
2. Respondent Nos.4 and 7 are the borrowers. Revision application was filed before the District Deputy Registrar by the borrowers. It was contended before the District Deputy Registrar that the borrowers are willing to settle the matter with the bank for which they were requesting for One Time Settlement (OTS). The District Deputy Registrar observed by the interim order that the borrowers should negotiate a settlement with the bank. The auction is stayed. No conditions have been imposed while staying the auction sale.
3. The order, in our opinion, is not sustainable in law. The order passed by the District Deputy Registrar is, therefore, quashed and set aside. The order granting stay to the auction proceedings stands vacated.

4. Learned counsel for the borrowers submitted that the borrowers are willing to deposit a sum of Rs.69 Lakhs within a period of two days from today which is in terms of OTS proposal of Rs.2.81 Crores. This is 25% amount of Rs.2.81 Crores. Learned counsel for the petitioner-bank submitted that the borrowers cannot raise such a contention as the OTS proposal has already lapsed.

5. As the Revision is pending before the District Deputy Registrar and the same is now listed on 25.08.2025, the District Deputy Registrar may proceed with the hearing of the Revision application and decide the same as expeditiously as possible and preferably within eight weeks from today. The borrowers to deposit sum of Rs.69 Lakhs with the petitioner-bank within the period of two days from today. The statement made on instructions is accepted. Though the auction sale may proceed, the same shall not be confirmed till the decision of the District Deputy Registrar and the auction sale is made subject to the outcome of the Revision Application.

6. All contentions of the parties are kept open.

7. The petition is disposed of.

(N. R. BORKAR, J.)

(M. S. KARNIK, J.)