IN THE HIGH COURT OF JUDICATURE AT BOMBAY

CIVIL APPELLATE JURISDICTION

WRIT PETITION NO.8586 OF 2024

Mandar Madhukar Jadhav … Petitioner

**Vs.**

Union of India through Principal Secretary
Ministry of Finance and others … Respondents

Mr. Jayendra D. Khairnar for Petitioner.

Ms. Vishwali V. Botle i/b. Mr. A. R. Gole for Respondent No.1.

Ms. Twinkle Kalla i/b. Blac Co. for Respondent No.2 (RBI).

Mr. Charles De'souza a/w. Mr. Nikhil Rajani i/b. M/s. V. Deshpande & Co. for Respondent No.3.

**CORAM : MANISH PITALE &**
**SHREERAM V. SHIRSAT, JJ.**

**DATE : OCTOBER 05, 2026**

**P.C.** :

. In the earlier orders passed in this writ petition, this Court had taken note of the basic dispute between the parties. The petitioner is the auction purchaser, who is distressed by the fact that the subject flat in the sale notice was shown as flat No.501/A, for which he submitted his bid and became the successful auction purchaser. But, subsequently, it came to light that the correct description of the flat was flat No.502.

2. This resulted in the petitioner not being able to obtain loan for the balance amount as the very description of the property was under a cloud.

3. During the course of hearing of this writ petition, eventually, respondent No.3 (secured creditor) agreed to offer a refund of the amount i.e. Rs.14,27,500/-, deposited by the petitioner. An affidavit dated 31.08.2026 of the authorized officer of respondent No.3 is on record to that effect.

MINAL SANDIP PARAB Digitally signed by MINAL SANDIP PARAB Date: 2026.10.05 17:37:00 +0530

4. On the last occasion, the hearing of this writ petition was adjourned on the narrow question as to how much interest should the refund amount carry in the facts and circumstances of the present case.

5. While the petitioner is insisting on refund of amount with interest @18% p.a., this Court had indicated that interest @9% p.a. would meet the ends of justice. The learned counsel for respondent No.3 had sought adjournment to take instructions in the matter.

6. Today, on instructions, the learned counsel for respondent No.3 submits that the said respondent is ready to refund the aforesaid amount with interest @ 4% p.a.

7. Attention of this Court is invited to documents on record, which show that the petitioner had physically inspected the subject flat before offering his bid in response to the sale notice issued by the respondent No.3. It is submitted on behalf of the said respondent that in the light of the petitioner having himself inspected the subject flat, at the most interest @4% p.a. can be given on the refund amount. We are unable to accept the contention raised on behalf of the respondent No.3, simply because when the petitioner had gone to inspect the subject flat, obviously, the representatives of the respondent No.3 had told the petitioner that the said flat was indeed flat No.501/A as per the description given in the sale notice. The inspection of the flat on behalf of the petitioner was primarily to ascertain the condition of the flat to enable the petitioner to offer his own bid at the time of auction sale. It cannot be said that the petitioner by physically inspecting the subject flat could be deemed to have become aware about the dispute and controversy that subsequently arose with regard to the actual description of the flat being 502 and not 501/A.

8. Therefore, we are of the opinion that it would be only in the

interest of justice that the amount which the respondent No.3 intends to refund, carries interest @9% p.a.

9. In view of the above, the writ petition is disposed of by directing respondent No.3 to refund the aforesaid amount of Rs.14,27,500/- along with interest @9% p.a. to the petitioner within a period of two weeks from today.

10. It is made clear that this order is passed in the peculiar facts and circumstances of the present case, as noted in the earlier orders passed in this writ petition, including the fact that the petitioner is working as a peon in a nationalized bank and respondent No.3 has volunteered to refund the amount.

**(SHREERAM V. SHIRSAT, J.)** **(MANISH PITALE, J.)**

***Minal Parab***