

**IN THE HIGH COURT OF JUDICATURE AT BOMBAY
CIVIL APPELLATE JURISDICTION
WRIT PETITION NO. 15177 OF 2025**

Irfan Nisar Ahmed Khatri ... Petitioner
vs.
UCO Bank, Asset Management Branch and others ... Respondents

Mr. Siddharth Samantaray a/w. Mr. Niket Harit, i/b. Manoj Harit & Co. for petitioner.

Mr. Hafeezur Rahman for respondent Nos.1 and 2 – bank.

Ms. Tanu N. Bhatia, AGP for respondent No.3 – State.

**CORAM : MANISH PITALE &
FARHAN P. DUBASH, JJ**

DATE : 08th MAY, 2026

P.C. :

. Heard learned counsel for the parties.

2. The principal prayer in this writ petition concerned extension of time for depositing balance sale consideration, in the backdrop of the fact that the petitioner was the sole bidder in an auction conducted by the respondent No.1 – bank (secured creditor). The petitioner was aggrieved also by the action of the said respondent in unilaterally cancelling the auction sale conducted on 23.07.2025 and even refusing to refund the Earnest Money Deposit (EMD). During the pendency of the writ petition, certain events occurred and they were recorded in our orders dated 28.01.2026 and 13.03.2026.

3. One of the contentions raised on behalf of the respondent No.1 – bank was that there was a moratorium operating, in the light of pendency of certain proceedings before the National Company Law

Tribunal (NCLT), under Section 95 of the Insolvency and Bankruptcy Code, 2016 (IBC). It was asserted on behalf of the petitioner that no such moratorium was operating, in the light of the events that occurred during the pendency of the writ petition.

4. In any case, an Interim Application No.1123 of 2026 was filed by the respondent No.1 – bank in Securitisation Application No.26 of 2026, seeking vacation of an interim order passed by the Debts Recovery Tribunal-I, Mumbai (DRT), in the backdrop of the aforesaid moratorium said to be operating in the matter.

5. The aforesaid interim application has been taken up for consideration by the DRT and on 05.05.2026, directions have been issued for filing notes of arguments, so that the said application can be heard on 13.05.2026.

6. In this backdrop, we are of the opinion that the writ petition can be disposed of by issuing appropriate directions. We propose to issue such directions, by taking into consideration the amounts deposited by the petitioner over and above the EMD amount, prior to filing of the petition. The respondent No.1 – bank has indicated that if the interim application filed by the DRT results in the interim order being vacated, immediate steps would be taken for conducting fresh auction, wherein the petitioner can participate.

7. Having taken note of the amended pleadings and documents placed on record, as also events that have occurred during the pendency of the writ petition, in the interest of justice, the petition is disposed of by issuing the following directions:

- (a) The DRT is directed to complete the hearing of Interim Application No.1123 of 2026 in Securitisation Application No.26 of 2026 on 13.05.2026 and/or as soon as possible thereafter. In any case, the DRT shall dispose of the said interim application within two weeks from 13.05.2026
- (b) In the event the aforesaid interlocutory application filed by respondent No.1 – bank is allowed and a fresh auction is conducted by the said respondent, the petitioner is at liberty to participate in the same. The amount deposited by the petitioner, totalling ₹ 1.04 crores shall be treated by respondent No.1 – bank as amount towards EMD during the course of the proposed auction.
- (c) Depending upon the result of the auction, the aforesaid amount deposited by the petitioner shall be dealt with by the respondent No.1 – bank. It is made clear if the petitioner is not a successful bidder in such an auction, the aforesaid amount of ₹ 1.04 crores deposited by the petitioner, shall be refunded within a period of four weeks.

8. Writ petition is disposed of in above terms. Pending applications, if any, also stand disposed of.

(FARHAN P. DUBASH, J.)

(MANISH PITALE, J.)