



**IN THE HIGH COURT OF JUDICATURE AT BOMBAY,
NAGPUR BENCH, NAGPUR.**

WRIT PETITION NO. 7729 OF 2025

Rahul S/o. Chainsukh Sancheti,
Aged about 44 years, Occ.: Agriculture,
R/o. 703, Vainganga Apartments,
Worli Sagar CHS, Sir Pochkhanwala
Road, Mumbai – 400 030,
Tah. & Dist. Mumbai.
E-mail: rahulcsancheti@gmail.com

.... **PETITIONER.**

// VERSUS //

1. IDBI Bank Limited,
Retail Recovery Branch,
1st Floor, Salasar Prestige,
Plot No.1/A, Off. WCH Road,
Dharampeth, Nagpur – 440010,
Tah. & Dist. Nagpur, through
its Authorized Officer.
E-mail : manoj.ubale@idbi.co.in
2. Antares Systems Limited,
Having registered office at
137/3, Honganasu, Kengeri,
Mysore Road, Bangalore South,
Karnataka – 560 060,
E-mail pooja.m@antaressystems.com
3. M/s. Virchand Narsi Cotton Pvt. Ltd.,
Through its Director, Dinesh S/o.
Kantilal Dand, Office at C/o. N.J. Dand,
Post Box No.11, Nandura Road,
Malkapur, Tah. Malkapur, Dist.
Buldhana – 443 101.

4. M/s. Ganga Cotton Industries,
Through its Partner – Shital W/o.
Kumarpal Dand, Office at C/o. N.J. Dand,
Post Box No.11, Nandura Road,
Malkapur, Tah. Malkapur, Dist.
Buldhana – 443 101.
5. M/s. Virchand Narsi,
Through its Partner,
Office at C/o. N.J. Dand,
Nandura Road,
Malkapur, Tah. Malkapur, Dist.
Buldhana – 443 101.
6. M/s. Abhay Traders,
Through its Partner, Vijaya W/o.
Pravinkumar Dand, Office at
C/o. N.J. Dand,
Nandura Road, Malkapur,
Tah. Malkapur, Dist.
Buldhana – 443 101.
7. Trilokchand Narshibhai Dand,
Aged major, Occupation – Not known,
R/o. C/o. N.J. Dand, Nandura Road,
Malkapur, Tah. Malkapur, Dist.
Buldhana – 443 101.
8. Chhatrapati Narshibhai Dand,
Aged major, Occupation – Not known,
R/o. C/o. N.J. Dand, Nandura Road,
Malkapur, Tah. Malkapur, Dist.
Buldhana – 443 101.
9. Kantilal Narshibhai Dand,
Aged major, Occupation – Not known,
R/o. C/o. N.J. Dand, Nandura Road,
Malkapur, Tah. Malkapur, Dist.
Buldhana – 443 101.

10. M/s. Shree Jeenamata Cot Fibre
Private Ltd., Kurha Korhale,
Post Office – Kurha Kakoda
Taluka – Muktai Nagar, Dist. Jalgaon,
Through its Director.

.... RESPONDENTS.

Shri Sanjeev Deshpande, Advocate a/w Shri V. Giramkar, Shri Kushal Jain,
Advocates for Petitioner.

Shri Subir Kumar a/w Ms Pooja Bisht, Shri Pritesh Bansod & Ms Pawar,
Advocates for Respondent No.1.

Shri Pratik D. Khedikar, Advocate for Respondent No.2.

Shri Anup H. Lohiya, Advocate for Respondent Nos.3 to 6 & 9.

Shri N.R.Saboo, Advocate for Intervenor/Respondent No.10.

CORAM : ANIL S. KILOR AND
RAJ D. WAKODE, JJ.

DATED : MARCH 10, 2026.

ORAL JUDGMENT : (Per : Anil S. Kilor, J)

1. Heard.

2. **RULE.** Rule made returnable forthwith. Heard finally by
consent of the learned counsel for the parties.

3. The acceptance of final bid of the respondent No.10 in the
e-auction held on 01/12/2025 is under challenge in this petition.

Brief facts of the present case are as under :

4. The respondent No.1 issued a notice dated 14/11/2025 under the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (hereinafter referred to as “the SARFAESI Act” for short) for sale of the property owned by the respondent Nos. 3 to 9 in e-auction on 01/12/2025 between 11:00 a.m. and 02:00 p.m.

5. The total reserved price for all the properties was Rs.15,00,00,000/-.

6. As per the conditions of the e-auction it was to be held from 11:00 a.m. to 02:00 p.m. with unlimited extension of 10 minutes each beyond 02:00 p.m., if required.

7. Accordingly, the auction was held on 01/12/2025. The last bid was recorded at the instance of the petitioner at 15:06:34 for Rs.15,09,50,000/-, thereupon, at 15:09:05 the respondent No.10 quoted his highest bid for Rs.15,12,50,000/-.

8. Then, the petitioner could not bid because of the alleged technical glitch and he immediately issued e-mail wherein he stated that he called at 15:18:00, whereupon it was suggested to the petitioner to

re-login and bid. However, the auction was ended thereafter within two minutes at 15:20:00. Hence, this petition.

9. We have heard the learned counsel for the respective parties and perused the record.

10. It is evident from the record that the e-auction in question was held on 01/12/2025 and in the said process the petitioner and the respondent No.10 had participated.

11. The reserved price fixed by the respondent No.1-Bank was Rs.15,00,00,000/- for all the properties put to auction.

12. The timing of the e-auction was 11:00 a.m. to 02:00 p.m. and it was extendable beyond 02:00 p.m. with 10 minutes for each bid till the valid bids are received during the extended period. The last highest bid was to be treated as successful bid and thereupon the auction would be treated as closed/ terminated.

13. Admittedly, the first offer of Rs.15,00,50,000/- was submitted by the respondent No.10 at 13:44.58 and both the parties offered their price bid up to 15:09:05 which was the last bid submitted by the

respondent No.10 for Rs.15,12,50,000/-. It is evident from the record that at 15:06:34 the petitioner quoted an amount of Rs.15,09,50,000/- and thereafter as stated above, the respondent No.10 quoted his final bid at 15:09:05.

14. The petitioner could not quote further amount due to the alleged technical glitch and it appears that it was informed by e-mail to the respondent Nos.1 and 2. It was stated that at 15:18:00 the petitioner was provided a support by the respondent No.2 and suggested to re-login and bid. However, before the petitioner could re-login and bid at 15:20:00 the auction was declared as ended and the petitioner, therefore, could not quote his higher price than the last price quoted by the respondent No.10.

15. It is evident from the report of the expert appointed by the Bank to look into the complaint of the petitioner, that before lapsing extension time of 10 minutes after the last bid submitted by the respondent No.10 at 15:09:05 the petitioner called the Support Desk at 15:18:00 and thereupon the petitioner was asked to re-login and bid. However, within two minutes at 15:20:00 the auction was declared as ended. It will be therefore beneficial to refer to the relevant portion of the report of Antares Systems Ltd., which reads thus :

“... As per the bidder’s claim, the last bid was placed at 03:14 PM. As verified in the attached system log report, the alias name “pomegranate” may correspond to Mr. Rahul Chainsukh Sancheti. The latest bid from this alias was recorded at 03:05 PM, which clearly indicates that the auction was still active and the bidder might have kept the system idle for a long time and resulted in time out. The auction was ended at 3:20 PM. As per the bidder’s email, the bidder has called the support desk at 3:18 PM and we have provided our support and suggested the bidder to re-login & bid.

Our system was fully operational and free from technical issues during the entire bidding window. Multiple auctions of different clients were conducted on the same day, and no technical concerns were reported by any other bidders or officials. We categorically confirm that the system did not encounter any glitches or downtime that could have prevented bidder’s participation.

Based on the system logs and technical validations, the complaint raised by the bidder appears to be false. ...”

16. Thus, though the report concluded that the complaint raised by the bidder appears to be false, the fact recorded in the report demonstrates that before lapsing extension time of 10 minutes, the bid was closed. It also appears that before lapsing of 10 minutes, after the last bid quoted by the respondent No.10, the petitioner called the Support Desk and pointed out the problem the petitioner suffered, whereupon, it was advised and suggested to re-login and bid. However, before doing so, within two minutes, the auction was closed at 15:20:00.

17. The primary purpose of auction of property is to facilitate transparent, competitive sale that secures maximum fair market value to

allow the Bank in such matters to quickly recover the outstanding debts relating to the defaulted loan. The auctions create a competitive environment that encourages bidders to raise the price, ensuring the highest possible, real time market value for the seller, so as to quickly turn the property into cash.

18. In that view of the matter, we granted an opportunity to the petitioner and the respondent No.10 to quote their respective amounts by placing the same in sealed envelopes before the Court, vide order dated 24/02/2026. This was done to test the bonafides of the petitioner and to avoid further prolongation of the process of auction.

19. The petitioner, accordingly, submitted the bid in a sealed envelope, which is opened today in the Court. From the amount quoted by the petitioner it is apparent that the petitioner has quoted about Rs.90,00,000/- more than bid accepted by the respondent No.1.

20. In the above referred backdrop, even on noticing certain irregularities occurred while concluding the auction, if the case of the petitioner is ignored, there will be a huge loss of public money.

21. It is important to note that the respondent No.10 has not submitted further bid in the sealed envelope.

22. Thus, the petitioner and the respondent No.10 to have even level playing field, we are of the opinion that in the above referred backdrop it will be in the interest of justice to resume the e-auction and permit the respondent No.10 and the petitioner to participate in the same with the reserved price as quoted by the petitioner before this Court, for Rs.16,11,00,000/-.

23. Shri Saboo, learned counsel for respondent No.10, however, opposed to the continuation of the e-auction and submits that once the auction sale is confirmed it should not be interfered with. He has placed reliance on the judgment of the Hon'ble Supreme Court of India in the case of *Eva Agro Feeds (P) Ltd. ..vs.. Punjab National Bank*, reported in **(2023) 10 SCC 189**, which reads thus:

“76. In Valji Khimji and Co. v. Hindustan Nitro Product (Gujarat) Ltd. (Official Liquidator), this Court deprecated entertaining objections after confirmation of sale. Entertaining objections after the sale is confirmed should not ordinarily be allowed, except on very limited grounds like fraud. Otherwise, no auction-sale will ever be complete. In the facts of that case, this Court noted that it was an open auction after wide publicity and there was no allegation of fraud in the auction. Therefore, there was no justification to set aside the confirmation of sale. It was opined that if every confirmed sale can be always set aside, the result would be that no auction-sale will ever be completed because always somebody can come after the auction or its confirmation offering a higher amount.

77. K. Kumara Gupta v. Sri Markendaya & Sri Omkareswara Swamy Temple is a case relating to auctioning of land belonging to the Devasthanam. This Court opined that unless and until it was found that there was any material irregularity and/or illegality in holding the public auction and/or the auction-sale was vitiated by any fraud or collusion, it is not open to set aside the auction or sale in favour of the highest bidder on the basis of some representations made by a third party who did not even participate in the auction proceedings and did not make any offer. If there is repeated interference in the auction process, the object and purpose of holding public auction and the sanctity of public auction would be frustrated. This Court in para 23 of the judgment held that unless there are allegations of fraud, collusion, etc., the highest offer received in the public auction should be accepted as a fair value. Otherwise, there shall not be any sanctity of a public auction.”

24. There is no dispute about the law laid down in the above referred judgment in the matter of *Eva Agro Feeds Pvt. Ltd.* (supra). However, we have recorded the sufficient reasons for resumption/continuation of the e-auction in this case. Furthermore, on 05/12/2025 while issuing notices, the auction process was made subject to the outcome of this petition. Therefore, even if the auction sale was confirmed in favour of the respondent No.10, it was subject to the outcome of the present petition. Therefore, the respondent No.10 cannot claim any equity on the ground that the auction sale was confirmed in his favour.

25. The learned counsel for the respondent-Bank agreed to resume the e-auction and agreed to conduct the same on 13/03/2026 at 11:00 a.m.

26. The learned counsel for the petitioner and respondent No.10 have also noted the date and time and have undertaken to communicate it to their respective clients. In addition, the respondent-Bank undertakes to inform the said fact of resumption of the e-auction on 13/03/2026 at 11:00 a.m. to the petitioner and the respondent No.10 by e-mail.

27. Accordingly, we pass the following order:

- i) The Writ Petition is **allowed**.
- ii) The acceptance of bid of the respondent No.10 in the e-auction conducted on 01/12/2025 and the consequential confirmation of the sale in favour of respondent No.10, are hereby quashed and set aside.
- iii) The respondent Nos. 1 and 2 are directed to resume and continue the e-auction dated 01/12/2025 on **13/03/2026** at 11:00 a.m., from the stage at which it stood interrupted, treating the last bid amount of Rs.16,11,00,000/-, submitted by the petitioner (as quoted by the petitioner before this Court in a sealed envelope).
- iv) The petitioner and respondent No.10 are at liberty to submit further bids in the e-auction and as per the terms and conditions of e-auction, the last and highest bid shall be accepted.

- v) If the bid of the petitioner is accepted and, despite seeking interference in the auction process, the petitioner fails to deposit the amount in accordance with the schedule prescribed under the terms and conditions of the auction, such conduct shall be treated as misuse of the process of law. In that event, the petitioner shall be liable to pay costs of Rs.21,00,000/- (Rupees Twenty One Lakh only) which shall be deposited in the “Public Welfare Account” bearing No. 129712010001014, IFSC Code: UBIN0812978, with Union Bank of India, High Court Branch, Nagpur.

Rule is made absolute accordingly.

Pending application(s), if any, shall stand disposed of.

(RAJ D. WAKODE, J)

(ANIL S. KILOR, J)

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