

Arb. Dkt No. 511/2022  
Nashik Merchant Bank Vs.  
My basa Infa Pvt Ltd. Vs.  
Abdul Latif Yasim Kokani

MHNS010026442022



**COMMON ORDER BELOW EXH. 84, 86 AND 88 IN ARBITRATION**

**DARKHAST No. 511/2022**

01) The proposed third party intervener Mr. Abdul Latif Yasin Kokani filed those applications in the pending arbitration proceeding interalia claiming that he is the auction purchaser of the property of the J.D. and therefore he being necessary party needs, to be impleaded as a party respondent in the pending proceeding (application Exh. 84). Further proposed intervener vide application Exh. 86, seeking permission to personally proceed with the execution proceeding on the ground that he has got 33 year of experience in conducting in-person trials. Further, vide application Exh. 88, the proposed third party intervener seeking extension of time to deposit the bid amount of Rs. 4,82,00,000/- till 06/04/2026.

02) The D.H. filed reply to the petition jointly at Exh. 89 and resisted the contentions. It is stated that proposed intervener is successful bidder of the property of J.D. sold in an auction sale. However, the proposed intervener has failed to deposit 25 % of the bid amount on the date of finalizing the auction itself, as required by the Rule 84 of Order 21 of C.P.C. It is further contended that on the date of finalizing auction on 10/03/2026, the proposed intervener was obliged to pay 25% of the bid amount i.e. 1,20,50,000/-. However, on his request the Court had extended time till 11/03/2026 upto 01:00 pm. Despite granting extension, the proposed intervener has failed to pay the amount. Till date he did not

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paid any amount. As a result, the auction finalized in the name of proposed intervener stands cancelled by the effect of law. The proposed intervener is simply killing time.

03) It is further contended that in a pending Regular Darkhast No. 90 of 2019 filed against proposed intervener, he has made default in payment of Rs. 1,60,808/- towards the D.H. bank. The proposed intervener is neither depositing the amount in the said darkhast nor ready to deposit the 25% of bid amount in the present matter but simply interrupting execution proceeding causing heavy loss to the public exchequer. Therefore, it is necessary to cancel bid finalized in the name of proposed third party intervener and to allow the D. H. to sale the property in the name of the second highest bidder. Hence, prayed for the rejection of petition with costs.

04) Having heard the third party intervener in-person as well as Ld. Advocate for the D.H. at length, it is seen that present darkhast is arising out of judgment and decree passed by the Ld. Court for the recovery of amount or Rs. 15,69,98,016/- with interest at the rate of Rs. 14% per annum from 15/05/2021 still its final realization. It is further evident that the D.H. had put the property of J.D. to auction sale and present third party intervener Mr. Kokani being highest bidder, has succeeded in the bid.

05) The third party intervener has tried to canvas that he was and is ready and willing to deposit the entire bid amount on or before

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06/04/2026. However, he could not deposit the bid amount on the date of its finalizing i.e. on 10/03/2026 as the bid proceeding was extended beyond Court hours and therefore he sought time till next date which was granted by the Court. As it was month of Ramadan and he was suffering from Gastric infection, he could not deposit the amount and therefore seeking further extension of time to deposit the amount till 06/04/2026.

06) Per contra, Ld. Advocate for the D.H. vehemently submitted that the proposed third party intervener is not a bona-fide purchaser but a rank defaulter. In another Regular Darkhast No. 90/2019, he failed to deposit an amount of Rs. 1,60,808/-. It is further argued that present J.D. in collusion with the proposed intervener filed present petition, killing time. Ld. Advocate for the D.H. further contended that the provision of Rule 84 of Order 21 mandates that, “on every sale of immovable property the person declared to be the purchaser shall pay immediately after such declaration, a deposit of 25%, on the amount of his purchase money to the officer or other person conducting the sale, and in default of such deposit, the property shall forthwith be re-sold”.

07) In view of the above, it is evident that the proposed intervener was obliged to deposit 25% of the sale amount immediately after declaration of auction in his favour. The record further reveals that considering difficulty of the proposed intervener, this Court had twice extended time to pay the requisite amount, but he failed.

08) The reason cited by the proposed intervener for not depositing the bid amount within extended time, reveals that it was a

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month of Ramadan and he was suffering from Gastric infection, therefore, he was unable to deposit the amount. Admittedly, not a single document and medical certificate is coming forth suggesting the alleged ailment from which he is suffering from. He could have deposit the amount through any person. Not only this, while seeking further extension of time till 06/04/2026 for depositing the entire amount, the proposed intervener has not disclosed any reason seeking such extension of time. The application appears to be a formally moved seeking extension without reciting any cogent reasons.

09) In the backdrop of the circumstances brought on record it is evident that in earlier Regular Darkhast No. 90/2019, the present intervener has become a willful defaulter by not paying an amount of Rs. 1,60,808/-. In the similar way the proposed intervener has not put-forth any reasons or his inability to deposit the balance amount even within the extended period granted by the Court.

10) Order 21 Rule 84 of C.P.C. enables the Court to resale the property put in auction in the event of failure of auction purchasers to deposit the prescribed 25% of bid amount within time stipulated and such application is still pending. The willful default of the third party intervener to pay 25% of the bid amount, even within the extended time, clearly amounts to breach of Rule 84 of Rule 21 of C.P.C.

11) Therefore, he cannot claim any vested right in auction purchase Of the property. The vesting of right was contingent upon payment of 25% of the bid amount. Failure to comply with the such

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condition precedent, debars the proposed third party intervener to further participate in the proceeding.

12) In view of above, it is observed that the proposed third party Mr. Kokani is not a necessary party to the present proceeding. Therefore, there is no propriety in allowing the application seeking permission to personally contest the arbitration proceeding and the application seeking further extension of time to deposit the bid amount till 06/04/2026.

13) In view of the above application Exh. 84, 86 and 88 deserves to be rejected in terms of order below.

**ORDER**

Application at Exh. 84, 86 and 88 in a Arbitration Darkhast No. 511/2022 stands rejected.

Sd/-

Place : Nashik

Date : 17/03/2026

**(V. V. Kathare)**  
Additional Sessions Judge,  
Nashik.