

HIGH COURT OF JUDICATURE FOR RAJASTHAN
BENCH AT JAIPUR

D.B. Special Appeal Writ No. 1088/2022

Chairman, Khadi And Village Industries Commission (KVIC)

----Appellant

Versus

Authorized Officer, UCO Bank

----Respondent

Connected With

D.B. Special Appeal Writ No. 1089/2022

Khadi And Village Industries Commission

----Appellant

Versus

UCO Bank

----Respondent

For Appellant(s)	:	Mr. RB Mathur, Senior Advocate assisted by Mr. Nikhil Simlote Mr. Azad Ahmed
For Respondent(s)	:	Mr. Bharat Vyas, AAG assisted by Ms. Aditi Vats Mr. Praveen Kumar Jain Mr. CP Sharma through VC

HON'BLE THE CHIEF JUSTICE MR. MANINDRA MOHAN SHRIVASTAVA
HON'BLE MR. JUSTICE ASHUTOSH KUMAR

Order

22/07/2024

Heard on application for vacating stay.

The auction-purchaser/newly added respondent would submit that the auction was held on 29.10.2020 and out of three properties, respondent No.6 has purchased one property put to auction, for a value of Rs.3,72,03,000/- and the entire amount was deposited with the bank. He would submit that the interim order operates as against three properties including one property in respect of which the respondent No.6 submitted his bid which

was found to be highest and the amount has been deposited, therefore, the interim order may be vacated or modified to the extent of the auction in respect of the property for which respondent No.6 has submitted his bid.

Learned counsel for the appellant would submit that for one or the other reason, beyond control, the appellant-Commission could not auction the property, as directed earlier by this Court but at the same time, the bank while auctioning the property has put on auction three properties, whereas to recover amount due and payable to the bank, there was no necessity to put on auction three properties, as the amount due and payable to the bank was Rs.2,10,56,803/-.

Learned counsel for the bank would submit that despite order passed by this Court way back in the year 2018, the Commission failed to carry auction and, therefore, in order to recover public debt, bank was left with no option but to put the mortgage property to auction.

Having considered the submissions of learned counsels for the parties, we find that the main grievance of appellant-Commission appears to be that even though the amount claimed by the bank was Rs.2,10,56,803/- yet three properties were put to auction, whereas the purpose could have been served by putting only one of the properties to auction.

In order to protect the interests of all the parties and strike balance, we are inclined to modify the interim order to the extent that insofar as auction of property for which respondent No.6 submitted his bid of Rs.3,72,03,000/-, the interim order shall cease to have effect and the respondent-bank shall proceed with

the necessary formalities towards issuance of sale certificate along with original title document in favour of respondent No.6. However, the auction would be subject to final outcome of the appeals. Insofar as other two properties are concerned, the interim order shall continue.

The original title documents in respect of the property auctioned in favour of respondent No.6 shall be forthwith handed over by the appellant-Commission to the bank. This shall be done within a period of one month.

List for final hearing.

(ASHUTOSH KUMAR),J

(MANINDRA MOHAN SHRIVASTAVA),CJ