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IN THE HIGH COURT OF JUDICATURE AT BOMBAY  
ORDINARY ORIGINAL CIVIL JURISDICTION

EXECUTION APPLICATION NO.163 OF 2005  
WITH  
SHERIFF'S REPORT NO.06 OF 2026

Anuradha Nayan Shah	...Applicant
<i>Versus</i>	
Jayantilal Vallabhdas Patni & Ors.	...Respondents

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Mr. Rohit A. Bamne a/w Isha Vyas i/b Nivit Srivastava, for the Applicant.

Mr. Arun Panickar, for Manohar Properties Pvt. Ltd.

Adv. Mrinali Dave i/b Keystone Partners, for Vallabhnagar Society.

Mr. A. Ramakrishna, for Bidder No.1-Pinakin Chitalia.

Mr. D. S. Choudhari, Deputy Sheriff of Mumbai, present.

**CORAM: MADHAV J. JAMDAR, J.**

**DATED: 04 FEBRUARY 2026**

PC:-

1. Mr. Choudhari, Deputy Sheriff of Mumbai, tenders Sheriff's Report No.6 of 2026. In the said Report, it is stated that the terms and conditions of the sale of the subject property have been settled in the meeting dated 14th January 2026. Thereafter, Auction Sale Notice was published in "Free Press Journal" and "Nav Shakti" on 22nd January 2026. The inspection of the suit land was given to the Bidders on 28th January 2026 and 29th January 2026. In response to

the said advertisement, Sheriff's Office has received offers from the following Bidders along with the EMD of Rs.10,00,000/- :-

- i. Shri Pinakin Chitalia (Bidder No.1)
- ii. Shri Rushi M. Ajmera (Bidder No.2)
- iii. Shri Anay Nayan Shah (Bidder No.3)
- iv. Shri Kushal K. Shah (Bidder No.4)
- v. M/s. Swarnim Gems & Jewelers Pvt. Ltd. (Bidder No.5)

2. The property which is put for auction is as follows :-

“Leasehold interest in the land bearing Plot No.61, C.T.S. No.241, Bhavna Building Tenants' Association, Vallabhnagar Cooperative Housing Society Ltd., J.V.P.D. Scheme, Village- Vile Parle (West), Taluka - Andheri, Mumbai – 400 056, admeasuring 852.50 sq. mtrs.”

3. The bids received have been opened in the Court and the offers received are as follows :-

Sr. No.	Name of the Bidder	Offer (Rs.)
1.	Shri Pinakin Chitalia	1,00,00,000/- (One Crore)
2.	Shri Rushi M. Ajmera	90,00,000/- (Ninety Lakhs)
3.	Shri Anay Nayan Shah	1,00,00,000/- (One Crore)
4.	Shri Kushal K. Shah	85,00,000/- (Eighty-Five Lakhs)
5.	M/s. Swarnim Gems & Jewelers Pvt. Ltd.	<b>6,03,00,000/- (Six Crores And Three Lakhs)</b>

The respective offers as received as per above details are informed to all the Bidders.

4. Mr. A. Ramakrishna, learned Advocate appearing for the Bidder No.1-Pinakin Chitalia informed the Court, on instructions, that the Bidder No.1 do not want to increase the offer. The Bidder No.2-Rushi M. Ajmera and Bidder No.4-Kushal K. Shah made similar statements.

5. In this background of the matter, it is required to note that, Bidder No.3-Anay Nayan Shah, who has given an offer of Rs.1,00,00,000/- (Rupees One Crore Only), has increased the same gradually and Mr. Mahesh Soni, Director of the Bidder No.5 has also increased the initial offer of Rs.6.03 Crores accordingly. The details of the same are as under :-

Sr. No.	Enhanced offer of Bidder No.3	Enhanced offer of Bidder No.5
1	Rs.8.25 Crores	Rs.8.50 Crores
2	Rs.8.75 Crores	Rs.9.00 Crores
3	Rs.9.50 Crores	Rs.9.75 Crores

6. Thus, it is clear that the Bidder No.3 has lastly increased the offer to Rs.9.50 Crores and, thereafter Mr. Mahesh Soni, Director of

M/s. Swarnim Gems & Jewelers Pvt. Ltd. (Bidder No.5) has given an offer of Rs.9.75 Crores.

7. However, it is required to be noted that, before giving such offer of Rs.9.75 Crores, Mr. Mahesh Soni, Director of M/s. Swarnim Gems & Jewelers Pvt. Ltd. (Bidder No.5), with the permission of the Court, went outside the Court to discuss with other Director. However, immediately, thereafter, Mr. Anay Nayan Shah (Bidder No.3), who had given his last offer of Rs.9.50 Crores, without taking permission of the Court, also left the Court. Thereafter, Mr. Mahesh Soni, Director of Bidder No.5 and Mr. Anay Shah, Bidder No.3 entered the Court Room and after entering the Court Room, Mr. Mahesh Soni, Director of Bidder No.5 has given an offer of Rs.9.75 Crores and Mr. Anay Nayan Shah (Bidder No.3) stated that he do not wish to give any further offer.

8. This is a Court Auction and therefore, sanctity of the process of the Court Auction has to be maintained.

9. The Supreme Court in the case of *LICA (P) Ltd. (No. 2) v. Official Liquidator*<sup>1</sup>, has held that proper control of the proceedings

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**1** (2000) 6 SCC 82

and meaningful intervention by the court would prevent the formation of syndicate, underbidding and the resultant sale of property for inadequate price. It has also been observed that the purpose of open auction is to get the most remunerative price and it is the duty of the court to keep openness of the auction so that the intending bidders would be free to participate and offer higher value.

**10.** The manner in which Mr. Mahesh Soni, Director of M/s. Swarnim Gems & Jewelers Pvt. Ltd. (Bidder No.5) and Mr. Anay Nayan Shah (Bidder No.3) have conducted themselves participated in this Court Auction, clearly shows that sanctity of the Court Auction is completely lost. The same clearly shows that this Court Auction is affected by formation of syndicate and underbidding.

**11.** Apart from that, one more aspect which is required to be noted that, Neelam Arch, Architect, Consulting Engineer, Surveyor & Govt. Property Valuer, has given a Valuation Report dated 19th December 2025 of Rs.64,47,300/- (Rupees Sixty-Four Lakhs Forty-Seven Thousand and Three Hundred Only) and the initial offer of M/s. Swarnim Gems & Jewelers Pvt. Ltd. is Rs.6.03 Crores. Thus, it is clear that the Valuer has grossly undervalued the property in question.

12. It is also required to be noted that the plot in question is at J.V.P.D. Scheme, Vile Parle, Mumbai - 400 056 which is a very prime residential area in Mumbai. Not only the Valuation Report valuing the property at Rs.64,47,300/- is grossly undervaluing the property, however, the bids submitted by some of the bidders show that there is high probability that they were knowing the Valuation Report. It is required to be noted that the initial offer of Bidder No.5 was Rs.6.03 Crores and the same was increased to Rs.9.75 Crores. Thus, it is obvious that the other Bidders have given very low offers compared to the market price. Thus, in the facts and circumstances, the possibility of the formation of syndicate just to make a show of competition, cannot be ruled out. In any case, it is very clear that few offers particularly of Bidder Nos.1 to 4 are very low compared to the market price. Only Bidder No.3-Anay Nayan Shah increased the same to Rs.9.50 Crores.

13. At this stage, Bidder No.1 - Pinakin Chitalia, states that in fact he was intending to give an offer of Rs.15 Crores, but he was asked to keep quiet.

**14.** Thus, the conduct of all the Bidders noted herein above, shows that the entire bidding process has been rigged.

**15.** This is a Court Auction. The properties are to be sold by the Court Auction to ensure that maximum price is fetched. The conduct of all the Bidders noted herein above, clearly show that the entire auction process is rigged. Accordingly, in the facts and circumstances, EMD of Rs.10,00,000/- which has been offered by each of the Bidders is forfeited. The same be at present invested in a Nationalised Bank for a period of 6 months. After the subject property is sold in Court Auction conducted in accordance with law, further direction regarding said forfeited amount can be given.

**16.** For the above reasons, this entire process of sale of subject property by Court Auction is quashed and set aside.

**17.** The Deputy Sheriff of Mumbai to give a fresh Report after receiving fresh valuation.

**18.** Accordingly, Sheriff's Report No.6 of 2026 is disposed of in above terms.

**[MADHAV J. JAMDAR, J.]**