

**IN THE HIGH COURT OF MADHYA PRADESH
AT GWALIOR**

BEFORE

HON'BLE SHRI JUSTICE ANAND PATHAK

&

HON'BLE SHRI JUSTICE HIRDESH

ON THE 1st OF JULY, 2025

REVIEW PETITION NO. 1072 of 2025

MAA SIDDHESHWARI WAREHOUSE

Vs.

STATE OF M.P. & ORS.

&

REVIEW PETITION NO. 1109 of 2025

CENTRAL BANK OF INDIA

Vs.

STATE OF MADHYA PRADESH & ORS.

APPEARANCE:

Shri Sanjay Bahirani – Advocate for the review petitioner – Maa Siddheshwari Warehouse.

Shri K.N. Gupta – Senior Advocate with Shri Ravi Chaudhary – Advocate for the review petitioner – Central Bank of India.

Shri Vivek Khedkar – Additional Advocate General for the respondents/State.

Shri MPS Raghuvanshi – Senior Advocate with Shri Manish Gurjar – Advocate for respondent/borrower – Maa Durga Devi Trading Company.

ORDER

1. Regard being had to similitude of the dispute, both the review petitions are being heard analogously and decided by this common order. Review petition No.1072/2025 is filed by Maa Siddheshwari Warehouse seeking the relief of payment of rent amount and unloading charges to the tune of Rs.31,28,000/-. Review petition No.1109/2025 is preferred by the Central Bank of India seeking re-auction and rescheduling the auction proceedings. For factual clarity, facts of Review Petition No.1109/2025 are taken into consideration.

2. Review Petition No.1109/2025 has been preferred by the review petitioner seeking review of the order dated 09-06-2025 passed in Writ Appeal No.1637/2025 whereby the appeal preferred by respondent No.4 has been disposed of with certain directions to the respondents.
3. Precisely stated facts of the case are that review petitioner is a Bank which has granted loan to respondent No.4 – Maa Durga Devi Trading Company on the basis of warehouse receipts of respondent No.6 which were issued to the borrower on deposit of paddy, purchased by him from the farmers through Krishi Upaj Mandi Samiti Lashkar Gwalior. Since borrower did not make payment to the farmers, therefore, dispute erupted and the aforesaid paddy was put to auction by the State in order to make payment to the farmers. Allegation of misappropriation of the said paddy was also there against the borrower. This auction notice was challenged by the review petitioner – Central Bank of India before learned Writ Court in which certain directions were issued by learned Writ Court vide order dated 17-05-2025 which was challenged by respondent No.4 by preferring writ appeal. Against the directions issued in the said writ appeal, the present review petitions are preferred by the Bank and Warehouse.
4. It is the submission of learned senior counsel appearing for the review petitioner – Bank that the directions issued by the Writ Appellate Court has not been complied with and the auction proceedings were carried out without prior intimation to the person nominated by the review petitioner to participate in the said auction proceedings. It is also submitted that the Writ Appellate Court erred in giving direction to keep the amount of auction proceeds in a fixed

deposit in the name of Collector, District Gwalior while being a secured creditor, review petitioner is entitled to receive the said amount because the loan amount given to the borrower involves public money. According to review petitioner, officials of respondent No.3 and respondent No.6 are hand in gloves, therefore, FIR has also been registered against them. The Writ Appellate Court did not consider this aspect and committed error which is apparent on the face of record. Therefore, this review petition has been preferred.

5. Learned counsel for the review petitioner – Maa Siddheshwari Warehouse submits that learned Writ Appellate Court did not consider the grievance of warehouse as an amount of Rs.31,28,000/- towards unloading charges and rent amount for keeping the paddy in warehouse are outstanding. Therefore, prayed for modification of the order passed by the Writ Appellate Court.
6. Learned senior counsel appearing for respondent No.4/borrower submits that he is ready to make the payment of the Bank and he has not committed any fraud. According to counsel for respondent No.4, borrower is ready to cooperate in every proceedings. Thus, prayed for a suitable direction.
7. Learned counsel for the respondents/State supported the impugned order passed by learned Writ Appellate Court and prayed for dismissal of review petition.
8. Heard learned counsel for the parties and perused the record appended thereto.
9. The instant review petition is preferred by the Central Bank of India which is petitioner before learned Writ Court seeking review/modification of order dated 09-06-2025 passed in writ appeal No.1637/2025. Learned Writ Court vide order dated 17-05-2025

passed certain directions because certain transactions were found foul by learned Writ Court. Against those directions M/s Durga Devi Trading Company (respondent No.4 before learned Writ Court) filed writ appeal bearing No.1637/2025 in which directions were given in following manner:

“11. Consequently, the present appeal is disposed of with following directions:-

(i) The paddy, in question, stored with the respondent No.6/warehouse can be auctioned by the market committee. However, one representative nominated by the Collector as well as one representative nominated by the Central Bank of India would be part of the auction committee and auction would be finalized only after mutual consent of all the members of the auction committee.

(ii) The auctions proceeds shall be kept in a fixed deposit in the name of the Collector, District Gwalior in any nationalized bank.

(iii) The fixed deposit so created in the name of Collector, shall not be liquidated or dealt with in any manner whatsoever except as directed by the learned Single Judge in the writ petition W.P. No.12258/2025 and would be subject to further orders to be passed in the said writ petition by the learned Single Judge.”

10. From the submissions advanced and contents of review petition, it appears that petitioner is aggrieved by the manner in which auction was held by the marketing committee where the presence of representative nominated by Central Bank of India was ignored while conducting the auction. Besides that, auction proceeds are being kept

in Fixed Deposits in the name of Collector, District Gwalior in a nationalized bank with a direction not to liquidate the said amount without leave of this Court. If these observations are seen then it appears that interest of the review petitioner namely Central Bank of India is protected. However, this Court intends to add that if auctions are still going on then marketing committee shall involve representative nominated by Central Bank of India under due intimation without fail and the amount derived through auction would be deposited in a nationalized Bank. Till then *status-quo* shall be maintained in a manner that auction would not be finalized and no produce would be taken away from the purchaser without leave of learned Writ Court because writ petition is still pending and only learned Writ Court would decide the fate of the auction proceedings in accordance with law.

11. If review petitioners are still aggrieved then they are at liberty to move appropriate application for stay/interim relief/modification of order dated 17-05-2025 before learned Writ Court only, because scope of review (looking to the prayer made) in the present case is very limited.
12. Parties are directed to appear before learned Writ Court and pleadings shall be completed by parties at the earliest if not already completed. Writ petition shall be heard on its own merits, after affording opportunity of hearing to all concerned.
13. Both the Review petitions (Review Petition No.1072/2025 and Review Petition No.1109/2025) stand disposed of accordingly.

(ANAND PATHAK)
JUDGE

(HIRDESH)
JUDGE