Ajay

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

COMMERCIAL SUIT NO. 39 OF 2025

IDBI Bank Ltd. .. Plaintiff
Versus
B.R. Films and Ors. .. Defendants

WITH
INTERIM APPLICATION NO. 5137 OF 2025
IN
COMMERCIAL SUIT NO. 39 OF 2025

WITH
INTERIM APPLICATION NO. 6111 OF 2025
IN
COMMERCIAL SUIT NO. 39 OF 2025

WITH
INTERIM APPLICATION NO. 1986 OF 2025
IN
COMMERCIAL SUIT NO. 39 OF 2025

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- Mr. Anil Singh, Senior Advocate a/w. Mr. Adaush Vyas, Ms. Fatema Kachwalla and Mr. Virgil Braganza, Advocates i/by JSA for Plaintiff – Bank.
- Mr. Chirag Mody, Advocate i/by AMR Law for Defendant Nos.1, 3 and 4.
- Mr. Amit Maurya, Advocate i/by LIM Legit for Defendant No.2.
- Ms. Treesa Benny a/w. Ms. Rashi Savla, Advocates i/by Wadia Ghandy & Co. for Defendant No.5.

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CORAM : MILIND N. JADHAV, J.
DATE : NOVEMBER 19, 2025.

P.C.:

1. Heard Mr. Singh, learned Senior Advocate for Plaintiff – IDBI Bank; Mr. Mody, learned Advocate for Defendant Nos.1, 3 and 4; Mr.

Maurya, learned Advocate for Defendant No.2 and Ms. Benny, learned Advocate for Respondent No.5.

2. Without prejudice to rights and contentions of Plaintiff – Bank which is a public sector Bank. Mr. Singh, learned Senior Advocate appears on behalf of Plaintiff – Bank and has persuaded the Court to allow him to make certain submissions which may enure to the benefit of Defendant No.1.

3. Briefly stated, Defendant No.1 availed certain borrowings from Plaintiff – Bank which turned into NPA over the past few years. Mr. Singh would submit that in the year 2023 duly appointed Committee of Plaintiff – Bank after scrutinizing and analyzing the proposal made by Defendant No.1 concluded that if Defendant No.1 would deposit One Time Settlement (OTS) amount of Rs.15.70 crores within a period of three months, Plaintiff – Bank would be willing to put an end to the recovery dispute. This he would submit was in the year 2023. He would submit that after a hiatus of more than 2 and half years, Plaintiff – Bank is ready and willing to accept the said amount which was determined and concluded by the previous Committee without prejudice to the rights and contentions of Plaintiff – Bank, if the same is agreed to be deposited by Defendant No.1 within a period of three months from today. Those are his instructions.

4. He would also in his usual fairness inform the Court that Defendant No.1 has shown its willingness to deposit the amount of Rs.15 crores but within a longer time span, but Plaintiff – Bank is not agreeable to forego the additional amount of Rs.70 lakhs thereon as decided by the previous Committee as OTS. Such is the proposal offered by Plaintiff – Bank without prejudice to its rights.

5. Mr. Mody, learned Advocate appears on behalf of Defendant Nos.1, 3 and 4. He has deliberated with his clients . At the outset, he would submit that the original loan amount was a mere Rs.5 crores at the threshold, but the same has bloomed into a humongous figure as on date due to interest quotient. Mr. Singh in the course of his submissions mentioned that if the rate of interest was applied, then the outstanding amount against the borrowing of Defendant No.1 would be in excess of Rs.89 crores as on date.

6. Mr. Mody would submit that he has deliberated with his clients namely Defendant Nos.1, 3 and 4 and on instructions would persuade the Court to accept the a lumpsum amount upfront to show the *bonafides* of Defendant No.1 at the outset and the balance amount in equated quarterly installments as suggested by him. He would also submit that his clients are ready and willing to pay interest @9% on all equated quarterly installments on reduced balance basis so that the *bonafides* of Defendant No.1 are shown. He would submit that after much deliberation and confabulations he has taken instructions from his clients and they are ready and willing to pay an upfront amount on signing the without prejudice Settlement Proposal / Consent Terms with Plaintiff – Bank and deposit an amount of Rs.3,92,50,000/- upfront on the execution of the Consent Terms forthwith.

7. Next he would submit that in so far as the balance amount is concerned, Defendant No.1 undertakes to deposit a quarterly installment of Rs.1,47,17,750/- alongwith interest @9% on reduced balance basis for 7 quarterly installments and the final installment shall be the remaining balance amount of Rs.52,18,750/- alongwith interest @9% as agreed. He would submit that immediately prior to the previous Committee taking a decision on the OTS offered, Defendant No.1 had shown its *bonafides* by depositing a sum of Rs.65,00,000/- by two cheques dated 18.01.2022 and 06.08.2022 and the third cheque was also deposited as recently as on 04.07.2025. That apart, he has also taken instructions and would submit that Defendant Nos.1, 3 and 4 undertake to pay Rs.30,00,000/- to Mr. Ganesh Jain of Venus Records and Tapes Pvt. Ltd. on behalf of the Plaintiff – Bank. He would submit that if the aforesaid amounts are totalled, then the offer made by Defendants of paying a sum of Rs.14.70 crores on above terms is fair and should be accepted since apart from the monies already deposited and undertaken to be paid on behalf of Plaintiff – Bank should be considered by the Court. He would submit that by making upfront payment of Rs.3,92,50,000/-, Defendant No.1 has shown its *bonafides* which should be considered by the Plaintiff – Bank.

8. To counter the above offer, Mr. Singh, learned Senior Advocate after taking instructions would submit that it is extremely difficult for the Plaintiff – Bank to agree to a time span of two years to receive the balance payment despite the fact that Defendant No.1 has agreed to pay an upfront signing amount of Rs.3,92,50,000/-. He would however in fairness persuade the Court to consider putting it to Defendants to raise the signing amount to upto Rs.5 crores so that if the same is paid or agreed to be paid forthwith, then the Committee which has previously decided on OTS can be directed by the Court to consider the request made by Defendant No.1. However, he is very clear on his instructions that the tenure for payment of the balance amount should be as less as six months and the Plaintiff – Bank is not ready and willing to stretch the same over a period of two years.

9. I have considered the submissions made on behalf of both the parties. Needless to state the all submissions made are without prejudice to the rights and contentions of both the parties before me. I have not heard the parties on the merits of the matter, that would be a different aspect altogether.

10. Suit is filed in the year 2025 by the Plaintiff – Bank seeking recovery. Plaintiff – Bank has been fair in informing the Court about the previous OTS agreed to by the Committee of the Plaintiff – Bank and in agreement of Defendant No.1 today after due deliberation to agree to the same. However the issue therefore now reduces to what should be the upfront signing amount on the execution of the Consent Terms and the tenure.

11. After hearing Mr. Singh, I have impressed upon Mr. Mody and his clients to increase the signing amount of the Consent Terms at the threshold. But in today's times considering the liquidity available, Mr. Mody would submit that his clients have taken a conscious and considered decision on the basis of availability of their funds at present so as to arrive at the said singing amount of Rs.3,92,50,000/-. He would submit that anything in excess thereof would undoubtedly put a constraint on his clients business and it would be a very difficult proposition for Defendant No1. Though this stance of Mr. Mody has been refuted by Mr. Singh in view of the business run by Defendant No.1, I do not have any reason to disbelieve Mr. Mody.

12. Without opining anything on merits and simply on the basis of the submissions made before me which are without prejudice to the rights and contentions of either parties, I would like to persuade the Committee of the Plaintiff – Bank to consider the settlement offered by Defendant No.1. On the issue of the upfront amount, Plaintiff – Bank is requested by the Court to consider whether it would agree to accept the amount offered by Defendant No.1 (Rs.3,92,50,000/-) upfront on execution of the Consent Terms which in my opinion is infact a fairly large amount which goes to show the *bonafides* of Defendant No.1.

13. However in so far as the tenure of the payment of balance amount is concerned, I would like to once again request the Committee of the Plaintiff – Bank to consider the said tenure when the Defendant No.1 is ready and willing to offer interest @9% on the said amount to the Plaintiff – Bank. Undoubtedly Defendant No.1 must have taken a conscious decision considering its finances with respect to the tenure for payment of balance amount. However in so far as the Plaintiff – Bank is concerned since it is a public sector undertaking, it may have its own limitations also regarding the payment. Hence all that I can do in this order is to persuade the Committee of Plaintiff – Bank to consider the same and accordingly apprise the Court on the next adjourned date through Mr. Singh so that the proposal can be taken further so that the without prejudice settlement proposal can be considered by the Court.

14. In the interregnum if there is any change required to be offered either by Plaintiff – Bank or Defendant No.1, they can talk to each other without prejudice to their rights and contentions. If the Committee of Plaintiff – Bank requires to hear Defendant No.1 for considering the proposal which is enumerated herein above, Defendant No.1 shall attend such hearing and confabulate with Plaintiff – Bank's officials which shall undoubtedly be without prejudice to the rights and contentions of both the parties. These directions are passed only to persuade both the parties before me to consider an amicable resolution to their dispute in the interest of both the parties.

15. Needless to state that if any of the parties are dis-agreeable on any issue, there shall be no coercion whatsoever by the other party and in that event the Suit proceedings shall be heard further in accordance with law.

16. This Court hopes that both the parties shall consider the above order for arriving at an amicable resolution to their dispute regarding recovery of monies and inform the Court accordingly.

17. A server copy of this order shall be placed before the Committee of Plaintiff – Bank forthwith.

18. The Committee of Plaintiff – Bank is requested by this Court to consider the aforesaid proposal offered by Plaintiff – Bank and give inputs and suggestions to Mr. Singh and follow the aforesaid directions, if so desired.

19. List the Commercial Suit and Interim Applications on Board on **26th November 2025**. To be placed under the caption '**For Directions**'.

[MILIND N. JADHAV, J.]

Ajay

AJAY TRAMBAK UGALMUGALE

Digitally signed by AJAY TRAMBAK UGALMUGALE Date: 2025.11.20 18:26:41 +0530