

IN THE HIGH COURT OF JUDICATURE AT BOMBAY
CIVIL APPELLATE JURISDICTION
WRIT PETITION NO.5951 OF 2026

Ajay Goradia and another ... Petitioners
Vs.
IDFC First Bank Limited ... Respondent

Mr. Charles De Souza a/w. Ms. Kruti Bhavsar for Petitioners.

Mr. Aayush Kothari a/w. Mr. Nikhil Rajani i/b. M/s. V. Deshpande & Co. for Respondent.

**CORAM : MANISH PITALE &
SHREERAM V. SHIRSAT, JJ.**
DATE : MAY 05, 2026

P.C. :

1. Heard Mr. De Souza, learned counsel for the petitioners (borrowers).

2. The petitioners are aggrieved by order dated 04.03.2026 passed by the Debts Recovery Appellate Tribunal, Mumbai (DRAT) on an application for waiver moved on their behalf in a pending appeal.

3. It is submitted that the impugned order suffers from jurisdictional error as the DRAT ought to have disposed of the waiver application in accordance with law. If the DRAT was of the opinion that waiver of pre-deposit could not be granted, any amount ranging between 25% and 50% of the amount due could have been directed to be deposited before the DRAT towards pre-deposit. Instead, by the impugned order, the waiver application is kept pending and the petitioners have been directed to deposit specific installments of Rs.19 lakhs each, totalling Rs.95 lakhs directly to the respondent bank (secured creditor).

4. It is further pointed out that while the first installment payable by

11.03.2026 was indeed paid to the respondent bank, the petitioners could not pay the second installment, which was payable on or before 11.04.2026. It is submitted that the petitioners undertake to deposit the said second installment along with the third installment on or before 11.05.2026 and further to deposit the fourth and fifth installments before the DRAT, instead of making payment directly to the respondent bank.

5. It is submitted that even if the amounts, as directed in the impugned order, are to be deposited, they ought to be treated as pre-deposits and not as payments to the respondent bank.

6. *Prima facie*, we find substance in the contention raised on behalf of the petitioners that there is indeed a jurisdictional error on the part of the DRAT, as the directions contained in the impugned order are not relatable to the third *proviso* to Section 18 of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (for short 'Securitisation Act'). The said *proviso* requires pre-deposit in the DRAT for the appeal to be registered.

7. Issue notice, returnable on 09.06.2026, High on Board.

8. Mr. Kothari, learned counsel waives notice on behalf of the sole respondent bank.

9. Reply affidavit be filed within four weeks from today. Rejoinder affidavit, if any, be filed before the next date of listing.

10. The aforesaid statement made on behalf of the petitioners is recorded as an undertaking to this Court. Accordingly, the petitioners shall deposit amount towards second installment of Rs.19 lakhs as also the third installment of Rs.19 lakhs before the DRAT on or before 11.05.2026. The statement with regard to depositing fourth and fifth installments of Rs.19 lakhs each before the DRAT is also recorded as an

undertaking to this Court.

11. Subject to the petitioners abiding by the said undertaking given to this Court, the stay granted in paragraph 6 of the impugned order shall continue to operate till the next date of listing.

12. On the returnable date, this Court shall verify as to whether the petitioners are indeed abiding by the undertakings given to this Court.

(SHREERAM V. SHIRSAT, J.)

(MANISH PITALE, J.)

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