

[2009] 5 S.C.R. 937

M/S CSANGO & ORS. A

v.

UNION BANK OF INDIA  
(Civil Appeal No. 2378 of 2009)

APRIL 13, 2009 B

**[DALVEER BHANDARI AND HARJIT SINGH BEDI, JJ.]**

*Settlement/Compromise – Settlement arrived at between the parties – In order to put quietus to the entire matter, appeal disposed of in terms of the settlement – Appropriate directions issued – Bank / Banking.* C

**When the instant appeal was taken up by the Court for final disposal, the parties stated that they had amicably settled the matter and the agreed terms of settlement/ compromise were placed on record.** D

**It was prayed that the appeal be disposed of in terms of the said settlement arrived at by the parties.**

**Disposing of the appeal in terms of the settlement/ compromise, the Court** E

**HELD: The appellants would be at liberty to pay the entire amount of Rs.3.10 crores on or before 9th July, 2009 without any interest. In case the entire amount is not paid on or before 9th July, 2009 then the appellants would pay to the respondent Bank interest @ 12% per annum. The interest to be computed from 10th July, 2009. The appellants are directed to strictly adhere to the time schedule agreed upon by them. In case of any default of payment of any of the installments or the interest accrued, the entire decretal amount would be payable as if there is no settlement between the parties. [Paras 6, 7 and 8] [940-A-D]** F G

A CIVIL APPELLATE JURISDICTION : Civil Appeal No. 2378 of 2009.

From the Judgment & Order dated 21.08.2008 of the High Court of Judicature at Bombay in Writ Petition No. 2361/2007.

B P.H. Parekh, Sameer Parekh, E.R. Kumar, Ranjeeta Rohatgi and Shubhranshu Padhi (for Parekh & Co.) for the Appellant.

L. Nageswar Rao and O.P. Gaggar, for the Respondents.

C The Judgment of the Court was delivered by

**DALVEER BHANDARI, J.** 1. Leave granted.

D 2. This appeal is directed against the judgment of the High Court of Judicature at Bombay passed in Writ Petition No.2361 of 2007 on dated 21st August, 2008.

E 3. Order dated 5th September, 2008 of this Court indicates that the appellants had already paid a sum of Rs.1.26 crores, as directed, as part of one time settlement, therefore, the Court directed the parties to maintain status quo until the next date. The interim order was later on directed to be continued till further orders.

F 4. When the appeal was taken up for final disposal, the learned counsel appearing for the parties stated that the parties have amicably settled the matter and the agreed terms of compromise have been placed on record which have been signed by the learned counsel for the parties. Learned counsel for the parties have prayed that this appeal be disposed of in terms of the settlement arrived at by the parties on 9th April, 2009.

H 5. We have considered the terms of the settlement. In order to put quietus to the entire matter, we direct that this appeal be disposed of in accordance with the terms agreed upon by the

parties. The agreed terms are set out as under:-

"1. The appellant agrees to pay to the respondent Bank a sum of Rs.3.10 crores (over and above the amounts already paid) in full and final settlement of all the claims of the respondent Bank.

2. The sum of Rs.3.10 crores will be paid in four installments as follows:

- (i) Rs.77.5 lakhs without interest by 9th July, 2009.
- (ii) Rs.77.5 lakhs with interest by 9th October, 2009.
- (iii) Rs.77.5 lakhs with interest by 9th January, 2010.
- (iv) Balance Rs.77.5 lakhs with interest by 31st March, 2010.

3. In case there is any default of payment of any installments or interest accrued, the entire decretal amount would be payable as if there is no settlement.

4. Appellant shall have option to pay entire amount of Rs.3.10 crores on or before 9th July, 2009 without any interest.

5. Attachment of the assets of the Certificate Debtors made by DRT existing as on today will continue till the entire amount is paid by the appellants to the respondent.

6. On payment as above all claims shall stand settled and all proceedings shall abate and attachments stand vacated.

7. The parties leave the decision regarding interest to the discretion of this Court."

A 6. We have carefully examined the terms and conditions of settlement. In the interest of justice we accept these terms. We make it clear that the appellants would be at liberty to pay the entire amount of Rs.3.10 crores on or before 9th July, 2009 without any interest. In case the entire amount is not paid on or before 9th July, 2009 then the appellants would pay to the respondent Bank interest @ 12% per annum. The interest to be computed from 10th July, 2009.

C 7. We direct the appellants to strictly adhere to the time schedule agreed upon by the appellants.

D 8. We further make it clear that in case of any default of payment of any of the installments or the interest accrued, the entire decretal amount would be payable as if there is no settlement between the parties.

D 9. No further directions are necessary. This appeal is accordingly disposed-of in terms of the settlement/terms indicated in the preceding paragraphs. In the facts and circumstances of the case, we direct the parties to bear their own costs.

B.B.B.

Appeal disposed of.