

IN THE SUPREME COURT OF INDIA

CIVIL APPELLATE JURISDICTION

CIVIL APPEAL NO. 2378 OF 2009

[Arising out of SLP (C) No.22198 of 2008]

M/s CSANGO & Others

... Appellants

Versus

Union Bank of India

... Respondent

J U D G M E N T

Dalveer Bhandari, J.

1. Leave granted.
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.

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.

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.

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.”

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.

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

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.

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.

.....J.
(Dalveer Bhandari)

.....J.
(Harjit Singh Bedi)

**New Delhi;
April 13, 2009**