2026:DHC:3077

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* IN THE HIGH COURT OF DELHI AT NEW DELHI

% *Date of decision: 06th April 2026*

\+ **C.R.P. 32/2026 & CM APPL. 7765/2026**

MOHD. NADEEM .....Petitioner

Through: Dr. Amit George, Mr. Akul Mehandru, Ms Medhavi Bhatia, Advocates.

versus

SUSHMA CHOUDHARY .....Respondent

Through: Mr. Kanhaiya Singhal, Mr. Prasanna, Mr. Ajay Kumar, Mr. Kanav Gupta, Mr. Rishabh Bhardwaj, Ms. Avantika Shanker, Mr. Sarthak, Mr. Deepak, Advocates.

CORAM:
HON'BLE MR. JUSTICE ANISH DAYAL

JUDGMENT

ANISH DAYAL, J (Oral)

1. This Civil Revision Petition has been filed by petitioner under *Section 115* of Code of Civil Procedure, 1908 ('***CPC***'), impugning order dated 15th January 2006, passed by the District Judge-07, Central District, Tis Hazari Courts, New Delhi in ***Execution Petition No.149/2020***. By the impugned order, the application of petitioner [*Judgment Debtor*] under Order XXI Rule 2 of CPC for recording satisfaction of the decree was dismissed. Petitioner/*Judgment Debtor* and respondent [*Decree Holder*] are parties to multiple litigations arising out of a common set of transactions, which led to a few settlements between the parties.

2. In ***CS No. 2828/2017*** titled as "***Sushma Chaudhary v. Mohd. Nadeem***", a compromise decree was passed on 22nd January 2018, wherein petitioner/*Judgment Debtor* agreed to pay *Rs.44,00,000*/- to respondent/*Decree Holder* along with interest. Respondent/*Decree Holder* filed an ***Execution Petition No.149/2020*** in February 2020. On 10th July 2022, petitioner/*Judgment Debtor* made a statement before the Trial Court that he shall transfer property bearing "*House No.2110, 3rd Floor, Fasil Road, Turkman Gate, Delhi- 110006*" ["***Turkman Gate Property***"] and hand over possession of the same to respondent/*Decree Holder*.

3. Additionally, petitioner/*Judgment Debtor* stated that he will purchase one commercial shop in "*Omaxe Arcade Commercial Shopping Complex* situated at *Ansal Gold Link-I, Greater Noida, UP 201310"* in the name of respondent/*Decree Holder* in case of failure to make required payment of *Rs.23,00,000*/- to respondent/*Decree Holder*. As per petitioner/*Judgement Debtor*, he executed the Sale Deed of the *Turkman Gate property* in favour of the respondent/*Decree Holder* on 4th August 2022.

4. A Mediation Settlement dated 1st September 2022 was arrived at, which settled all litigations between parties. However, despite executing the Sale Deed, physical possession of the *Turkman Gate property* could not be handed over since there was a tenant, who was not vacating the said premises.

5. In the meantime, respondent/*Decree Holder* filed an application for setting aside the Mediation settlement, which was dismissed by the Trial Court on 4th July 2023. The tenant [*Faisal Khan*] also filed his objections, which were dismissed *vide* order dated 4th July 2023.

6. In the meantime, on 7th June 2023, in ***Execution Petition No.2064/2019***, titled as "***Aster Handicrafts Ltd. v. Mohd. Nadeem***", the Civil

Judge, Central District, Tis Hazari Courts, while executing decree dated 1st September 2022, issued warrants of attachment of the *Turkman Gate property*. The tenant [*Faisal Khan*] preferred an appeal and the said order was stayed by the Additional District Judge, Central District, Tis Hazari Courts, on 8th July 2023. Both execution petitions were transferred to the same Court and listed on 3rd April 2025 and thereafter on 4th April 2025. On 5th April 2025, another settlement was arrived at whereby petitioner/*Judgement Debtor* agreed to pay a total sum of *Rs.78,00,000*/- to respondent/*Decree Holder* in respect of all disputes.

7. It was agreed that upon payment of *Rs.78,00,000*/-, petitioner/*Judgement Debtor's* property at *Turkman Gate* was to be returned to petitioner/*Judgement Debtor*. There were various other provisions in the settlement which took care of various contingencies and possibilities. The Settlement dated 5th April 2025 was approved before the Executing Court by order dated 29th May 2025. Petitioner/*Judgement Debtor* paid first two instalments to the respondent/*Decree Holder* aggregating to *Rs.20,00,000/-* but could not pay the third instalment due on 20th June 2025.

8. Pursuant to the settlement of 1st April 2025, petitioner/*Judgement Debtor* submits that he himself, on 5th July 2025, requested the Executing Court to attach the properties including the *Turkman Gate property* for the remaining amount to be paid. However, in ***Execution Petition No.2064/2019***, *vide* order dated 19th August 2025, the Civil Judge was pleased to issue warrants of possession in respect of the *Turkman Gate property* which was handed over to respondent/*Decree Holder* on 3rd September 2025.

9. The property being valued at about *Rs.54,00,000/-*, as per a Government approved Valuer, petitioner/*Judgement Debtor* made out a case

that the same ought to be accounted for in the Execution Proceedings. Petitioner/*Judgement Debtor's* case, therefore, is that out of the settlement amount of *Rs.78,00,000*/-, they have paid *Rs.20,00,000/-* through funds transfer and *Rs.54,00,000/-* by providing the sale and possession of the *Turkman Gate property*. Petitioner/*Judgement Debtor* offered to pay another *Rs.4,00,000*/- and, in an application moved under Order XXI Rule 2 of CPC, offered to pay any differential amount after adjusting the value of the flat.

10. Respondent/*Decree Holder*, however, refused to accept the cheque of *Rs.4,00,000*/-, stating that the property was not of requisite value and instead placed reliance on the settlement dated 5th April 2025. Respondent/*Decree Holder* took the position that as per the provisions of the settlement dated 5th April 2025, particularly ***Clause 7, 9*** *and* ***10***, respondent/*Decree Holder* had the right to proceed to obtain the fruits of decree dated 22nd January 2018, which had now mounted to more than *Rs.1,45,00,000*/-.

11. Counsel for respondent/*Decree Holder* admitted, on instructions, that possession of the *Turkman Gate property* was now with the respondents/*Decree Holder*. Heavy reliance was placed on the Mediation Settlement dated 5th April 2025, in particular ***Clause 18***, to the effect that in case there is violation of payment of the instalments, the property shall be auctioned to satisfy the decree dated 22nd January 2018. Objections were also placed under Order XXI Rule 2(3) of CPC on the basis that any payment or adjustment which had not been certified or recorded shall not be recognized by a Court executing the decree.

12. Respondent/*Decree Holder* further submitted that the valuation of the property was only about *Rs.18,00,000*/- and had been taken by '*Aster Handicrafts Ltd.*' and not by respondent/*Decree Holder* herself.

Respondent/*Decree Holder* [*Sushma Choudhary*] had also enclosed her No Objection Certificates [***NOCs***] for auction of the property, in terms of ***Clause 18*** of the Settlement dated 5th April 2025, due to violation of payment terms.

13. *Dr. Amit George*, counsel for petitioner/*Judgement Debtor*, contended that original Decree dated 22nd January 2018 stood novated by the Mediation Settlement dated 1st September 2022, which was recognized by the Executing Court by order dated 4th July 2023. Subsequent settlement dated 5th April 2025, as per which, the amount of *Rs.78,00,000*/- was to be paid in six instalments, had already been partly complied with, where two instalments had been paid and balance amount would be satisfied by the value of the *Turkman Gate property* being approximately *Rs.54,00,000*/-, along with an undertaking to pay balance amount of *Rs.4,00,000*/-.

14. By impugned order, the application under Order XXI Rule 2 of CPC was decided relying on the terms and conditions of the settlement dated 5th April 2025. Since, petitioner/*Judgment Debtor* had failed to fulfil the terms of the settlement, it was held that the aspect of transferring or calculating the value of the flat became secondary. The settlement had provided that if petitioner/*Judgment Debtor* fails to pay any of the instalments, respondent/*Decree Holder* will be entitled to pursue the present execution case.

15. Statement of petitioner/*Judgment Debtor* which was recorded on 17th April 2025, extracted in the impugned order as under:

> "*in case of my failure to fulfill my obligations to any term or any condition, as mentioned in Para No. 7, 8(a) & 8(b), either it will be fully or partly, whichever these are and/or will be, the Decree Holder Smt. Sushma Choudhary shall be free from her all the*

obligations/terms and conditions, as mentioned in Para 8(c) to 8(e) of the noted above Settlement Dated: 05.04.2025 Ex.JD/B, which is executed by me in the presence of my Ld. Counsel and in that case, she shall be entitled to peruse and press her present Execution Petition, as well as all other connected matters which are mentioned in the Settlement Dated: 05.04.2025 (Ex.JD/B), as per the default clauses of the Settlement Dated: 05.04.2025 (Ex.JD/B) from Para No.9 to 27."

16. Therefore, impugned order held that the amount of *Rs.20,00,000*/- could be adjusted from the decretal amount, but the *Nazir* has calculated the decretal amount after deducting *Rs.20,00,000*/- as *Rs.1,08,27,457*/-. Adjustment of the property at *Rs.54,00,000*/- was not accepted, considering the settlements stood terminated on account of default by petitioner/*Judgment Debtor*. Respondent/*Decree Holder's* submission that possession had been taken over by '*Aster Handicrafts Ltd.*' being a company, whereas the respondent/*Decree Holder* in the present case was an individual, would have to be considered on two different platforms.

17. Respondent/*Decree Holder* submitted that respondent/*Decree Holder* and '*Aster Handicrafts Ltd.*' were entitled to recover a sum of *Rs.3,72,84,000*/- from the following:

S.No.	Court Case Details	Decretal Amount
1.	Ex. (DJ) Petition No.149/20	Rs.44,00,000/- Date of Judgment: 22.01.2018.
2.	Ex. (CJ) Petition No.2064/19	Rs.68,00,000/- Date of Judgment: 27.09.2017.
3.	M. Ex. (DJ) Petition No.592/25	Rs.20,00,000/- Date of Judgment: 05.04.2025.

4.	Civil Suit (DJ) No.272/2020	Amounting to Rs.29,93,660/- filed on 11.03.2020

18. Out of the said dues, as per respondent/*Decree Holder*, only *Rs.20,00,000*/- has been paid and a '*Flat*' with an approximate sale consideration of *Rs.18,00,000*/-, registered in the name of respondent/*Decree Holder*, would need to be auctioned in order to arrange the money to satisfy the decree. Moreover, petitioner/*Judgement Debtor* had already filed a Civil Suit bearing no. ***CS(DJ) No.475/2025***, seeking cancellation of the Sale Deed of the '*Flat*' pending before the District Judge, Central, Tis Hazari Courts.

<u>Analysis</u>

19. The Court has perused the settlements. In the settlement of 5th July 2025, particularly in *paragraph 18*, it is stated that if *Mohd. Nadeem* [petitioner/*Judgement Debtor*] fails to pay the entire amount of *Rs.78,00,000*/- due for any reason whatsoever on or before 20th September 2025 in compliance with the settlement dated 5th April 2025, or fails to pay any part of the entire money of *Rs.78,00,000*/- before the said date, then *Sushma Choudhury* [respondent/*Decree Holder*] shall have all the rights to press and proceed and also to obtain the fruits of all the court decrees/compensations/penalties as per law.

20. A perusal of the settlements would show that they were self-executory and would not survive in the event of non-compliance, and that they conferred the right upon respondent/*Decree Holder* to pursue the satisfaction of the decrees upon failure to honour the terms of settlement.

21. The impugned order is, therefore, not amiss in recognising that there is a default and these settlement provisions would come into play, where the

decree dated 22nd January 2018, would have to be satisfied. The settlement dated 5th April 2025 sought to put to rest various disputes between the parties, *inter alia*, emanating out of decree dated 22nd January 2018.

22. As per ***Clause 7***, *Rs.78,00,000*/- was agreed to be paid in six instalments, and upon compliance, as per ***Clause 8***, various actions were to be taken by the parties in order to withdraw various petitions and transfer the residential property. ***Clause 9*** clearly stated that, in case the terms are not complied with, the obligation to withdraw petitions would become '*null and void*' and would have no legal effect. ***Clause 10***, also provided liberty to respondent/*Decree Holder* [*Sushma Choudhury*] to press and proceed in all noted cases and to obtain the fruits of the court decrees/compensations/penalties. It was also noted that petitioner/Judgement Debtor [*Mohd. Nadeem*] shall have no right to object to the same in any manner whatsoever. Similar terms were provided in ***Clause 11*** as well.

23. Yet again another settlement was arrived at on 5th July 2025, noting the previous settlement of 5th April 2025 and 1st September 2022, and it was recorded that *Rs.20,00,000/-* had been paid pursuant to settlement of 5th April 2025. It was agreed that the settlement dated 5th April 2025 shall continue to remain intact and fully in force. The Mediation Settlement of 5th July 2025 was to be restricted to the ***Civil Suit (DJ) No.272/2020*** pending before the District Judge, Central, Tis Hazari Courts and was to be in addition to the settlement dated 5th April 2025.

24. What read as a rather convoluted set of terms and conditions provided in these settlement agreements, as is apparent *ex- facie* on a bare perusal thereof, one thing is quite clear, namely, that the settlements have not fructified in the manner agreed to and, therefore, jurisdiction vests with the

Executing Courts to consider execution of the decrees in favour of the respondent or any other party, and for petitioner/*Judgement Debtor* to satisfy the same, subject to whatever acceptable pleas may be available in accordance with law.

25. The argument of counsel for petitioner/*Judgement Debtor* that mediation settlements are binding and must be construed to promote finality cannot be accepted, considering that the settlement terms itself include contingent provisions providing for reversal, in the event that compliance was not made, as is usually provided by parties in order to protect themselves from non-compliance of settlement agreements.

26. Accordingly, the Court does not find any merit in the pleas which have been taken by the petitioner/*Judgement Debtor*. The petition is, therefore, dismissed.

27. Pending applications are rendered infructuous.

28. Judgment be uploaded on the website of this Court.

(ANISH DAYAL)
JUDGE

APRIL 6, 2026/ak/tk