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\* **IN THE HIGH COURT OF DELHI AT NEW DELHI**  
+ RFA(COMM) 384/2025 & CM APPL. 42162/2025

**RAJINDER KAUR** .....Appellant  
Through: Mr. Prakhar Singh Sengar and  
Mr. Tushar Swami, Advs.  
versus

**CANARA BANK** .....Respondent  
Through: Mr. Akash Swami, Mr.  
Akhilesh Tejpal, Ms. Devika Mathur and  
Ms. Ayushi Negi, Advs.

**CORAM:**

**HON'BLE MR. JUSTICE C. HARI SHANKAR**

**HON'BLE MR. JUSTICE OM PRAKASH SHUKLA**

**ORDER(ORAL)**

% **20.01.2026**

**C. HARI SHANKAR, J.**

1. The disputes between the parties stand settled with the intervention of the Delhi High Court Mediation and Conciliation Centre. The settlement agreement dated 19 January 2026 is on record. The terms of settlement read thus:

**“AGREED TERMS AND CONDITIONS**

1. The Parties state that the Second Party had instituted a commercial suit against the First Party which was decreed by the Learned Trial Court, Shahdara, Karkardooma Courts, Delhi vide judgment and decree dated 01.05.2025 for a sum of Rs. 11,00,000/- along with pendente lite and future interest @ 6% per annum and costs, and that the First Party thereafter preferred RFA (COMM) 384 of 2025 before the Hon'ble High Court of Delhi. During the pendency of the appeal, the Hon'ble High Court vide order dated 17.08.2025 stayed the execution of the decree subject to deposit of 50% of the decretal amount, pursuant to which the First Party deposited a Demand Draft bearing No. 340637 dated 11.08.2025 for an amount of Rs. 5,49,042/- in the name of the Registrar



General, Hon'ble High Court of Delhi.

2. It is agreed that the First Party shall settle the entire dispute with the Second Party for a total settlement consideration of Rs. 11,00,000/- (Rupees Eleven Lakhs only) towards full and final settlement of the loan account, along with an additional sum of Rs. 50,000/- (Rupees Fifty Thousand only) towards litigation and allied expenses. It is expressly acknowledged that the amount of Rs.5,49,042/- deposited before the Hon'ble High Court forms part of the said settlement.

3. The Parties expressly agree that the first and mandatory step in implementation of this settlement shall be the filing of a joint application before the Hon'ble High Court of Delhi seeking release of the aforesaid Demand Draft bearing No. 340637 dated 11.08.2025 and its proceeds in favour of the Second Party, namely Canara Bank, in terms of this settlement. The First Party irrevocably consents to such release, undertakes not to raise any objection whatsoever, and agrees to fully cooperate for expeditious release of the said amount to the Second Party.

4. It is further agreed that after the joint application for release of the said Demand Draft is moved, the First Party shall pay the remaining balance settlement amount in one go and not in instalments, by way of Demand Drafts, consisting of Rs.5,50,958/- (Rupees Five Lakhs Fifty Thousand Nine Hundred Fifty-Eight only) towards balance settlement of the loan amount and Rs.50,000/- (Rupees Fifty Thousand only) towards litigation and allied expenses, both payable in favour of Canara Bank, SME Vivek Vihar, Jhilmil, Delhi. It is categorically agreed that no instalments, staggered payments, extensions, or part-payments shall be permissible and the entire settlement amount shall be paid and realized as a single consolidated transaction.

5. The Parties further agree that this settlement shall stand completed and fulfilled only upon full and final realization of the entire settlement amount of Rs.11,00,000/- along with Rs. 50,000/- towards litigation expenses by the Second Party, and that mere execution of this agreement or tender of Demand Drafts shall not amount to discharge unless the amounts are actually realized. The Second Party shall issue a No-Dues / No-Claim Certificate and treat the loan account as settled only upon such full realization, and no part compliance shall confer any right, equity, or benefit upon the First Party.

6. It is agreed that only after full and final realization of the entire settlement amount, the Parties shall take appropriate steps for filing an application for withdrawal of RFA (COMM) 384 of



2025 pending before the Hon'ble High Court of Delhi, and till such time the appeal shall continue to remain pending.

7. In the event of any default, delay, or failure on the part of the First Party in complying with any term of this settlement, this settlement shall stand automatically cancelled, and the judgment and decree dated 01.05.2025 passed by Shri Sanjay Sharma District Judge (Commercial Court) Shahdara, Kakardooma Delhi in CS (Comm) No. 135 of 2024 shall revive in full force along with interest and costs, without the necessity of any further notice or adjudication, and the Second Party shall be entitled to forthwith enforce the decree in accordance with law. The First Party expressly waives all rights to object to or obstruct execution, including objections under Order XXI CPC or any other provision of law, and agrees that any indulgence granted by the Second Party shall not amount to waiver or create estoppel.

8. The Parties agree that this settlement shall have the force of a decree under Section 89 of the Code of Civil Procedure, 1908, shall be binding and enforceable, and that courts at Delhi alone shall have jurisdiction. The Parties affirm that the contents of this settlement have been read over and explained to them in their vernacular language and that they are executing the same voluntarily, without coercion, pressure, or undue influence.

9. The Parties also agree that they have understood the contents of the present Settlement Agreement as the same have been explained to them in Vernacular by the Mediator and their respective counsels, in the presence of each other and they have consented to the same in its true letter and spirit, and as such they shall not dispute the same ever in future.”

**2.** We have perused the terms of settlement and find them to be in order and enforceable. The parties are represented by Counsel, who undertake, on behalf of their respective clients, to abide by the terms of settlement.

**3.** In that view of the matter, nothing further survives for adjudication in the present appeal or in the suit from which this appeal emanates.



**4.** Accordingly, CS (Comm) 135/2024 stands decreed in terms of the aforesaid settlement application.

**5.** The present appeal is, therefore, disposed of as having become infructuous in view of the decreeing of the suit. The parties shall remain bound by the terms of the settlement.

**6.** The appellants had deposited, with the Registry of this Court, 50% of the decadal amount pursuant to order dated 17 July 2025. Let the said amount be released to the respondent Bank on the Bank approaching the Registry in that regard. The remaining amount would be paid as per the terms of the settlement.

**7.** The appeal stands disposed of in the aforesaid terms. The appellants would be entitled to refund of the Court fees deposited.

**C. HARI SHANKAR, J.**

**OM PRAKASH SHUKLA, J.**

**JANUARY 20, 2026/gunn**