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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**

+ **CS(OS) 405/2023**

KASHVI KHANNA AND OTHERS

.....Plaintiffs

Through: Mr. Shiv Chopra, Mr. Shravan
Pandey, Ms. Surbhi Arora and Mr.
Siddharth Arora, Advs.
Plaintiff nos. 1 and 3 (through vc)

versus

TILAK RAJ KHANNA & ANR.

.....Defendants

Through: Mr. Sanyam Khetarpal, Adv. for D-1
and D-2
D-1 and D-2 (through vc)

CORAM:

HON'BLE MS. JUSTICE MANMEET PRITAM SINGH ARORA

ORDER

% **29.05.2025**

I.A. 14053/2025 (Application under Order XXXII Rule 7 read with Section 151 CPC, 1908 on behalf of Plaintiff No.3 seeking leave of the Court to enter into a settlement agreement with the Defendants for Plaintiff no.2 being his mother and guardian)

1. The present application has been filed under Order XXXII Rule 7 of the Code of Civil Procedure, 1908 (CPC), on behalf of the Plaintiff No.3, seeking leave of the Court to enter into a Settlement Agreement dated 22.05.2025 executed before the Delhi High Court Mediation and Conciliation Centre ('Mediation Centre') in her capacity as the guardian of Plaintiff No. 2.

2. Defendant Nos. 1 and 2 have joined the proceedings through video conferencing. Plaintiff Nos. 1 and 3 have also joined the proceedings through video conferencing link and they have been identified by their



respective counsels.

3. Learned counsel for Plaintiff No. 3 states that the Plaintiff No. 3 has no interest adverse to that of the Plaintiff No. 2 and the Settlement Agreement dated 22.05.2025 has been negotiated with due legal advice and is in the best interest of the Plaintiff No. 2.

4. Learned counsel for the Defendants as well confirms the said submission.

5. This Court has perused the Settlement Agreement dated 22.05.2025 and is satisfied that the interest of Plaintiff No. 2 in the estate of his father late Mr. Aman Khanna have been duly secured by this Settlement Agreement dated 22.05.2025.

6. According, the application is allowed and Plaintiff No. 3 is granted leave to compromise this matter on behalf of Plaintiff No. 2.

CS(OS) 405/2023

I.A. 13993/2025 (Application on behalf of the parties to the suit under Order XXIII Rule 3 read with Section 151 of the CPC, 1908 seeking judgement and decree on the basis of the Settlement Agreement dated 22.05.2025 entered into between the parties before the Delhi High Court Mediation Centre.)

7. The present application has been filed under Order XXIII Rule 3 CPC on behalf of the Plaintiffs and the Defendants jointly.

8. The underlying suit had been filed by the Plaintiffs against the Defendants seeking partition and rendition of accounts qua the estate of late Mr. Aman Khanna.

8.1. It is stated that the suit was referred to Mediation Centre vide order dated 07.07.2023.

8.2. It is stated that the parties with the guidance of Mediator and of their own free will have arrived at a lawful, amicable settlement which is



recorded in the Settlement Agreement dated 22.05.2025. It is stated that the Settlement Agreement dated 22.05.2025 has been signed by all the parties.

9. The application is supported with the affidavits of Plaintiff No. 1 and Plaintiff No. 3 (on her behalf and also on behalf of the Plaintiff No.2).

Submission of the parties

10. Learned counsel for the Defendants states that the Defendants' affidavits could not be filed due to the ensuing vacation of the Court. He, however, undertakes that the affidavits in support of the application will be filed within three (3) days after serving a copy to the learned counsel for the Plaintiffs.

11. The parties state that the Settlement Agreement dated 22.05.2025 comprehensively lists out the settlement arrived at between the parties with respect to the estate of late Mr. Aman Khanna. It is stated by the parties that the Settlement Agreement dated 22.05.2025 will also result in conclusion and withdrawal of all other pending civil and criminal litigation between the parties.

12. Learned counsel for the Plaintiffs states that the Plaintiff Nos. 1 and Plaintiff No.3 on behalf of Plaintiff No. 2 have undertaken that with this Settlement Agreement dated 22.05.2025, the Plaintiff Nos. 1, 2 and 3 have also settled all their claims in the estate of Defendant Nos. 1 and 2.

12.1. He states that with the execution of Settlement Agreement dated 22.05.2025, Plaintiff Nos. 1, 2 and 3 acknowledge that they would not have any right or title or claim in the estate of Defendant Nos. 1 and 2 in the event of their demise under the law of intestate succession.

12.2. He states that all rights and interests of the Plaintiffs in the estate of Defendant No. 1 and Defendant No. 2 have been received and satisfied with



the execution of Settlement Agreement dated 22.05.2025.

13. Learned counsel for the Defendants states that Settlement Agreement dated 22.05.2025 is also in the nature of a family arrangement to the extent that it provides for devolution of rights in the property bearing No. N-203, 1st floor, Greater Kailash-1, New Delhi-110048 (Greater Kailash-1 property) after the demise of the Defendant Nos. 1 and 2.

14. Learned counsel for the Plaintiffs states that the Plaintiffs undertake to cooperate with the Defendants in closure of the criminal proceedings before the High Court of Calcutta and undertake to remain duly present before the concerned Court for ensuring withdrawal and/or quashing of the criminal proceedings.

15. This Court has heard the submissions of the parties and perused the record.

16. This Court has interacted with the parties, who are present through VC, they confirm their satisfaction with the terms of the Settlement Agreement dated 22.05.2025.

17. The Supreme Court in **Afcons Infrastructure Ltd. v. Cherian Varkey Construction Co. (P) Ltd.**¹ while dealing with the Section 89 of the CPC has observed that a settlement agreement executed through the process of mediation should be placed before the Court for recording it; and disposing of the suit in its terms. And, while dealing with the settlement agreement, Court should apply the Order XXIII Rule 3 CPC and make a decree in terms of the settlement in regard to the subject matter of the suit, to make such settlement effective.

18. This Court has perused the Settlement Agreement dated 22.05.2025

¹ 2010 8 SCC 24.



and is satisfied that the compromise between the parties as contained in the aforesaid Settlement Agreement dated 22.05.2025 satisfies the requirement of Order XXIII Rule 3 CPC

19. The compromise contained in the aforesaid Settlement Agreement dated 22.05.2025 is lawful and therefore this Court does not find any impediment in decreeing the underlying suit in terms of the aforesaid Settlement Agreement dated 22.05.2025.

20. This Court also takes note of the Clause '15' of the Settlement Agreement dated 22.05.2025, whereunder the parties have undertaken that their undertakings recorded in this agreement are the undertakings to Court and they shall be liable for contempt to the Court in case of default.

21. The statements and undertaking given by the learned counsel for the parties are accepted by this Court and the parties are held bound by the same.

22. In view of the settlement recorded today, the Defendant No. 2 will be at liberty to approach Dena Bank for operation of the Locker No. 33.

23. Moreover, in view of the Clause '9' and Clause '10' of the Settlement Agreement dated 22.05.2025, Plaintiff No. 1 will be at liberty to approach Bank of Baroda, Daryaganj Branch, for release of the monies lying in the account held in the said Bank and for this purpose, the Defendants will extend all cooperation to the said Bank and the Plaintiff No.1 for ensuring this transfer. Learned counsel for the Defendants undertakes that all the documents necessary to be provided to the Bank on behalf of Defendant No. 1 and Defendant No. 2 will be provided within one (1) week to the said bank and to this extent this Court directs that Mr. Sanyam Khetarpal, Advocate will act as a Local Commissioner to ensure the due



compliance/implementation of directions at Clause '9' and '10'.

24. Consequently, the suit is hereby decreed in terms of the Settlement Agreement dated 22.05.2025, which is marked as Exhibit 'C-1'.

25. The Registry of this Court is directed to prepare a decree in terms of this order and it is directed that the Settlement Agreement shall form part of the said decree.

26. All future dates stand cancelled.

27. Pending applications stands disposed of.

MANMEET PRITAM SINGH ARORA, J

MAY 29, 2025/msh/sk

[Click here to check corrigendum, if any](#)