IN THE SUPREME COURT OF INDIA
EXTRAORDINARY APPELLATE JURISDICTION

Petition for Special Leave to Appeal(C)No.24286/2025

A.P. MAHESH CO-OPERATIVE URBAN BANK LTD. **Petitioner(s)**

VERSUS

V RAVI KUMAR **Respondent(s)**

O R D E R

1. By our Order dated 10th November, 2025, we had referred the parties for mediation. We had appointed Hon'ble Mr. Justice R. Subhash Reddy, former Judge of this court, to act as a mediator between the parties.

2. We are informed by the learned counsel appearing for the parties that the mediation has been successful. The Deed of Settlement dated 27th May, 2026 has been reduced into writing, duly signed by the parties, including the learned Mediator.

3. The original Deed of Settlement is ordered to be taken on record, and the same shall be kept with the record of this case.

4. The terms of the Deed of Settlement read thus:-

"DEED OF SETTLEMENT

(Mediated Settlement Agreement under Section 19 of the Mediation Act, 2023)

Arising out of S.L.P. (Civil) No. 24286 of 2025 pending before the Hon'ble Supreme Court of India

This Deed of Settlement ("Deed" / "Settlement Agreement") is executed at New Delhi on this 28th day of April, 2026,

BY AND BETWEEN:

ANDHRA PRADESH MAHESH CO-OPERATIVE URBAN BANK LTD. (popularly known as "Mahesh Bank"), a multi-State scheduled co-operative bank, having its Registered/Head Office at D.No. 8-2-680/1 & 2, Road No. 12, Banjara Hills, Hyderabad – 500 048, represented herein by its Authorised Signatory Mr. K.V. Ramana Murthy, duly authorised vide Authorisation Letter dated 01.07.2025 issued by the Managing Director & CEO (hereinafter referred to as the "Bank" / "First Party", which expression shall, unless repugnant to the context or meaning thereof, mean and include its successors-in-interest and permitted assigns) of the ONE PART;

AND

MR. V. RAVI KUMAR, S/o Mr. V. Anantha Krishna, aged about 49 years, resident of 21 Belmont, Lodha Estate, KPHB Colony, Hyderabad – 500 072 (hereinafter referred to as the "Borrower" / "Second Party", which expression shall, unless repugnant to the context or meaning thereof, mean and include his legal heirs, executors, administrators and permitted assigns) of the OTHER PART.

The Bank and the Borrower are hereinafter individually referred to as "Party" and collectively as the "Parties".

<u>RECITALS / WHEREAS:</u>

A. ***The Borrower had availed a secured term loan of Rs. 7,70,00,000/- (Rupees Seven Crores and Seventy Lakhs only) from the Bank on or about 05.09.2015 for purchase of a commercial property, repayable in 108 (one hundred and eight) Equated Monthly Instalments commencing from 05.10.2015, carrying interest at the rate of 13.5% per annum compounded monthly, with penal interest of 2% per annum on default. The said loan was secured, inter alia, by an equitable mortgage of the commercial property created in favour of the Bank.***

B. ***Upon the Borrower's account being classified as a Non-Performing Asset on 05.05.2016, the Bank initiated proceedings under the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 ("SARFAESI Act"), including the issuance of a Demand Notice dated 04.10.2016 under Section 13(2) and a Possession Notice dated 26.12.2017 under Section 13(4) of the SARFAESI Act.***

C. ***The Borrower instituted S.A. No. 425 of 2019 before the Ld. Debts Recovery Tribunal-II, Hyderabad ("DRT"), wherein I.A. No. 885 of 2023 came to be filed seeking reduction of the contractual rate of interest. By Order dated 05.07.2023, the Ld. DRT directed that simple interest at 10% per annum be charged on the reduced balance.***

D. ***Aggrieved, the Bank preferred Misc. Appeal No. 35 of 2023 before the Ld. Debts Recovery Appellate Tribunal, Kolkata ("DRAT"), which by Order dated 10.05.2024 set aside the Order of the Ld. DRT.***

E. ***The Borrower thereafter filed W.P. No. 22458 of 2024 before the Hon'ble High Court of Telangana at Hyderabad, which by judgment and Order dated 30.04.2025 set aside the Order of the Ld. DRAT and restored the Order of the Ld. DRT dated 05.07.2023.***

F. ***Aggrieved by the said judgment dated 30.04.2025, the Bank preferred Special Leave Petition (Civil) No. 24286 of 2025 ("SLP") before the Hon'ble Supreme Court of India, which is presently pending adjudication. In the said proceedings, a sum of Rs. 1,25,00,000/- (Rupees One Crore and Twenty-Five Lakhs only) has been deposited by the Borrower with the Registry of the Hon'ble Supreme Court of India.***

G. ***Having regard to the predominantly commercial character of the disputes between the Parties and with a view to amicable resolution, the Parties, by mutual consent, referred the disputes to mediation. Hon'ble Mr. Justice R. Subhash Reddy, former Judge of the Hon'ble Supreme Court of India (hereinafter referred to as the "Ld. Mediator"), was appointed as the Mediator to resolve the disputes under the aegis of mediation in accordance with the procedure prescribed under the Mediation Act, 2023.***

H. *Pursuant to such appointment and reference, the mediation proceedings were deemed to have commenced under Section 14 of the Mediation Act, 2023, and were conducted in due compliance with Sections 15 to 18 of the said Act. After several rounds of joint and separate sessions held between the Parties under the auspices of the Ld. Mediator, the Parties have, of their own free will and volition, voluntarily and without any coercion, undue influence, fraud or misrepresentation, and with the benefit of independent legal advice, arrived at a full and final amicable settlement of all the disputes, differences and claims between them on the terms and conditions hereinafter recorded.*

I. *The Parties confirm that this Settlement Agreement is reduced into writing in accordance with Section 19(2) of the Mediation Act, 2023, and shall, upon execution, be submitted to the Ld. Mediator for authentication in terms of Section 19(3) of the said Act.*

NOW, THEREFORE, IN CONSIDERATION OF THE MUTUAL COVENANTS AND PROMISES HEREINAFTER CONTAINED, AND WITH A VIEW TO BURY ALL DIFFERENCES AND DISPUTES BETWEEN THE PARTIES, THE PARTIES HEREBY AGREE, RECORD AND DECLARE AS FOLLOWS:

1. ***FULL AND FINAL SETTLEMENT AMOUNT***

1.1 *In full and final settlement of all dues, claims, demands, interest (contractual, pendente lite, future and penal), costs, charges and expenses arising out of or in connection with the loan facility referred to in Recital A above and the disputes set out in Recitals B to F (collectively, the "Disputes"), the Borrower agrees to pay, and the Bank agrees to accept, an aggregate sum of Rs. 15,75,00,000/- (Rupees Fifteen Crores and Seventy-Five Lakhs only) (the "Settlement Amount").*

2. ***MODE AND SCHEDULE OF PAYMENT***

2.1 *The Settlement Amount shall be paid by the Borrower to the Bank in the following manner:*

a) *Release of Deposit with the Supreme Court Registry: A sum of Rs. 1,25,00,000/- (Rupees One Crore and Twenty-Five Lakhs only) presently lying deposited with the Registry of the Hon'ble Supreme Court of India in the SLP, shall be appropriated towards the Settlement Amount. The Parties shall jointly move/file appropriate application(s) before the Hon'ble Supreme Court of India for release of the said amount, together with accrued interest, if any, in favour of the Bank, and the Borrower shall render full co-operation in the said behalf;*

b) *Payment on Execution: A further sum of Rs. 35,00,000/- (Rupees Thirty Five Lakhs only) shall be paid by the Borrower to the Bank simultaneously with and on the date of execution of this Deed of Settlement, by way of demand draft.*

c) *Balance Payment: The entire balance of the Settlement Amount, after appropriating the amounts referred to in sub-clauses (a) and (b) above, shall be paid by the Borrower to the Bank within sixty (60) days from the date of execution of this Deed, by way of demand draft / RTGS / NEFT to the designated account of the Bank;*

d) *Grace Period: By way of indulgence and without prejudice to its rights, the Bank agrees to grant the Borrower a further grace period of thirty (30) days beyond the period stipulated in sub-clause (c)* *above for making the balance payment, without attracting any default consequence under Clause 5 below; provided that no further extension of time shall be granted save with the express written consent of the Bank.*

2.2 *Time is and shall be of the essence in respect of the payment obligations contained in this Clause 2.*

2.3 *Each payment shall be deemed to have been made only on the date of unconditional credit of the said amount in the designated account of the Bank.*

3. ***RELEASE OF SECURITIES AND RETURN OF TITLE DEEDS***

3.1 *Upon receipt of the entire Settlement Amount in terms of Clause 2 above (including the appropriation of the Supreme Court deposit and clear receipt of the balance payment), the Bank shall, within a period of fifteen (15) working days:*

a. *return the original title documents in respect of the secured/mortgaged property to the Borrower against due acknowledgement;*

4. ***WITHDRAWAL OF PROCEEDINGS / DISPOSAL ON SETTLEMENT***

4.1 *Upon the receipt of the entire Settlement Amount in terms of Clause 2 above, the Parties shall jointly take steps to:*

a. *place this Deed of Settlement on record before the Hon'ble Supreme Court of India and pray for disposal of S.L.P. (Civil) No. 24286 of 2025 in terms of this Settlement;*

b. *close, withdraw and/or have disposed of, as the case may be, all proceedings between the Parties pending before any court, tribunal or authority arising out of or in connection with the said loan facility, including but not limited to the proceedings in S.A. No. 425 of 2019, I.A. No. 885 of 2023, Misc. Appeal No. 35 of 2023, W.P. No. 22458 of 2024, complaints/cases under the Negotiable Instruments Act, 1881 in respect of the dishonoured cheques, and any application(s) under Section 14 of the SARFAESI Act, all of which shall be withdrawn / treated as not pressed / disposed of in terms of this Settlement; and*

c. *execute such joint memos, consent applications, no-objections, releases and other documents as may be necessary to give effect to this Clause 4.*

4.2 *Each Party shall bear its own costs of the legal proceedings and the mediation costs shall be borne in terms of Clause 11 below.*

5. ***CONSEQUENCES OF DEFAULT***

5.1 *In the event of failure of the Borrower to pay the balance of the Settlement Amount within the period stipulated in Clause 2.1(c), as extended by the grace period stipulated in Clause 2.1(d) above (the "Outer Date"), this Settlement shall, at the option of the Bank exercisable by written notice, stand revoked, and the Bank shall be entitled to:*

a. *appropriate any amount(s) already received under this Settlement (including the amounts referred to in Clauses 2.1(a) and 2.1(b)) towards the outstanding contractual dues, without prejudice to its rights to claim the balance;*

b. *revive and continue all proceedings referred to in Clause 4 above as if this Settlement had not been entered into; and*

c. *pursue all remedies available to it in law, including under the SARFAESI Act and the Recovery of Debts and Bankruptcy Act, 1993, on the basis of the original contractual rate of interest of 13.5% per annum compounded monthly together with penal interest of 2% per annum, without any reduction or concession.*

5.2 *The Borrower expressly acknowledges that the reduced figure of the Settlement Amount has been agreed solely as a measure of compromise and on the strict condition of timely payment, and shall not, in the event of default, be construed as the determined liability of the Borrower.*

6. *MUTUAL RELEASES, DISCHARGE AND NO FURTHER CLAIMS*

6.1 *Subject to and contingent upon receipt of the entire Settlement Amount by the Bank in terms of Clause 2 above, each Party hereby unconditionally and irrevocably releases, discharges and forever exonerates the other Party (and, in the case of the Bank, its directors, officers, employees, agents and representatives) from any and all claims, demands, actions, causes of action, suits, debts, dues, accounts, reckonings, bonds, covenants, contracts, controversies, agreements, promises, damages, judgments, executions, expenses and liabilities whatsoever, whether known or unknown, present or future, arising out of or in any manner connected with the Disputes.*

6.2 *The Parties confirm that, save and except for the rights and obligations expressly created under this Deed, no claim, demand or grievance whatsoever exists or shall be raised by either Party against the other arising out of or in connection with the Disputes.*

7. *CONFIDENTIALITY*

7.1 *The Parties, the Ld. Mediator and all participants to the mediation shall maintain strict confidentiality of the mediation proceedings in terms of Section 22 of the Mediation Act, 2023, including but not limited to acknowledgements, opinions, suggestions, proposals, admissions and documents prepared solely for the conduct of the mediation.*

7.2 *Notwithstanding the foregoing, this Deed of Settlement may be disclosed to the extent necessary for its registration, enforcement or challenge under the Mediation Act, 2023, and for placing the same on record before the Hon'ble Supreme Court of India and any other forum referred to in Clause 4 above.*

8. *TERMINATION OF MEDIATION PROCEEDINGS*

8.1 *The Parties record that, upon the signing of this Deed of Settlement and authentication thereof by the Ld. Mediator, the mediation proceedings between the Parties shall stand terminated in accordance with Section 24(a) of the Mediation Act, 2023.*

9. ***AUTHENTICATION, FILING AND ENFORCEMENT***

9.1 ***This Deed of Settlement, after being signed by the Parties, shall be submitted to the Ld. Mediator for authentication in accordance with Section 19(3) of the Mediation Act, 2023. The Ld. Mediator shall, after authenticating the same, provide a signed copy to each of the Parties.***

9.2 ***The Parties acknowledge and agree that this Deed of Settlement, upon authentication, shall be final and binding on the Parties and shall be enforceable as if it were a judgment or decree of a Court, in accordance with Section 27 of the Mediation Act, 2023.***

9.3 ***The Parties may, at their option and within the period prescribed under Section 20 of the Mediation Act, 2023, cause this Deed of Settlement to be registered with the Authority constituted under the Legal Services Authorities Act, 1987, having territorial jurisdiction.***

10. ***COMPLIANCE WITH STATUTORY TIMELINES***

10.1 ***The Parties record that the mediation proceedings have been concluded within the time limit stipulated under Section 18 of the Mediation Act, 2023, and the present Settlement has been arrived at within the said period.***

11. ***COSTS OF MEDIATION***

11.1 ***In accordance with Section 25 of the Mediation Act, 2023, all costs of the mediation, including the fees of the Ld. Mediator and any charges of the mediation service provider/secretariat, has been paid by the parties.***

12. ***REPRESENTATIONS AND WARRANTIES***

12.1 ***Each Party represents and warrants to the other that: (a) it has full power, authority and capacity to enter into this Deed of Settlement and to perform its obligations hereunder; (b) the execution and performance of this Deed have been duly authorised; (c) it has entered into this Deed voluntarily, with full knowledge of its contents and consequences, after obtaining independent legal advice; and (d) it is not under any coercion, undue influence, fraud, misrepresentation or mistake.***

ENTIRE AGREEMENT, AMENDMENT AND SEVERABILITY

12.2 ***This Deed of Settlement constitutes the entire understanding between the Parties in relation to the subject matter hereof and supersedes all prior negotiations, understandings and arrangements, whether oral or written, between them.***

12.3 ***No amendment or modification of this Deed shall be valid or binding unless reduced into writing and signed by both the Parties.***

12.4 ***If any provision of this Deed is held to be invalid or unenforceable, the remaining provisions shall continue in full force and effect.***

13. ***COUNTERPARTS***

13.1 ***This Deed may be executed in two or more counterparts, each of which shall be deemed an original, and all of which together shall constitute one and the same instrument.″***

5. In view of the aforesaid, the parties have preferred a joint application praying for the following:-

> ***(a) take the Deed of Settlement / Mediated Settlement Agreement dated 27.05.2026 on record, and record the settlement arrived at between the parties:***
>
> ***(b) dispose of the present Special Leave Petition (Civil) No. 24286 of 2025 in term of the said Deed of Settlement dated 27.05.2026, while keeping open and protecting the liberty of the Petitioner-Bank to pursue its remedies in terms of Clause 5 thereof in the event of default by the Respondent;***
>
> ***(c) direct the Registry of this Hon'ble Court to release the sum of Rs. 1,25,00,000/- (Rupees One Crore and Twenty-Five Lakhs only), together with the entire interest accrued thereon, in favour of the Petitioner-Bank, and for that purpose to prematurely encash / cause to be encashed the Fixed Deposit in which the said amount has been invested, and to remit the said amount, together with accrued interest, to the Petitioner-Bank by way of electronic transfer (RTGS/NEFT) to the account of the Petitioner-Bank, the particulars whereof are set out hereunder / or by way of Demand Draft drawn in favour of the Petitioner-Bank;***
>
> ***(d) pass such other and further order(s) as this Hon'ble Court may deem fit and proper in the facts and circumstances of the case."***

6. We clarify that in the event there is any default at the end of either of the parties, more particularly, on the part of the respondent, it shall be open for the petitioner – Bank to proceed further in terms of clause 5 of the Deed of Settlement.

7. We also direct the Registry of this Court to release a sum of Rs.1,25,00,000/- (Rupees One Crore and Twenty Five Lakh only) with interest accrued thereon in favour of the petitioner – Bank at the earliest.

8. With the aforesaid, this petition is disposed of in terms of the deed of settlement referred to above.

9. Once the entire amount is paid in accordance with the terms of the Deed of Settlement, the petitioner – Bank shall handover the title deed(s) to the Respondent.

10. We express our gratitude to Hon'ble Mr. Justice R. Subhash Reddy for acting as a Mediator and bringing around an amicable settlement between the parties.

11. We appreciate the pains taken by the learned Mediator for bringing around this Deed of Settlement.

12. Pending applications, if any, also stand disposed of.

....**J**
(J.B. PARDIWALA)

....**J**
(K. VINOD CHANDRAN)

NEW DELHI
24TH JULY, 2026.

ITEM NO.61 COURT NO.5 SECTION XII-A

S U P R E M E C O U R T O F I N D I A
RECORD OF PROCEEDINGS

Petition(s) for Special Leave to Appeal (C) No(s). 24286/2025

[Arising out of impugned final judgment and order dated 30-04-2025 in WP No. 22458/2024 passed by the High Court for The State of Telangana at Hyderabad]

A.P. MAHESH CO-OPERATIVE URBAN BANK LTD. Petitioner(s)

VERSUS

V RAVI KUMAR Respondent(s)

[MEDIATION REPORT HAS BEEN RECEIVED]
IA No. 183615/2026 - PASSING APPROPRIATE ORDER OR DECREE UNDER ARTICLE 142 OF THE CONSTITUTION
IA No. 240796/2025 - PERMISSION TO FILE ADDITIONAL DOCUMENTS/FACTS/ANNEXURES
IA No. 236672/2025 - PERMISSION TO FILE ADDITIONAL DOCUMENTS/FACTS/ANNEXURES

Date : 24-07-2026 This matter was called on for hearing today.

CORAM :
HON'BLE MR. JUSTICE J.B. PARDIWALA
HON'BLE MR. JUSTICE K. VINOD CHANDRAN

For Petitioner(s) :
Mr. Rishi Kapoor, Adv.
Ms. Gitanjali Kapoor, Adv.
Mr. Ashish Kumar Upadhyay, AOR
Ms. Maitri Goal, Adv.
Mr. Varun Ranjan, Adv.
Ms. Kalpana, Adv.
For Respondent(s) :
Mr. Rohit Kumar, AOR
Mr. Navlendu Kumar, Adv.
Mr. Naveen Kumar, Adv.
Mr. Shudhansu, Adv.

UPON hearing the counsel the Court made the following
O R D E R

1. This Special Leave Petition is disposed of in terms of the signed order

2. Pending applications, if any, also stand disposed of.

(VISHAL ANAND)
DEPUTY REGISTRAR

(POOJA SHARMA)
COURT MASTER (NSH)

(Signed Order is placed on the file)