

SETTLEMENT AGREEMENT

This Agreement is made at New Delhi on this _____ day of _____, _____ between _____, (hereinafter called the FIRST PARTY) and _____ (hereinafter called the SECOND PARTY).

The expression First Party and Second Party shall mean and include unless context otherwise requires its successors, legal heirs, administrators of the FIRST and SECOND PART.

AND WHEREAS the Party of the First Part has acquired a property known as _____.

AND WHEREAS the Party of the First Part has handed over the keys of the aforesaid premises to the Second Party for keeping the same in safe custody.

AND WHEREAS the Party of the Second Part has inducted someone unauthorisedly in the aforesaid premises and has, therefore, failed to return the keys of the said premises to the First Party.

AND WHEREAS at the request of the Second Party, the First Party has given a sum of Rs. _____/- (Rs. _____ only) for the aforesaid

inductee for seeking eviction of the premises, which however was the obligation of the Second Party.

NOW, THEREFORE, THIS DEED WITNESS AS UNDER:-

1. The Second Party hereby admits, confirms and acknowledges that it was the obligation and duty of the Second Party to hand over the vacant possession of the aforesaid premises to the First Party and, therefore, a sum of Rs. _____/- (Rs. _____ only) is a debt payable by the Second Party to the First Party.

2. That towards the discharge of the aforesaid debt of Rs. _____/- (Rs. _____ only), the Second Party had handed over a undated Cheque No. _____ drawn on _____ Bank Limited, _____ for a sum of Rs. _____/- in favour of the First Party.

3. The Second Party hereby assures, warrants and promises that it shall make necessary arrangements for the honouring the aforesaid cheque, which the First

Party would be entitled to present the same on or around _____.

4. That in case the aforesaid cheque for Rs. _____/- (Rs. _____ only) is dishonoured, the Second Party hereby undertakes to pay an interest @ 18% per annum compounded on quarterly basis. The Second Party shall also be liable to indemnify for all costs, charges and expenses payable by the First Party for realization of the amount through Court of law.

5. The Second Party hereby confirms, admits and acknowledges that they had taken a loan of Rs. _____/- (Rs. _____ only) from the First Party in order to tide over the financial crises faced by them.

6. That in discharge of their admitted, confirmed and acknowledged debt and liability of Rs. _____/- (Rs. _____ only), the Second Party has handed over a undated cheque No. _____ for Rs. _____/- (Rs. _____ only) drawn on _____ Bank, _____.

7. That the First Party shall be entitled to present the aforesaid cheque for Rs. _____/- (Rs. _____ only) on or around _____ and the

Second Party assures and promises that it shall make due and proper arrangement for encashment of the aforesaid cheque.

8. That in case the aforesaid for Rs. _____/- (Rs. _____ only) is dishonoured, the Second Party hereby undertakes to pay an interest @ 18% per annum compounded on quarterly basis. The Second Party shall also be liable to indemnify for all costs, charges and expenses payable by the First Party for realization of the amount through Court of law.

9. That the Second Party hereby admits, acknowledges and confirm that a sum of Rs. _____/- (Rs. _____ only) is admittedly and undisputedly due and payable by them to the First Party, which they have undertaken to pay in the aforesaid manner.

10. That in case of any dispute(s), claim(s) difference(s) or question(s) arising out of or touching upon or concerning this Agreement or with regard to determination or rights, duties, responsibilities, obligations, right, title entitlement or interest of any of the parties under this Agreement shall be referred to the Sole Arbitration of _____ and the decision of such Sole Arbitrator shall be final, conclusive and binding. The place of arbitration proceedings shall be in

New Delhi. The arbitration proceedings shall be governed by the provisions of The Arbitration and Conciliation Act, 1996.

IN WITNESS WHEREOF, THE PARTIES HAVE AFFIXED THEIR HANDS ON THE DAY, MONTH AND YEAR FIRST ABOVE WRITTEN.

WITNESSES:

1. FIRST PARTY

2. SECOND PARTY

