

**SUPREME COURT OF INDIA**

M.G.Ravala Manikyam

Vs.

M.Mada Naik

C.A.No.981 of 2010

(R.V.Raveendran J.)

25.01.2010

**ORDER**

1. Leave granted. Heard the parties.

2. The legal heirs of the plaintiff in a suit for specific performance are the appellants in this appeal by special leave. The respondent had entered into an agreement of sale dated 25.12.1986 in favour of one M.R. Gopal of whom the appellants are the legal heirs. As the respondent refused to execute the sale deed in pursuance of the said agreement, a suit for specific performance was filed on 19.4.1988. The suit was decreed by the trial Court on 31.7.2001 directing the defendant in the suit to execute the sale deed. The appeal filed by the defendant was allowed in part by the High Court by the impugned judgment dated 14.8.2009. The decree for specific performance was set aside. The High Court directed the defendant to refund the earnest money of Rs.60,000/- and also pay damages of Rs.5,00,000/-. The said order is challenged by the legal heirs of the plaintiffs.

3. When the matter came up today, learned counsel for the appellants and respondent submitted that the matter has been settled and it has been agreed that the judgment and decree of the High Court be affirmed subject only to the modification that the damages payable should be Rs.9,40,000/-(rupees nine lakhs forty thousands) instead of Rs.5,00,000/-. Thus, the total amount payable would be Rs.10 lakhs. It is also agreed that the defendant-respondent shall pay Rs.7,75,000/- within 15 days from today and pay the remaining Rs.2,25,000/- within three months. If the amount is not so paid, the respondent shall be liable to pay interest at 18% per annum from this day to the date of payment on the defaulted amount.

4. Appeal is disposed of accordingly.