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C.S.(Comm.Div.).No.5 of 2022

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 03.08.2023

CORAM

THE HONOURABLE Ms. JUSTICE P.T. ASHA

C.S.(Comm.Div.).No.5 of 2022

M.Shikar HUF,
Rep. by its Karta,
Mr.M.Shikar,
Son of Megharaj,
Flat No.1B, TVH Akhira,
18, Bawa Road, Alwarpet,
Teynampet,
Chennai - 600018.

...Plaintiff

Vs.

Mr.Arun Kumaran. E

...Defendant

PRAYER: **Plaint** is filed under Order VII Rule 1 of the O.S Rules.
read with Order XXXVII Rule 1 & 2 of the Code of Civil Procedure, 1908,
praying to pass the judgment and decree:-

A. To pay a sum of Rs.2,41,60,200/- (Rupees Two Crore Forty One
Lakhs Sixty Thousand Two Hundred) together with interest @ 18% per
annum on the principal sum of Rs.1,70,00,000/- from the date of plaint to
till the date of realization.



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B. To pay the costs of the suit, and

C. Grant such further relief(s) as this Hon'ble Court may see fit and proper in the circumstances of the case and thus render justice.

For Plaintiff : M/s.Praveen Purohit, T.M.Mano

For Defendant : M/s.R.Murali

JUDGMENT

The plaintiff and the defendant have entered into a compromise which has been reduced into writing in a Joint Compromise memo dated 21.07.2023. The Joint Compromise memo is signed by the plaintiff and the defendant and also by their respective counsels. The terms of the Joint Compromise memo is set out in paragraph Nos.2(a) to (l). The said Joint Compromise memo dated 21.07.2023 is taken on file.



2. Accordingly this Civil Suit is decreed in terms of the Joint Compromise memo dated 21.07.2023. The terms contained in paragraph Nos.2(a) to (l) of Joint Compromise memo signed by the plaintiff and the defendant shall form part of this judgment and decree. No Costs.

3. The Hon'ble Apex Court in ***High Court of Judicature at Madras vs. M.C.Subramaniam and others reported in (2021) 3 SCC 560*** held that in cases where the matter is settled out of court by private negotiation of parties, the refund of court fee can be ordered. The relevant observation of the Hon'ble Apex Court is as follows:-

“23. We find ourselves in agreement with the approach taken by the High Courts in the decisions stated supra. The purpose of Section 69-A is to reward parties who chosen to withdraw their litigations in favour of more conciliatory dispute settlement mechanisms, thus saving the time and resources of the Court, by enabling them to claim refund of the Court fees deposited by them. Such refund of Court, though it may not be connected to the substance of the dispute between the parties, is certainly an ancillary



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economic incentive for pushing them towards exploring alternative methods of dispute settlement. As the Karnataka High Court has rightly observed in Kamalamma the parties who have agreed to settle their disputes without requiring judicial intervention under Section 89 CPC are even more deserving of this benefit. This is because by choosing to resolve their claims themselves, they have saved the state of the logistical hassle of arranging for a third-party institution to settle the dispute. Though arbitration and mediation are certainly salutary dispute resolution mechanisms, we also find that the importance of private amicable negotiation between the parties cannot be understated. In our view, there is no justifiable reason why Section 69-A should only incentivise the methods of out-of-Court settlement stated in Section 89 CPC and afford step-brotherly treatment to other methods availed by the parties.”



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4. In view of the law laid down by the Hon'ble Apex Court in the above said decision, the plaintiff is entitled to get refund of the Court fee affixed by him in the plaint.

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Index : Yes/No
Internet : Yes/No
Neutral Citation : Yes/No
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