



C.S.No.19 of 2022

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 21.06.2023

CORAM:

THE HONOURABLE Mr. JUSTICE S.SOUNTHAR

C.S(Comm. Div.)No.19 of 2022

and

A.No.5157 of 2022

1.P.R.Vaginya Hariprasad

2.A.Manikandan

3.M.Sudha

4.P.R.Lalitha

5.P.G.Ramaraj

6.P.R.Meenakshi

...Plaintiffs

Vs.

1.Vasanthi(deseased)

2.U.S.Rama Rao

3.R.Mahima

... Defendants

(Defendants No.2 and 3 are already on record and recorded as legal heirs of the deceased first defendant as per order dated 07.07.2022 on memo Dairy No.15739 of 2022)

PRAYER: This Civil Suit is filed under Order IV Rule 1 of the Original Side Rules read with Order VII Rule 1 of Civil Procedure Code; praying to pass the judgment and decree:-

a) for a sum of Rs.3,18,00,000/- together with interest at 18% per annum on the principal amount of Rs.3,00,00,000/- from the date of plaint till



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date of realization;

b) for the costs of the suit;

c) for such further or other orders as this Court deems fit and proper under the circumstances of the case.

For Plaintiffs	:	Mr.P.Prabu
For Defendants	:	Mr.Ashok Menon

JUDGMENT

The learned counsel for the plaintiffs made an endorsement in the plaint that the matter has been settled out of Court and therefore, the suit may be dismissed as not pressed.

2. The learned counsel for the plaintiffs made a request for refund of the Court fee, by relying on the judgment of the Hon'ble Apex Court in ***High Court of Judicature at Madras vs. M.C.Subramaniam and others*** reported in ***(2021) 3 SCC 560*** for the proposition that even in case the matter is settled out of Court by private negotiation of parties, they are entitled to refund of the Court fee. In the said decision, the Hon'ble Apex Court said that parties who have agreed to settle their dispute without requiring judicial



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intervention are entitled to get refund of the Court fee. 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 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 settled 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



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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. ”

In view of the law laid down by the Hon'ble Apex Court in the above said decision, the plaintiffs are entitled to refund of the Court fee affixed by them in the plaint.

3. Recording the said endorsement made by the learned counsel for the plaintiffs, the suit is dismissed as settled out of Court. Consequently, connected application is closed.

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Index:Yes/No

Speaking Order: Yes/No



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S.SOUNTHAR, J.

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