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C.S.No.662 of 2018

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 22.06.2023

CORAM:

THE HONOURABLE MR.JUSTICE S.SOUNTHAR

C.S.No.662 of 2018

Nirmal Kumar Maheswari

... Plaintiff

Vs.

- 1.Firoz A.Nadiadwala
Sole Proprietor
M/s.Base Industries Group
Plot No.20, "Barket"
Gulmohar Cross Road
No.5, J.V.P.D.Scheme
Mumbai 400 049.
- 2.M/s.Zee Entertainment Enterprises Limited
represented by its Director
33-B, 1st and 2nd Floor
Olympia Platina
Sidco Industrial Estate
Guindy, Chennai 600 032.
- 3.Oyeeee Media Limited
represented by its Director
A201, 2nd Floor
New Link Road
Crystal Plaza



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Oshiwara, Andheri West
Mumbai 400 053.

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4.Eros International Media Ltd
represented by its Director
901/902, Supreme Chambers
Off. Veera Desai Road
Andheri West
Mumbai 400 053.

...Defendants

Prayer: This Civil Suit is filed under Order IV Rule 1 of the Original Side Rules r/w Order VII Rule 1 of CPC, praying to pass the judgment and decree:-

a) directing the defendants 1 to 4 jointly and severally to pay the plaintiff a sum of Rs.10,40,62,500/- (Rupees Ten Crores Forty Lakhs Sixty Two Thousand and Five Hundred Only) with further interest at the rate of 30% p.a., on Rs.5,50,00,000/- from the date of this plaint till date of realization in full.

b) for costs of this suit;

For Plaintiff : Mr.S.Vasudevan

For Defendants : Mr.Rajavelu for D1



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ORDER

The learned counsel for the plaintiff and the first defendant filed a Joint Compromise Memo dated 22.06.2023, wherein it is stated that the suit claims have been settled out of Court in full. Therefore, the plaintiff wants to withdraw the suit. The compromise memo is signed by the plaintiff and the first defendant and the same is countersigned by the learned counsel for the plaintiff and the first defendant, identifying their respective parties. Therefore, this Court is inclined to record the compromise memo and dismiss the suit as settled out of Court.

2. The learned counsel for the plaintiff seeking refund of the Court fee on the ground that the matter is settled out of Court by the parties. He relied 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 intervention are entitled to get refund of the Court fee. The relevant observation of the Hon'ble Apex



Court is as follows:

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“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 and mediation are certainly salutary dispute resolution



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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. ”

4. In view of the law laid down by the Hon'ble Apex Court in the above said decision, the plaintiff is entitled to refund of the Court fee affixed by them in the plaint. No costs.

22.06.2023

Index : Yes / No
Internet : Yes / No
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dna

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