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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**

+ **CS(COMM) 626/2022**

M/S. MGM PAPERS LLP

.....Plaintiff

Through: Ms. Monica Goel, Ms. Kajal Pal and
Mr. Ashutosh Srivastava, Advs.

versus

**M S SAMMAN LAL SHER SINGH PAPER PVT
LTD AND ORS**

.....Defendants

Through: Mr. Kamil Khan and Mr. Fouzan
Shah, Advs. (through vc)

CORAM:

HON'BLE MS. JUSTICE MANMEET PRITAM SINGH ARORA

ORDER

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09.05.2025

I.A. 8657/2025

1. This application under Section 89 of the Code of Civil Procedure, 1908 read with Section 16 of the Court Fees Act, 1870, has been filed by the plaintiff seeking refund of the Court fees paid by the plaintiff in the captioned suit.

2. Learned counsel for the plaintiff states that vide judgment dated 30.12.2024, the parties in the present suit were referred to Arbitration in terms of the arbitration clause mentioned in the settlement agreement dated 30.12.2019 executed between the parties and therefore, by virtue of Section 16 of the Court Fees Act, 1870, the plaintiff is entitled to refund of the Court fees.

3. In this regard, she has relied upon the judgments filed by her under the cover of the index dated 18.04.2025; she has relied upon the judgment

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dated 19.12.2024 passed by the Supreme Court in **Sanjeevkumar Harakchand Kankariya v. Union of India & Ors.**¹ and the order dated 28.01.2025 passed by the Supreme Court in **Jage Ram v. Ved Kaur & Ors.**².

4. This Court has heard the learned counsel for the plaintiff and perused the record.

5. In **Sanjeevkumar Harakchand Kankariya v. Union of India & Ors.** (supra), the Supreme Court observed that when the matter is settled by the parties by the modes of alternate dispute resolutions (ADR), the parties will be entitled to refund of the Court fees. It was in this background that the Court held that the parties were entitled to refund of Court fees.

6. Similarly, in **Jage Ram v. Ved Kaur & Ors.** (supra), the Supreme Court while dismissing the Special Leave Petition on the ground that the Petitioner therein was not entitled to refund of Court fees, as it was a case wherein the parties had amicably entered into a settlement out of the Court, held as under: -

“6. The refund of court fees is permissible only if the matter is referred to Arbitration, Conciliation, judicial settlement, including through Lok Adalat or mediation for settlement and **the case is decided in terms of such a settlement and not otherwise.**”

7. In the case at hand, the settlement in terms of which the second appeal was decided by the High Court is not on reference to any of the above authorities/fora rather it was an amicable settlement out of the court.

8. Accordingly, we are of the opinion that the petitioner is not entitled to refund of the court fees and the High Court has not committed any error or illegality in refusing such a prayer.”

(Emphasis Supplied)

¹2024 INSC 1004

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7. The Supreme Court in **Jage Ram v. Ved Kaur & Ors.** (supra), has opined that a party is entitled to refund of Court fee only if the case is decided in terms of such a settlement and the said settlement was a result of reference to Arbitration, Conciliation, judicial settlement, including through Lok Adalat or mediation.

However, in the facts of this case, the matter has not been settled and in fact, the parties were referred to arbitration under Section 8 of the Arbitration and Conciliation Act, 1996. And the issue for referring the parties herein to arbitration was decided only after considering the objections raised by the plaintiff. This Court has been informed that the arbitration proceedings have not commenced as on date. Therefore, the aforementioned judgment and order relied upon by the plaintiff do not apply to the facts of this case.

8. With the aforesaid directions, the captioned application stands dismissed.

MAY 9, 2025/MG

MANMEET PRITAM SINGH ARORA, J

Click here to check corrigendum, if any

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