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

\# **CNR No. DLHC010286832025**

\+ CS(COMM) 454/2025, I.A. 11925/2025, I.A. 17700/2025
I.A. 21950/2025, I.A. 21952/2025

MR. PIRUZ KHAMBATTA & ANR. .....Plaintiffs
Through: Mr. Prajjwal Kushwaha, Advocate

versus

FRANCHISE INDIA BRANDS LIMITED
& ANR. .....Defendants
Through: Ms. Vaishali Singh, Advocate

CORAM:
HON'BLE MR. JUSTICE VIKAS MAHAJAN

O R D E R

% 05.10.2026

1. Mr. Prajjwal Kushwaha, learned counsel appearing on behalf of the plaintiffs, submits that during pendency of the present suit, the parties have arrived at an out of Court settlement, terms whereof have been reduced into writing in the form of a Deed of Mutual Release and Settlement.

2. It is stated that though no specific date has been stated in the agreement, the same was executed between the parties on 25.05.2026. The factum of the settlement, as well as the date thereof, has also been affirmed by Ms. Vaishali Singh, learned counsel appearing on behalf of defendants.

3. Ms. Singh submits that in terms of the settlement, the defendant nos. 1 and 2 have paid an amount of Rs. 10 lacs to the plaintiffs by way of a demand draft dated 25.05.2026, issued by ICICI Bank Limited, in favour of plaintiff no. 2, the receipt of which is acknowledged by Mr. Kushwaha.

4. A copy of the settlement as well as the demand draft dated 25.05.2026 has been handed over in the Court, and the same is taken on record. Let the

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learned counsel for the plaintiffs file a copy of the settlement as well as the demand draft under the cover of an index during the course of the day.

5. In view of the settlement, learned counsel for the plaintiffs seeks to withdraw the present suit.

6. The suit is dismissed as withdrawn.

7. At this stage, learned counsel for the plaintiffs submit that since the parties have arrived at settlement out of the Court, therefore, necessary directions may be given for refund of Court Fees.

8. It is noted that the Government of NCT of Delhi has issued a notification published in the Delhi Gazette dated 06.03.2026 *vide* notification no. F. 14 (105)/LA-2026/jtsecylaw /359-368 titled ***"The Court Fees (Delhi Amendment) Act, 2026"***, whereby Section 16 of the Court Fees Act, 1870 has been substituted and Section 16A has been omitted. The substituted Section 16, as applicable to the National Capital Territory of Delhi, reads as under:

> *"Section 16 – Refund of Fee:- Where the parties to a suit or appeal, at any stage of such suit or appeal, settle their dispute amicably, with or without the intervention of the Court and with or without invoking any of the modes of settlement of dispute, referred to in section 89 of the Code of Civil Procedure, 1908 (5 of 1908) and the said suit including Counter-claim, if any, or appeal is disposed of as settled/compromised by the court, the plaintiff/Counter-claimant shall be entitled to a certificate from the Court authorizing him to receive back from the collector/competent officer, the full amount of fee, paid in respect of such plaint/counter claim."*

9. As per the Gazette notification dated 06.03.2026, the newly substituted Section 16 has come into force w.e.f. 06.03.2026. Reading of the newly substituted Section 16 stipulates that instances where parties to a suit settle

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their dispute amicably at any stage of the proceedings and the suit is disposed of as settled/compromised by the Court, with or without intervention of ADR mechanism, the plaintiff shall be entitled to a certificate from the Court authorizing him to receive back from the Collector/competent officer the full amount of court fee paid in respect of the plaint.

10. Having regard to the fact that the present suit is being disposed of in light of out of Court settlement between the parties, this Court is of the view that the plaintiffs are entitled to refund of full court fees affixed on the plaint.

11. Accordingly, the Registry of this Court is directed to issue a certificate to the plaintiffs for refund of full court fees.

12. The pending applications, if any, also stand disposed of.

VIKAS MAHAJAN, J

OCTOBER 5, 2026
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