No Court-Fee Refunds After Trial Begins: Madras High Court

The Madras High Court ruled that litigants cannot claim a refund of court fees if a civil dispute is settled out of court after the commencement of the trial.

A judicial ruling by the Madras High Court regarding the interpretation of court-fee refunds under civil procedure laws upon out-of-court settlements.

KEY EXAM POINTS

- Justice P.B. Balaji delivered the ruling while dismissing two civil revision petitions filed by different litigants on November 02, 2026.
- The Court held that court fees cannot be refunded if disputes are settled out of court after the trial has commenced.
- The bench refused to follow the Supreme Court's 2017 judgment in the M.C. Subramaniam case.
- The ruling followed the Supreme Court's 2010 judgment in the Afcons Infrastructure case instead.
- The decision emphasized safeguarding the State exchequer from financial losses arising from fee refunds post-trial.

DID YOU KNOW..!?

Article 226 of the Constitution of India provides the High Courts with the power to issue writs for the enforcement of fundamental rights and for any other purpose.

The **Madras High Court** is one of the three chartered high courts in India, established along with the Bombay and Calcutta High Courts in **1862**.

Section 89 of the Code of Civil Procedure (CPC) provides for settlement of disputes outside the court through arbitration, conciliation, judicial settlement, or mediation.

The **Tamil Nadu Court-Fees and Suits Valuation Act**, **1955** governs the collection and refund of court fees in civil litigation within the state of Tamil Nadu.

Alternative Dispute Resolution (ADR) mechanisms such as Lok Adalats, mediation, and arbitration are promoted under Indian law to reduce pendency of court cases.

REVISION FLASHCARD

Madras High Court ruled that court fees cannot be refunded if disputes are settled out of court after trial begins.

Syllabus Relevance: Important for understanding High Court jurisdictions, judicial precedents, and civil procedure laws in Tamil Nadu.

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