



KARNATAKA LEGISLATIVE ASSEMBLY  
FIFTEENTH LEGISLATIVE ASSEMBLY  
SEVENTH SESSION

**THE KARNATAKA COURT FEES AND SUITS VALUATION (AMENDMENT) BILL, 2020**  
**(LA Bill No. 49 of 2020)**

A Bill further to amend the Karnataka Court Fees and Suits Valuation Act, 1958.

Whereas it is expedient further to amend the Karnataka Court Fees and Suits Valuation Act, 1958 (Karnataka Act 16 of 1958) for the purposes hereinafter appearing;

Be it enacted by the Karnataka State Legislature in the Seventy first year of the Republic of India, as follows:-

**1. Short title and commencement.**- (1) This Act may be called the Karnataka Court Fees and Suits Valuation (Amendment) Act, 2020.

(2) It shall be deemed to have come into force with effect from 31<sup>st</sup> day of July, 2020.

**2. Amendment of section 66.**-In the Karnataka Court Fees and Suits Valuation Act, 1958 (Karnataka Act 16 of 1958), (hereinafter referred to as the Principal Act) in section 66, for the words “seventy five percent” occurring in two places, the words “hundred percent” shall be substituted.

**3. Insertion of section 68A.**-In the Principal Act, after section 68, the following shall be inserted, namely:-

**“68A All refunds and remissions shall also be made by e-payment.**-All refunds and remissions under this Act shall also be made by e- payment.”

**4. Amendment of section 71.**-In section 71 of the Principal Act,

(a) In sub clause (ii), after the words “five hundred” the word and symbol , “and;” shall be inserted.

(b) after sub clause (ii), as so amended, the following shall be inserted, namely:-

“(iii) By e-payment also.”

**5.Repeal and savings.-** (1) The Karnataka Court Fees and Suits Valuation (Amendment) Ordinance, 2020 (Karnataka Ordinance 18 of 2020) is hereby repealed.

(2) Notwithstanding such repeal anything done or any action taken under the principal Act, as amended by the said Ordinance, shall be deemed to have been done or taken under principal Act, as amended by this Act.

**STATEMENT OF OBJECTS AND REASONS**

It is considered necessary to amend the Karnataka Court Fees and Suits Valuation Act, 1958 (Karnataka Act 16 of 1958) to,-

- (1) comply with the direction of the Hon'ble High Court of Karnataka in writ petition No.33768/2009 (GM-CPC) read with Supreme Court decision in (Salem Advocate Bar Association. T.N. V/s Union of India reported in (2005) 6 SCC 344 to provide for refund of full amount of court fees to the parties, if the suit is settled under section 89 of the Code of Civil Procedure, 1908 and by agreement of parties, any suit is dismissed as settled out of court, compromised decree before evidence or appeal is disposed of before the commencement of hearing of such appeal; and
- (2) provide for refund and payment of fee through e-payment also.

As the matter was urgent and both houses of the Karnataka state legislature were not in a session, the Karnataka Court Fees and Suits Valuation (Amendment) Ordinance, 2020 (Karnataka Ordinance 18 of 2020) was promulgated on 31.07.2020 to achieve the above object.

This Bill seeks to replace the said Ordinance.

Hence the Bill.

**FINANCIAL MEMORANDUM**

There is no extra expenditure involved in the proposed Legislative measure.

**Explanatory Statement as required by sub-rule (1) of rule 80 of the Rules of procedure and conduct of Business in the Karnataka Legislative Assembly.**

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- (3) comply with the direction of the Hon'ble High Court of Karnataka in writ petition No.33768/2009 (GM-CPC) read with Supreme Court decision in (Salem Advocate Bar Association. T.N. V/s Union of India reported in (2005) 6 SCC 344 to provide for refund of full amount of court fees to the parties, if the suit is settled under section 89 of the Code of Civil Procedure, 1908 and by agreement of parties, any suit is dismissed as settled out of court, compromised decree before evidence or appeal is disposed of before the commencement of hearing of such appeal; and
- (4) provide for refund and payment of fee through e-payment also.

As the matter was urgent and both houses of the Karnataka state legislature were not in a session, the Karnataka Court Fees and Suits Valuation (Amendment) Ordinance, 2020 (Karnataka Ordinance 18 of 2020) was promulgated on 31.07.2020 to achieve the above object.

**J.C. MADHU SWAMY**  
Minister for Law, Parliamentary Affairs  
and Legislation and Minor Irrigation

**M.K. Vishalakshi**  
Secretary (I/c)  
Karnataka Legislative Assembly

## ANNEXURE

**Extract from the Karnataka Court Fees and Suits Valuation Act, 1958  
(Karnataka Act 16 of 1958)**

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**66. Refund on settlement before hearing.**- (1) Where the Court refers the parties to the suit to any one of the modes of settlement of dispute referred to in section 89 of the Code of Civil Procedure, 1908 and the dispute is settled, seventy five percent of the amount of Court fee paid in respect of the claim or claims in the suits shall be ordered by the Court to be refunded to the parties by whom the same have been respectively paid.

(2) In cases not covered by sub-section (1); Whenever by agreement of parties,-

- (a) any suit is dismissed as settled out of Court before any evidence has been recorded on the merits of the claim; or
- (b) any suit is compromised ending in a compromise decree before any evidence has been recorded on the merits of the claim; or
- (c) any appeal is disposed of before the commencement of hearing of such appeal;

Seventy five percent of the amount of court fee paid in respect of the claim or claims in the suit or appeal shall be ordered by the court to be refunded to the parties who have paid such fee.

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**68. Instruments of Partition .-** (1) Where the final decree in a partition suit has been engrossed on non-judicial stamps furnished by the parties, the court shall order the refund to the parties of so much of the valued fee paid by them as is equal to the value of the non-judicial stamps furnished by them.

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**71. Collection of fees.**-All fees chargeable under this Act may be paid,-

(i) in cash where the amount of fees is not more than rupees five hundred;

(ii) in the Government treasury or through a Demand Draft in case the amount of fee is more than rupees five hundred;

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