# GOVERNMENT OF INDIA MINISTRY OF LAW AND JUSTICE DEPARTMENT OF JUSTICE

### LOK SABHA

# **UNSTARRED QUESTION NO. †3144**

## TO BE ANSWERED ON FRIDAY, THE 13<sup>TH</sup> DECEMBER, 2024

#### **Recommendations of Law Commission**

#### †3144. SMT. DHANORKAR PRATIBHA SURESH:

Will the Minister of LAW AND JUSTICE be pleased to state:

- (a) whether the law Commission under the Chairmanship of Justice P.V. Reddy has made any recommendation to the Government to increase the court fees significantly for the companies to fight a legal case in the Supreme Court;
- (b) if so, the details of the recommendations made by the Law Commission regarding court fees for the companies;
- (c) whether the Government has decided to take any action as per the recommendations made by the law Commission; and
- (d) if so, the details thereof?

#### **ANSWER**

MINISTER OF STATE (INDEPENDENT CHARGE) OF THE MINISTRY OF LAW AND JUSTICE; AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS

#### (SHRI ARJUN RAM MEGHWAL)

(a) and (b): The Law Commission of India in its 236<sup>th</sup> Report on Court-fees in Supreme Court vis-à-vis Corporate Litigation (December 2010) inter-alia, made the following recommendations:

"The Commission is, therefore of the view that a re-look at the present rules governing the court-fee in respect of appeals (Civil) filed in the Supreme Court is highly desirable in view of the long passage of time and the economic realities of the day. While the half per cent rate over and above Rs.20,000 can remain (or it can be increased to one percent), it would be reasonable to enhance the maximum court-fee at least to Rs.1 lakh. That is to say, for the figure Rs.2,000 occurring in clause (1) of the proviso to Sl. No. 2 of Part-II of the Supreme Court Rules, Rs. 1 lakh (or more) needs to be substituted. This is broadly our suggestion and we must state that the Commission has not done any specific exercise to determine the exact quantum as the Commission feels that the Supreme Court Committee would appropriately delve into those details. Further, the figure of Rs.250 which is the minimum payable as well as the fee of Rs.250 specified in appeals incapable of valuation should be suitably increased. There is also every justification for increasing the fee for special leave petitions, which is presently a small sum of Rs.250. The net result will be that most of the appeals filed by the corporate and other business entities against tax/fee demands and other fiscal liabilities and arbitration awards will come within the net of enhanced court-fee regime. At the same time, it would be rational and reasonable to charge only fixed court-fee (as enhanced) in respect of appeals that arise out of High Courts' judgments in civil matters, where court-fee would have already been paid on ad valorem basis both at the trial stage and at the appellate stage. We may also mention that in case of individual hardship, the appellant concerned can always approach the Supreme Court for exemption of court-fee.

The Commission, on taking a holistic view has recorded its broad suggestions for the enhancement of the ceiling prescribed in the Supreme Court Rules in relation to ad valorem fee as well as fixed court-fee. The proper and expedient course would be to address the Supreme Court for suitable upward revision of the prevailing court-fee keeping in view the long passage of time and the heavy stake cases that are coming up before the Supreme Court in relation to matters arising under fiscal and other special enactments. The Supreme Court may perhaps constitute a Committee of Judges and consult the Supreme Court Bar Association, if necessary. As the rules framed by the Supreme Court in regard to court-fee have been in operation for more than half a century, it would be in the fitness of things to leave the decision to enhance court-fee to the Supreme Court in the first instance. It is desirable and proper that the Parliament does not straightway proceed to supersede the Supreme Court Rules and prescribe the scales of fee by itself through legislation. The Commission is of the opinion that it would be proper to address the Supreme Court indicating

the tentative views of the Parliamentary Standing Committee and of the Law Commission and suggesting an upward revision of maximum as well as fixed court-fee in Part-II and in respect of such other items in the III Schedule as the Court may consider appropriate."

(c) and (d): The Report of the Commission was forwarded to the Supreme Court of India in March, 2011, which in the Full Court Meeting held on 6<sup>th</sup> February, 2013 decided to approve the Supreme Court Rules, 2013. The Supreme Court Rules, 2013 were accordingly notified on 27.05.2014 under Article 145 of the Constitution of India including, inter-alia, revision of Part II of the Third Schedule (Table of Court Fees).

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