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APHC010026862018

IN THE HIGH COURT OF ANDHRA PRADESH
AT AMARAVATI [3333]
(Special Original Jurisdiction)

FRIDAY, THE 16th DAY OF OCTOBER 2026

PRESENT

THE HONOURABLE SMT JUSTICE V.SUJATHA

WRIT PETITION NO: 1386/2018

Between:

1. M/S. LOTUS ASSOCIATES, REP. BY ITS PARTNER, SRI KOGANDI SATYANARAYANA, S/O. RAMAIAH, AGED ABOUT 55 YEARS, OCC BUSINESS, R/O.54-1418-25/6A, PLOT NO.23, 7TH ROAD, BHARATI NAGAR, VIJAYAWADA-500 008.

...PETITIONER

AND

1. THE STATE OF AP, REP. BY ITS PRINCIPAL SECRETARY, STAMPS AND REGISTRATION DEPARTMENT, AMARAVATHI, GOLLAPUDI, VELAGAPUDI, GUNTUR DISTRICT.
2. THE COMMISSIONER, AND INSPECTOR GENERAL OF REGISTRATION AND STAMPS, ANDHRA PRADESH, ENIKAPADU, VIJAYAWADA.
3. THE DISTRICT REGISTRAR, AND COLLECTOR, UNDER STAMPS ACT, VISAKHAPATNAM.

4. THE SUB REGISTRAR, SABBAVARAM, VISAKHAPATNAM.

...RESPONDENT(S):

Petition under Article 226 of the Constitution of India praying that in the circumstances stated in the affidavit filed therewith, the High Court may be pleased toto issue a Writ, order or direction, especially one in the nature of Writ of Mandamus declaring the proceedings No.CCRA1/9055/2006, Dated 31-03-2017 of the 2nd respondent confirming the order passed by the 3rd respondent vide proceedings No.89-1/G1/2006 dated 14-06-2006, as illegal, arbitrary, unjust and violation of Articles 14 and 300-A of the Constitution of India and also the Indian Stamp Act, 1899 and consequently direct the respondents to set aside the order passed by the Respondents 2 and 3 vide proceedings No.CCRA1/9055/2006, Dated 31-03-2017 and No.89- 1/G1/2006 dated 14-06-2006 and direct the respondents to register and release the documents P2/2006

IA NO: 1 OF 2018

Petition under Section 151 CPC praying that in the circumstances stated in the affidavit filed in support of the petition, the High Court may be pleased to direct the 2nd and 3rd respondents to register and release the documents P 2/2006 by suspending the order of the respondents 2 and 3 vide proceedings No.CCRA1/9055/2006, Dated 31-03-2017 and No.89- 1/G1/2006 dated 14-06-2006 pending disposal of the writ petition

IA NO: 2 OF 2018

Petition under Section 151 CPC praying that in the circumstances stated in the affidavit filed in support of the petition, the High Court may be pleased

Counsel for the Petitioner:

1. AYESHA AZMA S

Counsel for the Respondent(S):

1. GP FOR REVENUE (AP)

The Court made the following:

ORDER:

1) The present Writ Petition came to be filed under Article 226 of the Constitution of India seeking the following relief:-

> "…. to issue a Writ, order or direction, especially one in the nature of Writ of Mandamus declaring the proceedings No.CCRA1/9055/2006 Dated 31.03.2017 of the 2nd respondent confirming the order passed by the 3rd respondent vide proceedings No.89-1/G1/2006 dated 14.06.2006 as illegal, arbitrary, unjust and violation of Articles 14 and 300-A of the Constitution of India and also the Indian Stamp Act 1899 and consequently direct the respondents to set aside the order passed by the Respondents 2 and 3 vide proceedings No.CCRA1/9055/2006 Dated 31.03.2017 and No.89-1/G1/2006 dated 14.06.2006 and direct the respondents to register and release the documents P2/2006….."

2) The case of the petitioner, in brief, is as follows:

The petitioner company entered into a transaction of "Assignment of Debt" for consideration of Rs.1,69,13,000/- with IDBI Bank Limited, against the original loan of Rs.2,75,00,000/- which is a banking company having its head quarters at Mumbai, which gave a loan of Rs.2,75,00,000/- to A.P. Refractories Limited. The said company went into liquidation and official liquidator is appointed by this Court. The said loan of Rs.2,75,00,000/- was granted on the security basis of the facilities, containing the agriculture lands in the village of Duvvada, Talarivari Palem, Aganampudi and Saniwada. The said assignment of Debt was drawn-up on a stamp paper of Rs.100/- assuming that it is a transfer of mortgage under Article 53 (b) (ii) of the Schedule 1A of the amended A.P. Stamp Act. The said

deed was executed on 05.01.2006 at Visakhapatnam and when the document was presented before respondent No.4 for registration, it was kept pending registration vide endorsement No.P2/2006 and a reference was made to the District Registrar, Visakhapatnam, who in turn called for the objections from the petitioner herein before passing further orders and the petitioner filed the objections which reads as follows:

(1) “Deed of Assignment of Debt” is an Parripasu charge from financial institution and declared that he is liable only for the debt of the property but not transferring the right on the property.

(2) The deficit stamp duty is not applicable for this document.

3) Considering the objections submitted by the petitioner, respondent No.3 vide order dated 14.06.2006 has determined the referred deed as conveyance chargeable with stamp duty under Article 20 of schedule 1A of Indian Stamp Act, 1899 at 5% on the value of the property and arrived at Rs.46,28,8258/- as deficit stamp duty with penalty of five times, aggrieved by the said order, the petitioner preferred an appeal before respondent No.2 – the Commissioner and Inspector General of Registration and Stamps, Andhra Pradesh. However, respondent No.2 confirmed the order of respondent No.3 by taking into consideration Section 3 of the transfer of the property Act and Section 2 (10) of the Stamp Act, and in view of the undertaking memo filed by the petitioner herein, respondent No.2 levied penalty for one time and directed the petitioner herein to pay an amount of Rs.92,57,650/-.

4) It is the further case of the petitioner that the reasons assigned by respondent No.3 while impounding the document is not tenable under law and respondent No.2 ought to have allowed the appeal instead of confirming the order passed by respondent No.3. In the present case, there is no transfer of assignment of any right in the property and it is only a transfer of assignment of debt. Further, respondent No.3 should have seen that there is no malafide intention on the part of the petitioner herein in paying the stamp duty, the deed was entered into on the 5th day of January, 2006 and the same was presented for registration on the same day, therefore, there is no occasion for the respondents to levy any stamp duty penalty on the document because the petitioner did not present the document at a belated stage or the respondents found that the documents are insufficiently stamped at later point of time i.e. after completion of the registration.

5) Further, Section 24 of the Stamp Act, has no application to the present facts of the case. Respondent Nos.2 and 3 did not look into the provision and the contents of assignment deed while impounding the document and levying the penalty. The security of the loan amount under transfer is an equitable mortgage by way deposit of title deeds which is not liable for any kind of stamp duty or registration. In the present case, evidently the loan is secured by way of deposit of title deeds which is not in dispute at all. When the said question is not in dispute, the maximum stamp duty assuming without admitting, payable would be a maximum of Rs.50,000/- by application of latest Law, enacted by the Government of Andhra Pradesh, and there is no basis for levying stamp duty of 5% and imposing the penalty. A clear distinction is drawn between

conveyance deed governed by Article 20 and debt or interest that is secured by mortgage deed governed by Article 53 (b) of schedule 1A. Therefore, the respondents cannot invoke section 2 (10) read with Article schedule 1A of the Stamp Act. Thus, the order of respondent Nos.2 and 3 is contrary to law and the provisions of the Indian Stamp Act, 1899.

6) Respondent No.4 – the Sub-Registrar, Sabbavaram, Visakhapatnam filed counter contending that the petitioner has submitted a Deed of Assignment of Debt dated 05.01.2006 on a Rs.100/- Non-Judicial Stamp Paper for registration. Since the document is only a conveyance, which falls under Article 20 of Schedule 1A of Stamp Act and attracts stamp duty of Rs.46,28,925/- i.e., @ 5% on the value of the property and the document was engrossed on stamp paper of Rs.100/- only, the Sub-Registrar, Sabbavaram has forwarded the document P2/2006 to the District Registrar, Visakhapatnam through Letter dated 27.2.2006. The District Registrar, Visakhapatnam returned the document vide Memo.No.89/G1/06, dated 10.3.2006 with instructions to collect the deficit stamp duty under Section 41 of Indian Stamp Act and take appropriate action. Thereafter, the Sub-Registrar, Sabbavaram, Visakhapatnam District issued a notice dated 25.03.2006 to pay the deficit Stamp Duty and Registration Fee as per the provisions of Section 24 of the Indian Stamp Act. In response to the said notice, the Petitioner submitted an un-dated representation stating that “he is liable only for the debt or the property and not transferring the right on the property, hence Section 24 of Act No.15 to pay the deficit stamp duty and deficit registration charges are not applicable to his case”. Since the Petitioner stated that Section 24 of the Act does not

apply to his case and he need not pay the deficit stamp duty and registration fee, the matter was once-again referred to the District Registrar, Visakhapatnam vide Letter dated 9.6.2006. The District Registrar, Visakhapatnam after issuing notice dated 12.6.2006 to the Petitioner calling for objections and having perused the said objections and taking into consideration the law laid down in this regard, passed a detailed order dated 14.6.2006 directing the Petitioner to pay the deficit stamp duty of Rs.46,28,825/- with penalty of 5 times deficit stamp duty within 30 days from the date of receipt of the order. However, the Petitioner has not complied with the order dated 14.6.2006, instead filed an Appeal before the Chief Controlling Revenue Authority and Commissioner and Inspector General of Registration and Stamps, Andhra Pradesh and the said Authority dismissed the Appeal vide Proceedings dated 7.4.2011.

7) It is further contended that aggrieved by the order dated 07.04.2011, the petitioner filed W.P.No.11814 of 2013 before this Court and this Court vide orders dated 22.07.2013 while setting aside the order dated 07.04.2011 remanded the matter to the Chief Controlling Revenue Authority and Director and Inspector General of Registration and Stamps, Andhra Pradesh for fresh disposal duly giving opportunity to the Petitioner. The petitioner filed an appeal before the said Authority stating that his father being the Managing Partner of the Firm expired on 06.03.2012. The Appellate Authority after affording an opportunity to the petitioner and taking into consideration the facts and law issued proceedings dated 31.03.2017 levying one penalty of Rs.46,28,825/- and penalty of Rs.46,28,825/- by reducing the penalty of 5 times imposed by the District Registrar. The document in question is an assignment of a

Debt of Rs.1,69,13,000/- for realizing an amount of Rs.2,75,00,000/-.

8) It is further contended that an assignment or re-assignment of a debt is a conveyance within the meaning of “Conveyance” definition. A book debt like any other debt is property. An instrument transferring book debts is therefore a conveyance. It is determined that the document submitted by the Petitioner is only a Conveyance which falls under Article 20 of Schedule IA of Stamp Act, therefore, the Petitioner is liable to pay the deficit stamp duty of Rs.46,28,825/- and requested to dismiss the writ petition.

9) Ms.Ayesha Azma S, learned counsel for the petitioner contended that the document presented by the petitioner is “assignment of debt” does not fall under the definition of Section 2(10) of the Indian Stamp Act. In the instant case, the document falls under the provisions of Article 53(b) of the Schedule IA of stamp act and not a conveyance deed as under Section 2(10) of the Act. Neither ownership nor possession of the lands was given or agreed to be given by the Borrower to the Bank, and by Bank to the Petitioner, and even title to the lands never passed. Even as per the verbatim in the deed, there is no transfer of title, no holding of ownership and no enjoyment of possession. The assignor Bank itself, never owned the lands, as such transfer of the same to petitioner/assignee does not arise. A mortgagee by deposit of title deeds has a security interest to demand, receive and recover the debts in its own name and right, but not ownership, therefore, directing the petitioner to pay 5% conveyance duty on the market value of the entire property, is arbitrary and irrational as the

transaction did not take place and requested to allow the writ petition.

10) Learned Government Pleader for Stamps and Registration contended that as the transfer in question is accompanied by the attachment securing the debt, it cannot be regarded as a mere transfer of an actionable claim. The transaction, therefore, falls within the scope of a conveyance and is liable to be stamped accordingly under the Indian Stamp Act. In the present case, since the debt is transferred together with the property attached to and securing such debt, the transaction cannot be treated as a mere assignment or transfer of an actionable claim. The transfer, therefore, involves an interest in the property itself and falls within the scope of a “conveyance” as defined under Section 2(10) of the Indian Stamp Act, 1899. Consequently, the instrument is liable to stamp duty under Article 23 of Schedule I, and the stamp duty has to be determined with reference to the value or consideration attributable to the property comprised in the conveyance, and not merely with reference to the outstanding amount of the debt and requested to dismiss the writ petition.

11) The respondents vehemently contended that the document submitted by the petitioner for registration is a conveyance deed, therefore, the petitioner is required to pay stamp duty as ordered in the impugned proceedings.

12) Before going into the merits of the case, it is appropriate to refer to definitions of “conveyance” as defined under Section 2 (10) and stamp duty payable on conveyance deed as defined in Article 53 of the Indian Stamp Act.

Section 2 (10) of the Indian Stamp Act, 1899 is as follows:

"2 (10) Conveyance includes a conveyance on sale, every instrument and every decree or final order of any Civil Court [every order made by the High Court under Section 394 of the Companies Act, 1956 (Central Act 1 of 1956) in respect of Amalgamation or merger of companies] by which property, whether movable or immovable or any estate or interest in any property is transferred to, or vested in or declared to be of any other person, intervivos, and which is not otherwise specifically provided for by Schedule I or Schedule IA, as the case may be"

13) Stamp duty payable (as applicable to Andhra Pradesh) on certain instruments under the Indian Stamp Act, 1922 is shown in Schedule 1 A.

Article 20 of Schedule 1A of the Indian Stamp Act deals with stamp duty payable on "Conveyance" deeds, which is as follows:

Conveyance as defined by Section 2(10), not being a sale, charged under (No.47A) or a transfer charged or exempted under No. 53.	
(a) Where the amount or value of the consideration for such conveyance as set-forth therein of or the market value of the property which is the subject matter of the conveyance whichever is higher does not exceed Rs. 50;	Two rupees fifty paise
(b) Where it exceeds Rs. 50 but does not exceed Rs. 1,000	Five rupees for every one hundred rupees or part thereof.
(c) Where it exceed Rs.1,000	The same duty as under Clause (b) for the first Rs.1,000 and for every Rs.500 or part thereof in excess of Rs.1,000,

	twenty-five rupees
(d) Conveyance, so far as it related to amalgamation or merger of companies under the order of High Court under section 394 of the Companies Act, 1956.	Two rupees for every one hundred rupees or part thereof of the market value of the property, which is the subject matter of such conveyance.

14) Article 53 of Schedule 1A of the Indian Stamp Act, 1899 deals with stamp duty payable on “Transfer” deed (Whether with or without consideration):-, which is as follows:

(a) Of debentures being marketable securities, whether the debenture is liable to duty or not, except debentures provided for by section 8:	One half of the duty payable on a Conveyance for a consideration or market value equal to the face amount for the debenture.
(b) of any interest secured by a bond, mortgage-deed or policy of insurance –	
(i) If the duty on such bond, mortgaged-deed or policy of insurance does not exceed thirty rupees.	The duty with which such bond, mortgage deed or policy of insurance is chargeable.
(ii) In any other case	Thirty Rupees
(c) of any property under the Administrators General Act, 1963, (Central Act 45 of 1963).	Thirty-five rupees
(d) of any trust- property from one trustee to another trustee or from a trustee to a beneficiary.	Thirty rupees or such smaller amount as may be chargeable under Clauses (a) and (b) of this Article 8
Exemptions Transfer by endorsement (a) of a bill of exchange, cheque or	

promissory note ; (b) of a bill of lading, delivery order warrant for goods, or other mercantile document of title to goods; (c) of a policy of insurance; (d) of securities of the Central Government.”	

15) Perused the document presented by the petitioner for registration. The document is titled as “deed of assignment of debt”. The agreement that is entered into between the petitioner and the bank is of assignment of debt for consideration of Rs.1,69,13,000/-, that is transferring the right to recover a sum of Rs.2,75,00,000/- from the Borrower company which is under liquidation. As per the recitals of the said document, the petitioner has right to recover the amount from the borrower company. It appears from the document that the transaction is made in the form of the transfer of interest on already existing mortgage but not the new creation of the mortgage inter-vivos. Since there is no inclusion or creation of new interest, there is no necessity to pay the stamp duty on the entire property. The stamp duty exists on assignment of debt for a consideration of Rs.1,69,13,000/- which comes to around 50,000/-. But, the respondents demanded to pay the stamp duty upon the whole property that is mortgaged including the penalty.

16) It is evident from the record that the facility documents and other documents will be handed over to the assignee as such, stamp duty payable in respect of mortgage deed without possession is

payable on the amount secured by such mortgage deed but not on the market value of the property offered as a security. As there is no transfer of title, the deed ought to be stamped as under Article 53(b) of Schedule IA and not as a conveyance deed under Section 2(10) r/w Article 20 of the Act.

17) The assignor IDBI itself, never owned the lands for it to even transfer the same to petitioner/assignee. A mortgagee by deposit of title deeds has a security interest to demand, receive and recover the debts in its own name and right, but not ownership. The Borrower/Official Liquidator remained owner. What was assigned was a debt plus the accessory security interest demand, receive and recover the debts in its own name and right.

18) Learned counsel for the petitioner relied on the judgment of the Allahabad High Court in "***Kotak Mahindra Bank Ltd. Vs. State of Uttar Pradesh***[1]***"***, wherein the Court held that a deed of assignment of debts together with underlying securities is chargeable as a transfer of an interest secured by a mortgage-deed under Article 62(c) of Schedule I-B of the U.P. Stamp Act (pari materia with Article 53(b) of Schedule I-A as applicable in Andhra Pradesh), and is not a conveyance under Article 23 (pari materia with Article 20).

19) In the said judgment, the Court referred to the Judgment of the Hon'ble Supreme Court in "***ICICI Bank Limited Vs. Official Liquidator of APS Star Industries Ltd. & others***[2]", wherein the

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[1] *2018 AIR ALLAHABAD 182*

[2] (2010) 10 SCC 1

Court held that the debt at the hands of the Bank is an asset. The Bank (Assignor) can transfer it along with the mortgagee's rights in the mortgaged property without in any manner affecting the rights of the borrower. Relevant paragraph is extracted hereunder:

> "46. As stated above, an outstanding in the account of a borrower(s) (customer) is a debt due and payable by the borrower(s) to the bank. Secondly, the bank is the owner of such debt. Such debt is an asset in the hands of the bank as a secured creditor or mortgagee or hypothecatee. The bank can always transfer its asset. Such transfer in no manner affects any right or interest of the borrower(s) (customer). Further, there is no prohibition in the BR Act, 1949 in the bank transferring its assets inter se. Even in the matter of assigning debts, it cannot be said that the banks are trading in debts, as held by the High Court(s). The assignor bank has never purchased the debt(s). It has advanced loans against security as part of its banking business. The account of a client in the books of the bank becomes Non Performing Asset when the client fails to repay. In assigning the debts with underlying security, the bank is only transferring its asset and is not acquiring any rights of its client(s). The bank transfers its asset for a particular agreed price and is no longer entitled to recover anything from the borrower(s). The moment ICICI Bank Ltd. transfers the debt with underlying security, the borrower(s) ceases to be the borrower(s) of the ICICI Bank Ltd. and becomes the borrower(s) of Kotak Mahindra Bank Ltd. (assignee). At this stage, we wish to once again emphasize that debts are assets of the assignor bank. The High Court(s) has erred in not appreciating that the assignor bank is only transferring its rights under a contract and its own asset, namely, the debt as also the mortgagee's rights in the mortgaged properties without in any manner affecting the rights of the borrower(s)/mortgagor(s) in the contract or in the assets. None of the clauses of the impugned Deed of Assignment transfers any obligations of the assignor towards the assignee."

20) A single instrument may embody several purposes. But what is relevant for the purpose of the Stamp Act, is the dominant purpose of the instrument. On perusal of the document, it is clear that the dominant purpose was to transfer/assign the debts along with the underlying securities, thereby, entitling the Assignee to demand, receive and recover the debts in its own name and right. The question that would arise is under which Article of Schedule 1-B of the Stamp Act, the instrument would be charged to stamp duty i.e. Conveyance or Transfer.

21) The term 'Conveyance' denotes an instrument in writing by which some title or interest is transferred from one person to other. It would appear from the definition that actual transfer of property is an essential feature of "conveyance". The present case does not appear to be of that type. Emphasis may be laid on the words "on sale" and "is transferred" used in the definition of the expression "Conveyance". These words are significant. They denote that the document itself should create or vest a complete title in the subject matter of the transfer, in the vendee.

22) A perusal of the various clauses of the instrument would show that the debt which is an asset in the hands of the Assignor was sold and assigned absolutely to the Assignee. The deed stipulated, inter alia, that the Assignee shall have all the rights and obligations under the financial instruments relevant to such debts as if they were executed by the debtors concerned in its favour. Under the instrument in question, in substance and purpose, primarily the rights of the Assignor to recover the debts secured by the underlying

securities has been transferred. The requirement of conveyance or sale could not be said to be satisfied.

23) Debt is purely an intangible property, like, intellectual property right or goodwill, as against documentary intangibles, viz., bill of lading, promissory note or bill of exchange, which has to be claimed or enforced by action and not by taking physical possession thereof, in contrast to immovable and movable property.

24) At this stage, it is pertinent to mention that the Official Liquidator already disposed off the movable property of the borrower and distributed the certain monies and reimbursed expenses to the Assignor. The specific portion in page No.2 of the “deed of assignment of debt” is as follows:

> “The Assignee is aware that the Borrower is in liquidation pursuant to the orders of the High Court of Andhra Pradesh in C.P.No.41/1986 and Official Liquidator attached to Hon’ble High Court of Andhra Pradesh is conducting liquidation proceedings. The Assignee also aware that the Official Liquidator already disposed off the movable property of the borrower and distributed the certain monies and reimbursed expenses to the Assignor, wherein the Assignee shall not have any claim against the Assignor.”

25) The assignment of debt is an "Instrument" which transfers the debt along with rights/interest in the security underlying such debts. No immovable property has been transferred or sold. The right under the contract to recover the debts has been transferred by way of assignment deed. The Assignor could have transferred only those rights, it had in the underlying securities. Since the borrower(s) had never transferred the title in the immovable property given in security

to the Assignor, the Bank, could merely transfer its rights i.e. mortgagee's rights in the property to recover the debts only.

26) The Assignor never had any title to the underlying securities. In assigning the debts with underlying security, the Assignor only transferred that asset for a particular price whereafter it no longer remained entitled to enforce it's rights or recover anything from the borrower(s) against the debt/s. The right so transferred was primarily the right to recover the debts, in accordance with law, by proceeding against the underlying security furnished by the bonds/mortgage-deed(s). Under the Instrument that right could be exercised only in the event of default committed by the debtor to discharge the debt, to the Assignor.

27) The respondents would contend that it is “actionable claim” and the petitioner has to pay the stamp duty on the entire value of the property.

28) The term “actionable claim” is referred in Section 3 of the Transfer of Property Act, 1882, which is as follows:

> “actionable claim” means a claim to any debt, other than a debt secured by mortgage of immoveable property or by hypothecation or pledge of moveable property, or to any beneficial interest in moveable property not in the possession, either actual or constructive, of the claimant, which the Civil Courts recognise as affording grounds for relief, whether such debt or beneficial interest be existent, accruing, conditional or contingent.”

29) From the above definition, it is clear that the “actionable claim” is a claim to any debt, other than a debt secured by mortgage of immoveable property or by hypothecation or pledge of moveable property, or to any beneficial interest in moveable property not in the possession, either actual or constructive, of the claimant.

30) From the recitals of the document i.e. “deed of assignment of debt”, it can be said that it is transfer of debt, hence, it may be called as “actionable claim” as it is a unsecured debt, but it would not fall under the ambit of “conveyance” as defined under Section 2 (10) of the Indian Stamp Act for the purpose of stamp duty.

31) In the present case, IDBI Bank Limited is the creditor and A.P.Refractories Limited is the Debtor and the amount of loan of Rs.2,75,00,000/- was granted on the security basis containing certain agricultural land and properties in the villages of Duvada, Talarivani Palem, Agrampudi and Saniwada owned by the Borrowing Company. The petitioner company entered into a transaction of “assignment of debt” for consideration of Rs.1,69,13,000/- with IDBI Bank limited. Therefore, the District Registrar has to calculate and impose the stamp duty on the consideration amount only i.e. on Rs.1,69,13,000/- but not on the total debt of Rs.8,25,20,896/-. The document which is a “deed of assignment of debt” is covered under Article 53 (b)(ii) of Schedule I-A of Stamp Act, whereunder the present document is for consideration of interest secured by mortgage deed. In the present case, the loan is secured by way of deposit of title deeds, which is not in dispute at all and when the said aspect is not in dispute, the stamp duty that ought to be paid, is as per Article 7 of Schedule I-A of the Stamp Act, 1899, which is

dealing with, “deposit of title deeds being evidence of the title of any property” which is 0.5% of the amount secured by such deed i.e. the loan amount, subject to a maximum of fifty thousand rupees.

32) In view of the aforesaid discussion, this Court is of the opinion that the deed of assignment of debt is not a conveyance deed as no rights over the property were transferred. Therefore, the impugned order dated 31.03.2017 passed by respondent No.2 vide Procgs.No.CCRA1/9055/2006 and the order passed by respondent No.3 vide proceedings No.89-1/G1/2006 dated 14.06.2006 are liable to be set aside.

33) Accordingly, the writ petition is allowed setting aside the order dated 31.03.2017 passed by respondent No.2 vide Procgs.No.CCRA1/9055/2006 and the order passed by respondent No.3 vide proceedings No.89-1/G1/2006 dated 14.06.2006 and respondent No.4 is directed to register the document presented by the petitioner if it is otherwise in order. No costs.

34) Pending miscellaneous applications, if any, shall stand closed.

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JUSTICE V.SUJATHA

16.10.2026
Ksp

Whether the order is :
Reasoned - Yes
Reportable - No