



CNR: KAHC010071712025

NC: 2026:KHC:52182
WP No. 3710 of 2025

IN THE HIGH COURT OF KARNATAKA AT BENGALURU

DATED THIS THE 22ND DAY OF SEPTEMBER, 2026

BEFORE

THE HON'BLE MRS. JUSTICE K.S. HEMALEKHA

WRIT PETITION NO.3710 OF 2025 (GM-RES)

BETWEEN:

M/S. PHOENIX ARC PRIVATE LIMITED,
HAVING ITS REGISTERED OFFICE AT
WALLACE TOWERS, 139/140/B/1,
3RD FLOOR, CROSSING OF SAHAR ROAD
AND WESTERN EXPRESS HIGHWAY,
VILE PARLE EAST, MUMBAI,
MAHARASHTRA-400057
REPRESENTED BY ITS
AUTHUORIZED SIGNATORY
MRS. JANHAVI MANE
REGISTERED UNDER COMPANIES ACT, 1956.

...PETITIONER

(BY SRI. LOKESH K.V., ADVOCATE (V.C.))

AND:

THE DISTRICT REGISTRAR,
CHIKKAMANGALURU,
2ND FLOOR, RAMASUNDAR COMPLEX,
PADMAVATHI SILKS TOP,
M.JI.ROAD, CHIKKAMANGALURU-577101.

...RESPONDENT

(BY SRI. PANINI A.H., ADDL. GOVERNMENT ADVOCATE)

THIS WRIT PETITION IS FILED UNDER ARTICLES 226 AND 227 OF THE CONSTITUTION OF INDIA, PRAYING TO ISSUE DIRECTION TO THE RESPONDENT TO CONSIDER THE REPRESENTATION DATED 10.12.2024 AS PER ANNEXURE-D IN ACCORDANCE WITH LAW.



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THIS PETITION, COMING ON FOR PRELIMINARY HEARING IN
'B' GROUP, THIS DAY, ORDER WAS MADE THEREIN AS UNDER:

CORAM: HON'BLE MRS. JUSTICE K.S. HEMALEKHA

ORAL ORDER

1. The petitioner is before this Court seeking a writ of mandamus directing the respondent to consider the representation dated 10.12.2024.

2. The learned counsel for the petitioner places reliance upon the Notification dated 19.10.2024 as a ground for consideration of the petitioner's representation. By the said notification, Sections 22-B and 22-C of the Registration Act, 1908, as inserted by the Registration (Karnataka Amendment) Act, 2023 ('Registration Act' for short) were brought into force. The learned counsel also places reliance upon Sub-section (13) of Section 13 of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 [**SARFAESI Act**].

3. The learned Additional Government Advocate appearing for the State submits that the gift deed sought to be cancelled by the petitioner would, at the best, be a document not binding upon the



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secured creditor and, therefore, the petitioner cannot invoke Section 22-C of the Registration Act for cancellation of the said document. It is further submitted that the notification dated 19.10.2024 would not apply to the facts of the present case.

4. In order to appreciate the rival submissions, it is necessary to note the relevant statutory provision. By notification dated 19.10.2024, Sections 22-B and 22-C were inserted into the Registration Act, 1908. Section 22-C of the Registration Act reads as under:

***“22-C. Cancellation of registered documents in certain cases.-The District Registrar either suo motu or on a complaint received from any aggrieved person is of the opinion, that registration of a document is made in contravention of section 22-B shall issue a notice to the executants and all the parties to the document and parties to subsequent documents, if any, and all other persons who, in the opinion of the District Registrar, may be affected by the cancellation of the document, to show cause as to why the registration of the document shall not be cancelled. On consideration of reply, if any received therefor, the District Registrar may cancel the registration of the document and cause to enter such cancellation in the relevant books and indexes.*”**



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Explanation.-

(a) "Aggrieved person" means and includes any person being affected by the execution of the document and includes any party whose personal, property, or financial interests or rights are impacted by another's action and further in case of registration of a document pertaining to Government property includes any general public as the case may be.

(b) For determining the complaint the provision of Limitation Act as specified under Indian Limitation Act including the power to condone the delay in appropriate case on showing sufficient cause is entrusted upon the District Registrar or Appellate authority."

5. A plain reading of Section 22-C of the Registration Act indicates that the power of the District Registrar to cancel the registration of a document is not an independent or unrestricted power of cancellation. The jurisdiction under Section 22-C is attracted where the registration of the document is found to have been made in contravention of Section 22-B. It is only upon formation of such an opinion that the District Registrar is required to issue notice to the executants, parties to the documents, parties to subsequent documents, if any, and all other persons who may



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be affected by its cancellation of the document and thereafter, take a decision in accordance with law.

6. Section 22-B of the Registration Act reads as under:

“22-B. Refusal to register forged documents and other documents prohibited by law.-*Notwithstanding anything contained in this Act, the registering officer shall refuse to register the following documents, namely:-*

- (1) forged document;*
- (2) document relating to transaction, which is prohibited by any Central Act or State Act for the time being in force;*
- (3) document relating to transfer of immovable property by way of sale, gift, lease or otherwise, which is attached permanently or provisionally by a competent authority under any Central Act or State Act for the time being in force or any Court or Tribunal;*
- (4) any other document as the State Government may, by notification, specify.*

Explanation.-

- (a) "Forged document" shall have the same meaning as assigned to it in section 470 of the Indian Penal Code, 1860.*



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(b) For the purpose of considering the case of forged documents the cases involving question of title will be excluded."

7. Section 22-B mandates refusal of registration in respect of categories specifically enumerated therein. Of relevance to the present case is clause (2), which deals with a document relating to a transaction prohibited by any Central or State enactment for the time being in force.

8. In this context, it is apposite to notice Sub-section (13) of Section 13 of the SARFAESI Act, which reads as under:

"13. Enforcement of security interest.-(1) x x x

(13) No borrower shall, after receipt of notice referred to in sub-section (2), transfer by way of sale, lease or otherwise (other than in the ordinary course of his business) any of his secured assets referred to in the notice, without prior written consent of the secured creditor."

9. Section 13 (13) of the SARFAESI Act, therefore, places a statutory restriction upon the borrower, after receipt of notice under Section 13 (2), from transferring by way of sale, lease or otherwise



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any secured assets referred to in such notice, without the prior written consent of the secured creditor.

10. It is the specific case of the petitioner that proceedings under SARFAESI Act had already been initiated in respect of the secured asset and that notwithstanding the statutory restriction operating under Sub-section (13) of Section 13 of the SARFAESI Act, the gift deed dated 27.03.2024 came to be executed and registered in respect of the very same property.

11. According to the petitioner, the existence of the said registered document is coming in the way of effective enforcement of the security interest and sale of the secured asset.

12. In the aforesaid circumstances, the petitioner submitted a representation dated 10.12.2024 before the respondent, requesting that the gift deed be examined and appropriate action be taken in terms of Sections 22-B and 22-C of the Registration Act.

13. Having regard to the specific assertion of the petitioner that the gift deed was executed and registered after initiation of proceedings under the SARFAESI Act and in the teeth of the



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restriction contained in Section 13 (13) thereon, the competent authority is required to consider the representation and examine whether the gift deed falls within any of the categories enumerated under Section 22-B of the Registration Act.

14. The writ petition stands disposed of, directing the respondent to consider the petitioner's representation dated 10.12.2024 in accordance with law within a period of four weeks from date.

Sd/-

JUSTICE K.S. HEMALEKHA

MBM
List No.: 1 Sl No.: 17