



IN THE HIGH COURT OF KARNATAKA AT BENGALURU
DATED THIS THE 29TH DAY OF APRIL, 2026
BEFORE
THE HON'BLE MR. JUSTICE SACHIN SHANKAR MAGADUM
WRIT PETITION NO. 29338 OF 2025 (GM-ST/RN)

BETWEEN:

1. S. V. RAJENDRA PRASAD
AGE ABOUT 63 YEARS
S/O S V VENKATACHALA SETTY
R/A NO.24, OLD NO.8
BANGALORE - 560 011.
MOB: 9845522944
EMAIL ID: SRABHISHEK.PRASAD@GMAIL.COM

...PETITIONER

(BY SRI. ASHOK KUMAR K R, ADVOCATE)

AND:

1. THE STATE OF KARNATAKA
REP BY ITS PRINCIPAL SECRETARY
DEPARTMENT OF REVENUE
M.S.BUILDILNG, K.R.CIRCLE
BANGALORE - 560 001.
2. THE INSPECTOR GENERALL OF
REGISTRATIONS AND COMMISSIONER OF STAMPS
(APPOINTED AS THE CHIEF CONTROLING
AUTHORITY FOR THE
PURPOSES OF KARNATAKA)
BY ITS PRINCIPAL REVENUE SECRETARY
8TH FLOOR,
KANDAYA BHAVAN
K G ROAD
BANGALORE - 560 009.

Digitally
signed by
CHAITHRA A
Location:
HIGH COURT
OF
KARNATAKA



3. THE PRINCIPAL SECRETARY OF GOVERNMENT
REVENUE DEPARTMENT
DEPARTMENT OF REVENUE
MS BUILDING, K R CIRCLE
BANGALORE - 560 009.
4. THE DISTRICT REGISTRAR
BASAVANAGUDI REGISTRATION DISTRICT
NO.799, "DWARAKA"
GROUND FLOOR,
BSK 3RD STAGE
100 FEET RING ROAD,
HOSAKEREHALLI
BANGALORE - 560 085.
5. THE SUB REGISTRAR
BASAVANAGUDI GANDHI BAZAR
BANGALORE - 560 004.

...RESPONDENTS

(BY SRI. NAVYA SHEKAR, AGA)

THIS WP IS FILED UNDER ARTICLES 226 AND 227 OF THE CONSTITUTION OF INDIA PRAYING TO ISSUE WRIT OF MANDAMUS OR ANY OTHER APPROPRIATE WRIT, ORDER OR DIRECTION TO THE RESPONDENTS TO REFUND OF THE EXCESS STAMP DUTY COLLECT ON THE CANCELLATION OF JDA DT. 20.11.2014 (ANNEXURE-C) OF A SUM OF RS.2,51,900/- AS ORDERED BY THE 2ND RESPONDENT VIDE ANNEXURE-E REPLY DATED 20.02.2020 AND FURTHER AS SOUGHT IN THIS WRIT PETITION TO AWARD INTEREST 18 PERCENT P.A. FROM THE DATE OF APPLICATION DATED 14.01.2015 UPTO THE DATE OF PAYMENT/REALISATION AND ETC.,

THIS PETITION, COMING ON FOR DICTATING ORDERS, THIS DAY, ORDER WAS MADE THEREIN AS UNDER:



CORAM: HON'BLE MR. JUSTICE SACHIN SHANKAR MAGADUM

ORAL ORDER

The captioned petition is filed seeking a mandamus to direct the respondents to refund the excess stamp duty collected on the cancellation of Joint Development Agreement (JDA) dated 20.11.2014 as per Annexure-C of a sum of Rs.2,51,900/- as ordered by the respondent No.2 dated 20.02.2020 vide Annexure-E and further to award interest at the rate of 18% per annum from the date of application dated 14.01.2015 upto the date of payment/realisation.

2. The petitioner has approached this Court being aggrieved by the action of the jurisdictional Sub-Registrar in insisting upon payment of stamp duty and registration charges in respect of a deed presented for cancellation of a JDA along with ancillary documents. It is the specific case of the petitioner that the subject document was one purely seeking cancellation of the earlier JDA and did not



purport to re-convey, assign, limit, or extinguish any right, title or interest in immovable property so as to attract levy of stamp duty.

3. The petitioner has contended that in spite of the clear mandate under Article 14-C of the Karnataka Stamp Act, 1957 (for short 'Act, 1957'), the Sub-Registrar proceeded to compute stamp duty and compelled the petitioner to remit the same as a condition precedent for registration. Being left with no other efficacious remedy and under compulsion, the petitioner paid a sum of Rs.2,51,900/- towards stamp duty, and the document came to be registered.

4. During the pendency of the present writ petition, the respondent-Sub-Registrar has refunded the said amount of Rs.2,51,900/- to the petitioner.

5. Heard learned counsel appearing for the petitioner and learned AGA appearing for the respondents.



Perused the records. The following points arise for consideration:

(i) Whether the Sub-Registrar was justified in insisting upon payment of stamp duty and registration charges in respect of a cancellation deed falling within the ambit of Article 14-C of Act, 1957?

(ii) Whether the petitioner is entitled to interest on the refunded amount?

(iii) Whether this Court is required to issue guidelines to prevent recurrence of such actions by registering authorities?

Finding on Point Nos.(i) to (iii):

6. Article 14-C of the Act, 1957 is a beneficial provision introduced with a clear legislative intent to carve out an exception in cases where cancellation deeds do not result in re-conveyance of property.



"Art. 14. Cancellation of Instruments -

(c) in any other case, [See also agreement or its records or Memorandum of an Agreement subject to minimum of rupees one hundred]

The same duty as Bond (No.12) for such amount.

[Same duty as on the original instrument if such cancellation has the effect of reconveyance of property already conveyed by the original instrument:

Provided that, if the original instrument is a conveyance on sale, then the stamp duty payable on such cancellation instrument is, as per Article 20(1), on the market value of the property as on the date of execution of such cancellation.]

[Five hundred rupees]

(No. 5(e)(i)), Release (No.45) Revocation of Settlement (No.48-B), Surrender of Lease (No.51) [xxxxx]

Explanation.- *If the original instrument has been subject to determination of the market value under Section 45-A of the Act, stamp duty on the cancellation of such instrument shall be the same as determined under Section 45-A of the Act.]"*

7. The underlying object of Article 14-C is to ensure that parties are not burdened with stamp duty in



cases where the cancellation of an earlier instrument does not create, transfer, limit, or extinguish any right in immovable property.

8. This Court, in a catena of judgments, has consistently held that Cancellation of agreements simpliciter, which do not operate as instruments of conveyance, do not attract stamp duty. Therefore, the registering authority cannot insist upon registration or levy of stamp duty in such cases. The role of the Sub-Registrar is ministerial and not adjudicatory in determining substantive rights.

9. On meticulous examination of the material on record, this Court is of the considered view that the action of the Sub-Registrar is wholly without jurisdiction and contrary to the statutory mandate.

10. In the present case, the document presented was merely a deed of cancellation of a Joint Development Agreement. It did not effect any reconveyance of title nor



did it create or extinguish any right in immovable property. Therefore, the document squarely falls within the protective umbrella of Article 14-C of the Act, 1957.

11. The insistence on payment of stamp duty and registration charges by the Sub-Registrar is not only contrary to the statutory provision but also in the teeth of binding precedents of this Court. This Court cannot lose sight of the fact that such actions by statutory authorities compel litigants to approach this Court unnecessarily, thereby burdening the judicial system.

12. Though the amount of Rs.2,51,900/- has been refunded during the pendency of the writ petition, the petitioner was deprived of the use of the said amount for a considerable period. The illegal exaction of money by a statutory authority warrants restitution along with reasonable interest. Having regard to the facts and circumstances of the case, this Court deems it appropriate to award interest at the rate of 14.65% per annum (SBI



lending rate) from the date of payment till the date of refund.

13. The present case is a classic illustration of administrative high-handedness and patent disregard to statutory provisions and judicial pronouncements. The issue has been repeatedly settled by this Court, yet the authorities continue to act in defiance of law. This Court is therefore of the view that exemplary costs are warranted. Accordingly, costs of Rs.1,00,000/- are imposed on the respondent-Sub-Registrar, to be paid to the petitioner.

14. In order to obviate recurrence of such instances, this Court deems it appropriate to lay down the following guidelines:

(i) All Sub-Registrars shall strictly adhere to the mandate of Article 14-C of the Act, 1957.

(ii) Upon presentation of a cancellation deed, the authority shall examine whether the document effects reconveyance of title and whether any right in immovable property is created, assigned, limited, or extinguished.



(iii) If the cancellation deed does not involve reconveyance of title or transfer of interest, no stamp duty shall be levied and registration shall not be insisted upon.

(iv) The Sub-Registrar shall not assume adjudicatory powers to interpret title disputes or underlying contractual obligations.

(v) In case of doubt, the authority may seek clarification from higher authorities, but shall not compel payment of stamp duty as a precondition.

(vi) Any deviation from the above shall be viewed seriously and may entail disciplinary action.

(vii) The Inspector General of Registration shall circulate this judgment to all Sub-Registrars in the State for strict compliance.

Conclusions:

15. The present case reflects a disturbing trend where statutory authorities act in ignorance or defiance of settled legal principles, thereby infringing the rights of citizens. Article 14-C of the Act, 1957 is not merely a procedural provision but a substantive safeguard against



arbitrary levy of stamp duty. The authorities are expected to act as facilitators of law and not as impediments.

16. For the foregoing reasons, this Court proceeds to pass the following:

ORDER

(i) The writ petition is ***allowed***;

(ii) It is declared that the action of the Sub-Registrar in insisting upon payment of stamp duty and registration charges in respect of the cancellation deed is illegal and without jurisdiction.

(iii) The respondents are directed to pay interest at the rate of 14.65% per annum on the refunded amount of Rs.2,51,900/- from the date of payment till the date of refund.

(iv) The respondent-Sub-Registrar shall pay costs of Rs.1,00,000/- to the petitioner.

(v) The guidelines issued in paragraph 14 shall be complied with in letter and spirit.



(vi) The Inspector General of Registration is directed to circulate this judgment to all Sub-Registrars within four (4) weeks from the date of receipt of a copy of this order.

Sd/-
(SACHIN SHANKAR MAGADUM)
JUDGE

CA
List No.: 2 Sl No.: 112