* IN THE HIGH COURT OF JUDICATURE AT HYDERABAD
FOR THE STATE OF TELANGANA AND THE STATE OF ANDHRA PRADESH

* HONOURABLE SRI JUSTICE V.RAMASUBRAMANIAN
AND
* HONOURABLE SRI JUSTICE P. KESHAVA RAO

+W.P.No.19257 of 2018

% Date: 26-12-2018

#Between:

Pridhvi Asset Reconstruction and
Securitization Company Ltd., (PARAS)
Registered and Corporate Office at
Raja Prasadamu, 4th Floor,
Wing 1, Plot NO.6, 6A & 6B,
Masjid Banda Road, Kondapur,
Hyderabad – 500 084

.... Petitioner

And

1. The Commissioner and Inspector General of Registration and Stamps 5-3-953, Registration Bhavan, 4th & 5th Floor, N.S. Road, Osmangunj, M.J. Market, Hyderabad – 500 001.
2. The Sub Registrar of Assurances, Sanjeeva Reddy Nagar, Near NIMS, Somajiguda, Hyderabad.
3. The Sub Registrar of Assurances, Vakllabhanagar, Begumpet, Hyderabad.
4. The Commissioner, Income Tax Department, Aayakar Bhavan, Main road, Basheerbagh, Hyderabad – 500 029.
5. Balvinder Singh, S/o. Huzur Singh, R/o. Flat No.2F, 1st Floor, Hanging Gardens, Plot No.126, H.No.8-2-602/C, Raja Kishendas Enclave, R.K. House, Charan Pahadi Rd No.10, Lane No.3, Banjara Hills, Hyderabad – 500 034.
6. Balajit Kaur, S/o. Huzur Singh, R/o. Flat No.2F, 1st Floor, Hanging Gardens, Plot No.126, H.No.8-2-602/C, Raja Kishendas Enclave, R.K. House, Charan Pahadi Rd No.10, Lane No.3, Banjara Hills, Hyderabad – 500 034.

... Respondents

! Counsel for the Petitioner : Mrs. V. Dyumani

^ Counsel for Respondents : Mr. J.V. Prasad Sr. S.C.

< GIST:
> HEAD NOTE:
? Cases referred

HONOURABLE SRI JUSTICE V. RAMASUBRAMANIAN
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ORDER: (Per VRS,J)

Challenging the refusal of the Sub-Registrars of Assurances, Sanjeeva Reddy Nagar, and Vallabhanagar, to register a deed of assignment dated 20.09.2017, in respect of two items of properties the Asset Reconstruction Company has come up with the above writ petition.

2. Heard Smt. V. Dyumani, learned counsel for the petitioner and Mr. J.V. Prasad, learned Senior Standing Counsel for the Department.

3. The respondents 5 & 6 are the owners of two properties, viz., a plot bearing No.202 in the second floor measuring a built up area of 3197 sq. feet in a complex known as 'Maruthi Basera', Motilal Nagar, Begumpet, Hyderabad and a residential Bungalow No.13, with a built up area of 3495 Sq. feet of Plot No.408 in layout plan of 'Maruthi Gold', at Alwal Village, Malkajgiri Mandal, Ranga Reddy District. Respondents 5 and 6 also happen to be the promoters of a Company by name PCH Retail Limited, which borrowed term loan as well as cash credit limit from the United Bank of India. A security interest was created by the respondents 5 & 6 on the two properties mentioned above, in favour of the Bank. The mortgage was created on 05.08.2009.

4. After the account of the borrower became a non-performing asset, the bank filed an application before the Debts Recovery Tribunal and it is pending. In the mean time, the Bank entered into a deed of assignment in favour of the petitioner herein, which is an Asset Reconstruction Company. This deed of assignment is dated 20.09.2017.

5. When the petitioner wanted to have this deed of assignment registered in the offices of the Sub-Registrar of Assurances of Sanjeeva Reddy Nagar, and Vallabhanagar, the Sub-Registrars refused registration on the ground that the property is under attachment of the Income Tax Department. Hence, the petitioners have come up with the above writ petition.

6. In the reply filed by the Principal Commissioner of Income Tax, it is stated that the Department has not attached the property bearing Flat No.202, 2nd Floor in the Complex known as "Maruthi Basera" at Motilal Nagar, Begumpet, Hyderabad. Therefore, there can be no impediment for registration of the deed of assignment, insofar as this property, viz., Flat No.202, in Motilal Nagar, Begumpet, is concerned.

7. Insofar as the residential bungalow No.13 at Alwal village, Malkajgiri Mandal, Ranga Reddy, District is concerned, it is stated by the Income Tax Department that the certificate of recovery was issued against the assessee on 26.06.2013. A demand notice under Rule 2 of Schedule-II to the Income Tax Act, 1961 was issued on 04.07.2013. Since money was not paid, the assessee has become an assessee in default.

8. Thereafter, the Tax Recovery Officer ordered the attachment of several properties including the residential bungalow bearing No.13, at Alwal Village, Malkajgiri Mandal, by his proceeding dated 09.02.2015. Therefore, the Sub-Registrar has refused to register the assignment deed.

9. It must be pointed out at this stage that the borrower-company was ordered to be wound up, in C.P.No.80 of 2014 by order dated 10.09.2014.

10. All that the petitioner is seeking is only the registration of the assignment deed. The assignment is of the debt and the transfer of the

rights of the Bank as a secured creditor in favour of the petitioner herein. Therefore, there cannot be any impediment for the Sub-Registrars to register the deed of assignment, as the mortgage alone gets transferred to the petitioner, under the deed of assignment.

11. Therefore, the writ petition is allowed directing the respondents 2 and 3 to register the deed of assignment executed by the United Bank of India, in favour of the petitioner herein. There will be no order as to costs. As a sequel, pending miscellaneous petitions, if any, shall stand closed.

V. RAMASUBRAMANIAN, J.

P. KESHAVA RAO, J.

26th December, 2018
Js.

HONOURABLE SRI JUSTICE V. RAMASUBRAMANIAN
AND
HONOURABLE SRI JUSTICE P. KESHAVA RAO

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