

IN THE HIGH COURT OF JUDICATURE AT PATNA

Civil Writ Jurisdiction Case No. 346 of 2024

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Rakesh Kumar S/o Nandkishore Chaudhary, R/o Tikari Mandir, Village -
Tikari Tola Shdulupur, P.O.-Pratap Pur, P.S. Hussainganj Siwan, Bihar –
841226. Petitioner/s

Versus

1. The State of Bihar through the Inspector General of Registration, Patna.
2. The Assistant Inspector General of Registration, Saran Division, Chapra.
3. The Registrar, Department of Registration, Saran.
4. The Sub-Divisional Registrar, Barharia, Siwan.

... .. Respondent/s

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Appearance:

For the Petitioner/s : Mr. Suman Kumar, Advocate
For the Respondent/s : Mr. Raghwendra Kumar, SC-22

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CORAM: HONOURABLE MR. JUSTICE MOHIT KUMAR SHAH

ORAL JUDGMENT

Date: 02-12-2024

1. The present writ petition has been filed for setting aside the order dated 10.06.2023, passed by the Assistant Inspector General, Registration, Saran Division, Chapra i.e. the respondent no.2 in Stamp Case No.45 of 2023, whereby and whereunder the petitioner has been directed to pay a sum of Rs. 44,081/- on the head of deficit stamp duty along with a sum of Rs. 4,408/- on the head of penalty charges, totaling to a sum of Rs.48,489/-. The petitioner has also prayed for quashing the notice dated 3.7.2023, issued by the Sub-Registrar, Barharia, Siwan, directing the petitioner to pay the amount of deficit stamp duty along with penalty charges and interest, totaling to a sum of Rs. 62,516/-.



2. The brief facts of the case, according to the petitioner, are that he purchased a piece of land situated at Village-Chittauli Kala under Circe Office-Goriakothi, Siwan, appertaining to Khata No.8, Tauji No.1625, Khesra No.811, admeasuring 7.441 decimal on 15.03.2023 from one Awadhkishore Sah and the sale deed was registered by the office of the Sub-Registrar, Barharia, Siwan on 15.03.2023, after payment of the requisite stamp duty and registration charges. It is submitted that the petitioner had deposited the requisite stamp duty on the basis of value of the land as per the circle rate fixed for that area and had shown the nature of land as wheat land, however, no objection was raised by the registering authority and the sale deed was registered on 15.03.2023. Nonetheless, the petitioner had received a notice, in connection with Stamp Case No.45 of 2023, whereafter the respondent no.2 had passed the impugned order dated 10.06.2023, directing the petitioner to pay a sum of Rs.48,489/- on the head of deficit stamp duty and penalty charges.

3. The learned counsel for the petitioner has submitted that reference can be made by the Registering Officer for determination of the proper market value of the property in question, if he is satisfied that the classification of the property or the measurement of the structure contained in the property is wrong or the market value of the property has been set forth at a lower rate than the



Guideline register of Estimated Minimum Value, only before registering the instrument in question, however in the present case, the Sub-Registrar, Barharia has referred the matter to the respondent no.2 only after registration of the sale deed on 15.03.2023, hence the said reference itself is bad in law. Reference in this connection has been made to Section 47(A)(1) of the India Stamp Act, 1899, (hereinafter referred to as “The Act, 1899”), which is reproduced herein below:-

“47-A (1) Where the registering officers appointed under the Registration Act, 1908 while registering any instrument of conveyance, exchange, gift, partition or settlement is satisfied that the classification of the property and/ or the measurement of the structure contained in the property which is subject matter of such instrument has been set forth wrongly or the market value of the property, which is subject matter of such instrument has been set forth at a lower rate than the Guideline Register of Estimated Minimum Value prepared under the rules framed under the provision of this Act, he shall refer such instrument before registering it to the Collector for determination of the proper market value of such property and the proper duty payable thereon.

Provided that where the market value of the property of the instruments described above has been fixed at an amount which is not less than the value prescribed in the Guide Line Register of estimated minimum value prepared under the rules framed under the provisions of



this Act, but the registering officer has reasons to believe that the market value of the property which is the subject matter of such instrument has not been rightly set forth or it is higher than the estimated minimum value, he after registering such instrument, shall refer it by assigning proper reasons to the Collector for determination of proper market value of the property and the proper duty payable thereon.

4. In this connection, the learned counsel for the petitioner has referred to a judgment rendered by the learned Division Bench of this Court, reported in **2018 (3) PLJR 136 (The State of Bihar and others v. Smt. Tetra Devi)**, paragraphs no. 14 and 15 whereof, are reproduced herein below :-

“14. In the present case, it is the Collector who has issued notice on the ground that the document registered is deficient in stamp duty. He might have issued notice on the report of the Sub-Registrar or the Commissioner. The fact remains that he is exercising his suo motu power. Such notice could be issued only within two years of the registration of the document. Even if it is to be examined that the notice was issued at the instance of the Sub-Registrar, then the Sub-Registrar was bound to act at the time of registration of the document in terms of Rules 9 and 10 reproduced above. He cannot make recommendation after long delay, particularly when the officer registering the document has not made any reference at the time of registration of the document

15. Thus, we find that initiation of proceedings by the



Collector suffers from patent illegality and has been rightly set aside by the learned Single Judge. We do not find any reason to interfere in the order passed by the ld Single Judge in the present Letters Patent Appeal.”

5. The Ld. Counsel for the petitioner has also relied on a judgment, rendered by a coordinate Bench of this Court in the case of ***Shahnaz Begam vs. The State of Bihar & Ors.***, reported in 2018(2) PLJR 293 paragraphs no. 6 to 9 whereof are reproduced herein below:-

"6. It, thus, follows that the Registering Authority can only refer the matter before registering it to the Collector for determination of the proper market value of such property and the proper duty payable thereon. In the present case, it is quite clear that the registration was already effected and it was only thereafter that the reference was made to the Collector/AIG Registration for determination of the correct value. Furthermore, if at all, a proceeding was to have been initiated after registration by the Collector suo motu within the provisions of Section 47A(3), the same could have been done within a period of two (2) years from the date of registration of such instrument already referred to him under Sub Section (1). Provisions as stated in Section 47A(3) is as follows:-

“The Collector may suo motu within two years from the date of registration of such instrument not already referred to him under sub-section (1), call for and examine the instrument for the purpose of satisfying



himself as to the correctness of the market value of the property which is the subject matter of such instrument and the duty payable thereon and if, after such examination, he has reason to believe that the market value of such property, has not been rightly set forth in the instrument , [or is less than even the minimum value determined in accordance with any rules made under this Act] he may determine the market value of such property and the duty as aforesaid in accordance with the procedure provided for in sub-section (2). The difference, if any, in the amount of duty, shall be payable by the person liable to pay the duty.

Provided that nothing in this sub-section shall apply to any instrument registered before the date of commencement of the Indian Stamp (Bihar Amendment Ordinance, 1986).”

7. It appears from the counter affidavit filed that it is not a proceeding initiated rather it was a reference to the Collector under Section 47A (1).

8. In that view of the matter, since the provisions clearly state that such enquiry can be made only before registering it to the Collector for determination of the proper market value of such property and the proper duty payable thereon. The entire reference is made against the statutory provisions and cannot be sustained in the eye of law. Thus, in the considered opinion of the Court, the impugned order dated 16.05.2016 as contained in Annexure-4 is wholly illegal and arbitrary and has to be quashed.

9. Accordingly, the impugned order dated 16.05.2016 as



contained in Annexure-4 stands quashed. The writ application is allowed. No costs."

6. Per contra, the learned counsel for the respondent-State has submitted by referring to the counter affidavit, filed in the present case that the Sub-Registrar, Barharia, Siwan had received a complaint with regard to the wrong mentioning of the category of the land in the sale deed in question, hence the Sub-Registrar, Barharia, Siwan had inquired into the matter and discovered that the land in question falls under the commercial category, hence he had referred the matter to the respondent no.2, after conducting verification, on 18.04.2023, whereafter the respondent no.2 had registered Stamp Case No.45 of 2023 and after issuance of notice to the petitioner, the impugned order dated 10.06.2023 has been passed, directing the petitioner to pay deficit stamp duty along with penalty charges to the tune of Rs.48,489. Thus, it is submitted that the impugned order dated 10.06.2023, does not suffer from any infirmity.

7. I have heard the learned counsel for the parties and gone through the materials on record, from which it is clear that the reference has been made by the Sub-Registrar, Barharia, Siwan only on 18.04.2023, as is apparent from the counter affidavit, filed in the present case, that is after registration of the sale deed in question on 15.03.2023, hence the Sub-Registrar, Barharia, Siwan, admittedly



did not have any authority/jurisdiction to refer the matter to the respondent no.2 after registration of the sale deed under Section 47A(1) of the Act, 1899. In fact, the present case is squarely covered by a judgment rendered by a co-ordinate Bench of this Court in the case of *Shanaz Begum* (supra). Thus, this Court finds that the action of the Sub-Registrar, Barharia, Siwan as also that of the respondent no.2 is not only arbitrary and perverse but also against the mandate of Section 47A(1) of the Act, 1899, hence the impugned order dated 10.06.2023, passed by the respondent no.2 in Stamp Case No.45 of 2023, being contrary to law is quashed. Consequently, the notice dated 03.07.2023, issued by the Sub-Registrar, Barharia, Siwan has also got no legs to stand, hence is also set aside.

8. The writ petition stands allowed.

(Mohit Kumar Shah, J)

Saurav/-

AFR/NAFR	NAFR
CAV DATE	NA
Uploading Date	10.12.2024
Transmission Date	NA

