



W.P.No.1851 of 2018

IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 10.09.2025

CORAM:

THE HONOURABLE MR. JUSTICE **G.K.ILANTHIRAIYAN**

W.P.No.1851 of 2018

Acer India (Pvt) Limited,
Having registered Office at
No.13, Embassy Heights,
6th Floor, Next to Hosmat Hospital,
Margath Road,
Bangalore-560 025.
represented by its Chief Financial Officer,
Alok Dubey

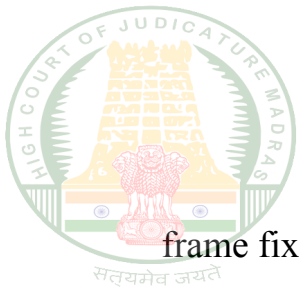
... Petitioner

-Vs-

1. The Inspector General of Registration,
100, Santhome High Road,
Chennai – 600 004.
2. District Registrar,
District Registrar Office,
(South Chennai) Saidapet,
Chennai – 600 015.
3. The Sub-Registrar,
Velachery,
Chennai – 600 042.

... Respondents

Prayer : Writ Petition filed under Article 226 of Constitution of India praying for the issuance of a Writ of Certiorarified Mandamus, to call for the records/the proceedings culminating in the 3rd respondent's letter dated 10.04.2017 vide letter No.103/2017, quash the same and consequently direct the respondents to refund a sum of Rs.3,25,88,700/- received by the 3rd respondent within a time



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frame fixed by this Hon'ble Court.

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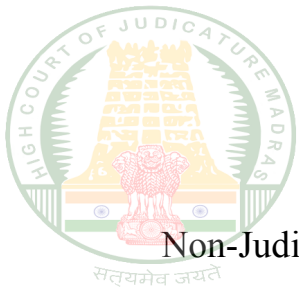
For Petitioner : Mr.C.Mohan
for Mr.P.Ravi Shankar Rao
For Respondents : Mr.U.Baranidharan
Special Government Pleader

ORDER

This writ petition has been filed challenging the order passed by the third respondent dated 10.04.2017 vide letter No.103/2017, thereby rejecting the request made by the petitioner to refund the fees paid by the petitioner at the time of registering the consortium agreement.

2. Heard the learned counsel on either side and perused the materials available on record.

3. The petitioner is the successful bidder in the scheme implemented by the Government of Tamil Nadu for distribution of laptop computers with backpack for free of cost to the students studying in Government Schools, Government aided school and Government Colleges (Project). The eligibility criteria as stipulated in Clause 2.1 of the Tender mentions that in case of a consortium bidder, the consortium agreement in original is to be submitted with the Technical bid. Further, Clause 2(A) of the tender stipulates that the consortium agreement is to be executed by all consortium partners on a Rs.100/-



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Non-Judicial stamp paper and also stipulates certain mandatory terms that are to

form part of consortium agreement to be executed. Accordingly, the petitioner entered into an understanding with Tongfang Computer Company Limited (TCCL), which is incorporated under Laws of China to form a consortium for the purpose of applying and bidding in the multi-core tender floated by Electronics Corporation of Tamil Nadu Limited (ELCOT). They had entered into a consortium agreement and presented before the third respondent for registration on 01.02.2016. The third respondent demanded a sum of Rs.3,25,88,700/- towards the registration charges by valuing the consortium agreement as that of the value of the tender, thereby charging 1% on Rs.3,25,88,70,000/-. Since the third respondent insisted on payment of the said amount and refused to either accept the document for registration or keep the same pending for registration and refer the same for adjudication of applicable registration charges to the appropriate authority. Since the petitioner was cast with the definite and compulsory obligation of having the consortium agreement registered, he had no other option, but to pay the charges as demanded by the third respondent and got it registered vide Document No.30/16.

4. Thereafter, the petitioner submitted a representation requesting for refund of the excess registration charges, on the ground that only a sum of



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Rs.100/- is payable as registration charges for the consortium agreement, since

it neither mentions any value or consideration nor is the transaction contemplated therein capable of any valuation. Further, the consortium agreement is the agreement entered into between the parties who agree to act in partnership to participate in a tender wherein their roles, responsibilities and liabilities in executing the tender if granted are set out. It is not a document that has to be compulsorily registered as contemplated under Section 17 of the Registration Act. It was only on account of the tender requirement, it was presented for registration. The object of the Registration Act is to give information to public regarding the legal rights and obligations arising out of or affecting an immovable property, to prevent fraud or forgery in this regard and to render inviolability and importance to the clauses of the document so registered.

5. However, without considering the above grounds, the third respondent mechanically rejected the representation stating that refund of excess registration charges does not arise, since it was received as registration charges at the time of registering the consortium agreement. The registration charges has to be paid under Article 1(b) of the Table of Fees published under Section 78 of



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the Registration Act, 1908. The impugned order is a non-speaking order without stating any reasons. Further, the petitioner was not given any opportunity of hearing before passing the order.

6. The learned counsel for the petitioner relied upon the Judgment of the Hon'ble Division Bench of this Court held in ***R.C.No.4 of 1968*** dated ***09.10.1974*** in the case of ***“The Chief Controlling Revenue Authority, Board of Revenue, Madras Vs. The Madras Refineries Ltd., Madras, represented by its Secretary,”***, that in deciding under what Article the stamp duty will have to be levied, what is essential to determine is as to the nature and character of the instrument, because, the charge depends on the instrument, as for instance, whether it is a debenture, or a mortgage deed, or a document of any other description having regard to its true effect and tenor.

7. He also relied upon the Judgment of this Court in ***W.P.No.30616 and 30617 of 2014 dated 31.03.2021***, wherein this Court held that while passing the order impugned, no specific reason were given while rejecting the objections raised in response to the show cause notice. Thus, it is a clear violation of Principles of Natural Justice and remitted the matter for fresh consideration to conduct enquiry as contemplated under Section 80(A) of the Registration Act.



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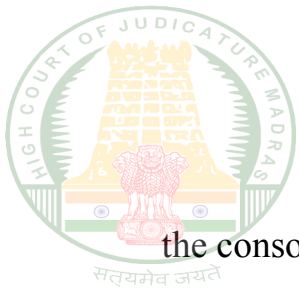
Therefore, the learned counsel for the petitioner herein insisted for remittance of the matter to the third respondent for fresh consideration.

8. A perusal of the counter filed by the third respondent and on the submissions made by the learned Special Government Pleader appearing for the respondents revealed that the purchase order which shows the contract amount at Rs.3,25,88,70,000/-, shall be taken as the value of agreement. In a consortium agreement, the parties have suppressed the value of contract. After having been paid the registration charge of 1% of the total consideration as contemplated under Article 1(b) of the Table of Fees published under Section 78 of the Registration Act, 1908, without any protest, the petitioner later submitted a representation to the third respondent seeking refund of charges. The petitioner had paid only the registration fees and it is not a stamp duty. Therefore, the Judgments relied upon by the learned counsel for the petitioner are not applicable to the case on hand. The third respondent had rightly clarified that the petitioner was levied a registration fee as per Article 1(b) of the Table of Fees published under Section 78 of the Registration Act, 1908 and as such, the question of refund of fees does not arise. Therefore, it cannot be said that the third respondent passed a non-speaking order without application of mind.



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9. In this regard, he relied upon the Judgment of the Division Bench of this Court, in *W.A.No.1742 of 2018 dated 14.08.2018*, in the case of *The Inspector General of Registration, No.100, Santhome High Road, Chennai – 600 028 and another Vs VA Tech Wabag Ltd, represented by its Chief Manager-Legal*, wherein this Court held that the consortium agreement was required to be presented by the respondent herein as a consequence that they were the successful bidder and a letter of acceptance was also issued in their favour. The registration fee leviable for all documents presented for registration is governed by the provisions prescribed in various Articles enumerated in the Table of Fees prepared by the State Government in exercise of powers conferred by Section 78 of the Registration Act. Article 1(b) states that unless it is specifically provided in various Articles mentioned therein, the consideration expressed in a document shall, generally, be taken to be the value for determining the registration fees and where no consideration is expressed, value of the property dealt with shall be taken as registration value. Article 1(b) is residuary in nature and also when no consideration amount has been furnished in the consortium agreement, the value of the contract agreed to be carried over is to be reckoned as the basis for computation of registration fee and upon such value as per Article 1(a) of the Table of Fees, 1% ad valorem duty is to be levied. Therefore, unless 1% of the contract amount is paid as registration fee,



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the consortium agreement deed cannot be accepted for registration.

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10. Further, this Court, also held in ***W.P.No.5521 of 2015*** in the case of ***Siemens India Limited and another Vs.Joint I Sub-Registrar and two others,*** as under:-

“ 62. In the present case, by dividing the tender contract, firstly with the time of registration. The price value involved in the tender has not been stated expressly. The Consortium Agreements have been drafted in a clever manner with an idea to escape from the clutches of registration fees. The companies attempting to evade such statutory charges indirectly by adopting certain magical language at no circumstances can be encouraged. The various clauses in the Consortium Agreements, if deeply gone into would indicate that performance of the contract is impossible without price value as it involves price considerations.

63. Mechanical or blind application of Rule of Limitation is impermissible and it is a mixed question of law and facts. State revenue is to be protected at all circumstances. Persons attempting to evade statutory charges by hiding or suppression at no circumstances be allowed. In such circumstances, the Law of Limitation is to be interpreted, so as to ensure that the date of knowledge of the Department regarding the irregularity, illegality, suppression of facts, hiding of material facts are to be taken into consideration for the purpose of reckoning the period of limitation. Arithmetic calculation of Law of Limitation would result in an in justice to the State revenue and Courts are expected not to apply the Law of Limitation in such a manner so as to defeat the principles of justice.”

11. Thus, it is clear that the petitioner, in order to evade the registration fees at the time of registering consortium agreement intentionally suppressed



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the material facts and concealed the actual consideration of the argument at the time of registration. The price value involved in the tender has not been stated expressly. The consortium agreements have been drafted in a clever manner with an idea to escape from the clutches of paying the registration fees.

12. Therefore, the third respondent had rightly levied 1% as registration fees under Article 1(b) of the Table of Fees published under Section 78 of the Registration Act, 1908. Therefore, the representation submitted by the petitioner was rightly clarified and rejected by the third respondent and this Court finds no infirmity of illegality in the order passed by the third respondent and the writ petition is devoid of merits and is liable to be dismissed.

13. Accordingly, this writ petition stands dismissed. No costs.

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Internet: Yes
Index : Yes/No
Neutral Citation: Yes/No
Speaking/Non Speaking order
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To

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100, Santhome High Road,
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District Registrar Office,
(South Chennai) Saidapet,
Chennai – 600 015.
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G.K.ILANTHIRAIYAN. J.

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