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IN THE HIGH COURT OF PUNJAB AND HARYANA
AT CHANDIGARH

CWP-28374-2025
Date of decision: 22.09.2025

Arun Batta **...Petitioner**

Vs.

The Chief Administrator, GMADA and others **...Respondents**

CORAM: HON'BLE MR. JUSTICE ANUPINDER SINGH GREWAL
HON'BLE MR. JUSTICE DEEPAK MANCHANDA

Present: Mr. Karan Dev Sharma, Advocate and
Ms. Gurneet Sagoo, Advocate
for the petitioner.

Mr. Aftab Singh Khara, Senior DAG, Punjab.

Ms. Avin Sandhu, Advocate for the respondent-GMADA.

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DEEPAK MANCHANDA, J.

The present writ petition has been filed seeking directions to respondent Nos. 1 to 6 to decide the representation dated 14.07.2025 (Annexure P-24) submitted by the petitioner regarding the assessment of the collector rate for registration of a residential property allotted to him.

2. The brief facts of the case are that on 12.03.2013, the petitioner purchased a residential plot in Eco City, S.A.S. Nagar (Mohali) from the original allottee, and a fresh Letter of Intent (by way of transfer) was issued in his name by the Estate Officer, GMADA. Due to non-payment, the allotment was cancelled vide order dated 22.07.2017 (Annexure P-9). The petitioner

challenged the cancellation by filing an appeal on 08.08.2017 before respondent No. 1.

3. During the pendency of the appeal, the respondents floated an *Amnesty Scheme* dated 19.09.2017, providing a final opportunity to defaulting allottees to clear their dues with interest and penalty in a single payment. In compliance, the petitioner deposited all outstanding dues amounting to ₹40,25,626/- on 04.09.2018 (Annexure P-14). However, the appeal was dismissed on 19.07.2019 (Annexure P-15) as not maintainable.

4. Aggrieved by this order, the petitioner filed a revision petition before respondent No. 2. Vide order dated 19.09.2023, the cancellation was set aside and the plot restored. Consequently, an Allotment Letter dated 11.12.2024 was issued. Thereafter, while approaching respondent No. 5 for execution of the sale deed, the Sub-Registrar demanded the prevailing collector rate of ₹40,000 per sq. yard (2025) instead of ₹18,000 per sq. yard (2013) as stated in the original Letter of Intent.

5. The petitioner submitted a fresh representation dated 14.07.2025, requesting that the 2013 rate or alternatively, the 2018 rate when dues were cleared be applied. No decision was taken, leading to the filing of this writ petition.

6. Learned counsel for the petitioner contends that respondent No. 5 erred in applying the 2025 collector rate of ₹40,000 per sq. yard at the time of registration. He submits that the applicable rate should be either that of 2013, when the original Letter of Intent was issued, or 2018, when full payment was made under the Amnesty Scheme. It is further argued that the petitioner should not suffer for delays attributable to the respondents.

7. Learned counsel for respondent Nos. 1, 2, 4, and 5 opposed the petition, submitting that the applicable collector rate is the one prevailing on the date of execution of the sale deed.

8. Heard.

9. A perusal of the record shows that against the orders dated 22.07.2017 and 06.07.2018 passed by respondent No. 3, the petitioner himself preferred an appeal, which was dismissed as not maintainable on 19.07.2019. Thereafter, he filed a revision petition under Section 45(8) of the *Punjab Regional and Town Planning and Development Act, 1995*, challenging both the orders dated 22.07.2017 and 19.07.2019.

10. Respondent No. 2, vide order dated 19.09.2023, set aside the cancellation order dated 22.07.2017, granting the petitioner an opportunity to deposit any balance amount with all applicable charges, fees, and penal interest within 45 days from receipt of dues. Respondent No. 3 was directed to communicate the total dues within 30 days. It was further clarified that non-compliance would automatically revive the cancellation order. Moreover, the petitioner argues that the delay in finalization of the case, leading to application of the 2025 collector rate, was due to inaction by the respondents. However, the record shows that the petitioner himself chose to contest and pursue multiple appeals and revisions from 2017 to 2023. Therefore, the delay cannot be attributed to the respondents.

11. The revisional order dated 19.09.2023 has attained finality and was duly accepted by the petitioner. Having accepted the order, the petitioner cannot now claim that the 2025 collector rate should not apply.

12. The Hon'ble Supreme Court, in ***Shanti Bhushan (L.Rs.) & Ors. v.***

State of U.P. & Ors., (2023) 3 RCR (Civil) 11, held that the stamp duty on a conveyance must be determined based on the market value of the property on the date of execution of the sale deed, and not at the time of agreement to sell or earlier events. The Hon'ble Supreme Court has held as under:-

> *"19. In view of Article 23 of Schedule I of the Stamp Act, the stamp duty payable on a conveyance will be in accordance with the market value of the subject property on the date of the conveyance unless the consideration shown therein is more than the prevailing market value. A useful reference can be made to a decision of this Court in the case of the State of Rajasthan and others v. Khandaka Jain Jewellers (2007) 14 SCC 339. Paragraphs 18 and 19 of the said decision read thus:*
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> > *"18. The contention of the learned counsel for the State that as per Section 17 of the Act, the market value has to be taken into consideration because Section 17 stipulates that all the instruments chargeable with duty and executed by person of India shall be stamped before or "at the time of execution". The word "execution" has been defined in Section 2(12) of the Act which says that "execution" used with reference to the instruments, mean "signed" and "signature". Therefore, it shows that the document which is sought to be registered has to be signed by both the parties. Till that time the document does not become an instrument for registration. A reading of Section 2(12) with Section 17 clearly contemplates that the document should be complete in all respects when both the parties should have signed it with regard to the transfer of the immovable property. It is irrelevant whether the matter had gone in for litigation.*
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> > *19. It may be mentioned that there is a difference between an agreement to sell and a sale. Stamp duty on a sale has to be assessed on the market value of the property at the time of the sale, and not at the time of the prior agreement to sell, nor at the time of filing of the suit. This is evident from Section 17 of the Act. It is true that as per Section 3, the instrument is to be registered on the basis of the valuation disclosed therein. But Section 47-A of the Rajasthan (Amendment) Stamp Duty Act contemplates that in case it is found that properties are undervalued then it is open for the Collector (Stamps) to assess the correct market value. Therefore, in the present case when the registering authority found that valuation of the property was not correct as mentioned in the instrument, it sent the document to the Collector for ascertaining the correct market value of the property."*
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> > *Ultimately in paragraph 22, this Court held thus:*
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> > *"22. In this background, if we construe Section 17 read*

> *with Section 2(12) then there is no manner of doubt that at the time of registration, the registering authority is under an obligation to ascertain the correct market value at that time, and should not go by the value mentioned in the instrument."*

20. Hence, when a sale deed is presented for registration, the registering authority must ascertain the correct market value of the property subject matter of the document on the date of execution of the document. The stamp duty is payable on the basis of such market value and not on the consideration mentioned in the document. If the consideration mentioned is more than the market value, the stamp duty will be payable on the consideration shown. Moreover, the market value mentioned in the agreement for sale or the market value prevailing on the date of the agreement or the market value prevailing on the date on which the bargain was struck is of no relevance for deciding the stamp duty. The relevant market value is the one which prevails on the date of execution of the conveyance. Therefore, we have no manner of doubt that the appellants were under an obligation to pay stamp duty calculated on the market value of the sale deed property on the date of execution of the sale deed.

21. As stated earlier, stamp duty was paid by the appellants by taking the market value of the sale deed property at Rs.6,67,200/-. This market value was fixed by adopting method used for levy of property tax under the Municipal laws. Such a value cannot be taken as the basis for determining the market value for the purposes of Article 23.

22. Now we turn to the provisions of Section 47-A of the Stamp Act as applicable to the State of Uttar Pradesh at the relevant time. Section 47-A reads thus:

> *"47A. Instruments of conveyance etc., if undervalued, how to be dealt with: – (1)(a) If the market value of any property which is the subject of any instrument on which duty is chargeable on the market value of the property as set forth in such instrument is less than even the minimum value determined in accordance with the rules made under the Act, the registering officer appointed under the Registration Act, 1908 shall, notwithstanding anything contained in the said Act, immediately after presentation of such instrument and before accepting it for registration and taking any action under section 52 of the said Act, require the person liable to pay stamp duty under section 29, to pay the deficit stamp duty as computed on the basis of the minimum value determined in accordance with the said rules and return the instrument for presenting again in accordance with section 23 of the Registration Act, 1908.*
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> *(b) When the deficit stamp duty required to be paid under clause (a), is paid in respect of any instrument and the instrument is presented again for registration, the registering officer shall certify by endorsement thereon, that the deficit stamp duty has been paid in respect thereof and the name and the residence of the person*

paying them and register the same.

(c) Notwithstanding anything contained in any other provisions of this Act, the deficit stamp duty may be paid under clause (a) in the form of impressed stamp containing such declaration as may be prescribed.

(d) If any person does not make the payment of deficit stamp duty after receiving the order referred to in clause (a) and presents the instrument again for registration, the registering officer shall, before registering the instrument, refer the same to the Collector for determination of the market value of the property and the proper duty payable thereon.

(2) Without prejudice to the provisions of sub-section (1), if such Registering Officer, while registering any instrument on which duty is chargeable on the market-value of the property, has reason to believe that the market-value of the property, which is the subject of such instrument, has not been truly set forth in the instrument, he may, after registering such instrument, refer the same to the Collector for determination of the market-value of such property and the proper duty payable thereon.

(3) On receipt of a reference under sub section (1) or sub-section (2), the Collector shall, after giving the parties a reasonable opportunity of being heard and after holding an enquiry in such manner as may be prescribed by rules made under this Act, determine the market value of the property which is the subject of the instrument and the duty as aforesaid. The difference, any, in the amount of duty shall be payable by the person liable to pay the duty.

Explanation. The payment of deficit stamp duty by any person under any order of registering officer under sub section (1) shall not prevent the Collector from initiating proceedings on any instrument under subsection (3).

(4) The Collector may, suo motu, or on a reference from any court or from the Commissioner of Stamps or an Additional Commissioner of Stamps, or a Deputy Commissioner of Stamps or an Assistant Commissioner of Stamps or any Officer authorized by the Board of Revenue in that behalf, within four years from the date of registration of any instrument on which duty is chargeable on the market value of the property, not already referred to him under subsection (1) or sub-section (2), 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 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 truly set forth in the instrument, he may determine the market value of such property and the duty payable thereon in accordance

with the procedure provided for in sub-section (3). The difference, if any, in the amount of duty shall be payable by the person liable to pay the duty.

Provided that, with the prior permission of the State Government, an action under this sub-section may be taken after the period of four years but before the period of eight years from the date of the registration of the instrument on which the duty is chargeable on the market value of the property.

Explanation The payment of deficit stamp duty by any person by any order of the registering officer under sub section (1) shall not prevent the Collector from initiating proceedings on any instrument under subsection (3).

(4) If on enquiry under subsection (2) and examination under subsection (3) the Collector finds the market value of the property –

(i) truly set forth and the document duly stamped, he shall certify by endorsement that it is duly stamped and return it to the person who made the reference;

ii) not truly set forth and not truly stamped, he shall require the payment of the proper duty or the amount required to make up the deficiency in the same together with a penalty of an amount not exceeding four times the amount of proper duty or the deficit portion thereof.

(4A) The Collector shall also require along with the deficit stamp duty or penalty required to be paid under clause (ii) of sub-section (4), the payment of a simple interest at the rate of one and half per cent per mensem on the amount of deficit stamp duty calculated from the date of the execution of the instrument till the date of actual payment:

Provided that the amount of interest under this sub-section shall be recalculated if the amount of deficit stamp duty is varied on appeal or revision or by any order of a competent Court or authority.

(4B) The amount of interest payable under sub-section (4A) shall be added to the amount due and be also deemed for all purposes to be part of the amount required to be paid.

(4C) Where realisation of the deficit stamp duty remained stayed by any order of any Court or authority and such order of stay is subsequently vacated, the interest referred to in sub-section (4A) shall be payable also for any period during which such order of stay remained in operation.

(4D) Any amount paid or deposited by, or recovered from, or refundable to, a person under the provision of

this Act, shall first be adjusted towards the deficit stamp duty or penalty outstanding against him and the excess, if any, shall then be adjusted towards the interest, if any, due from him."

13. Similarly, in ***Uggar Singh v. State of Punjab & Ors., (2025) 4 RCR (Civil)***, this Court reiterated that the relevant collector rate is the one prevailing at the time of execution of the deed. The relevant paragraphs are extracted below:-

> *"10. In Shanti Bhushan (dead) through Lrs v.State of UP and others' 2023 INSC 425, the Supreme Court again while relying upon the judgment passed in Khandaka Jain Jewellers's case (supra) has held that market value specified in the agreement to sell or the market value prevailing on the date of agreement would have no relevance for deciding stamp duty because the relevant market value for the purpose of assessing the stamp duty is the one which prevails on the date of execution of the conveyance in view of Section 3 read with Section 17 of the 1899 Act.*
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> *11. Keeping in view the aforesaid discussion, it becomes evident that the judgment passed in Harvinder Pal Singla 's case (supra) is not a good law. In fact, attention of the Bench was not drawn to the judgment passed in Khandaka Jain Jewellers's case (supra). The attention of the Bench was also not drawn to the fact that in M/s Residents' Welfare Association's case (supra), the Court was not deciding the question of the stamp duty with reference to a conveyance deed.*
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> *III Decision:-*
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> *12. Keeping in view the aforesaid facts and discussion, the question is answered in the following manner:-*
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> > *For the purpose of determining the amount of stamp duty on conveyance deed/sale deed, the market rate prevailing at the time of execution of sale deed would be relevant and not when the parties entered into agreement to sell."*

14. Applying these settled principles, the petitioner's plea to apply the 2013 or 2018 rate instead of the prevailing 2025 rate is untenable and contrary to law.

15. For the reasons stated above, this Court finds no merit in the writ

petition. Accordingly, the petition is dismissed being devoid of merit.

(DEEPAK MANCHANDA)
JUDGE

(ANUPINDER SINGH GREWAL)
JUDGE

22.09.2025
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Whether speaking/reasoned:	Yes	No
Whether Reportable:	Yes	No