

Proceedings of the Chief Controlling Revenue Authority and Inspector General
of Registration, Chennai-600 028

Present: Thiru.Dinesh Ponraj Oliver, I.A.S.,

D.Dis.No.15687/P1/2019 Dated 15.03.2024

Sub : Revision Petition – Document No P.8/2015, Sub Registrar office, Bhavani – received under section 56(1) of the Indian Stamp Act, 1899 against the order passed by District Registrar Erode– order issued – regarding.

Ref : 1. District Registrar, Erode order No.4580/B1/2015 dated 14.03.2018
2. Revision Petition dated received on behalf of Syndicate Bank, Kalingarayan Palaym dated 9.4.2019

oOo

ORDER:

The revision petition 2nd cited has been filed under section 56 (1) of the Indian Stamp Act, 1899 before the Chief Controlling Revenue Authority against the order 1st cited passed by the District Registrar, Erode wherein it has been ordered to pay deficit stamp duty of Rs.51, 980/- in respect of document No.P.8/2015 on the file of Sub Registrar office, Bhavani. The petitioner through their counsel was heard by Chief Controlling Revenue Authority and Inspector General of Registration on 22.11.2023.

2) Facts of the Revision Petition are as follows:–

Document No.	No.P8/2015
Office	Sub Registrar office, Bhavani
Date of Execution	31.12.2014
Title	DEED OF RECTIFICATION OF LEASE DEED

(P.T.O)

Lessor	Mrs.S.Karthika
Lessee	M/s.Syndicate Bank, Kalingarayanpalayam Branch
Stamp Borne by the deed	Rs.20/-
Nature of document as determined by the District Registrar	Lease deed
Deficit stamp duty & penalty determined by the District Registrar	Rs. 51,980/-

The document in question purports to rectify Document No.2963/2013 on the file of Sub Registrar, Bhavani which was a Lease Deed executed by Mrs.S.Karthika (Lessor) to in favour of M/s.Syndicate Bank (Lessee) in respect of one and the same property mentioned in the instant document.

The substance of the rectification deed is that in previous lease deed Document No.2963/2013 in Page No.1 Para No.5 instead of mentioning "*The lessor has demised to the Lessee all that premises described in the schedule hereto hold the same to the lessee from 16.02.2013 for the term of 20 years, i.e., from 16.02.2013 to 15.02.2033 paying during the said term a monthly rent of Rs.15,990/- for the 1230 Sq.ft. carpet area occupied by the Lessee, with 20% escalation in rent for the period after completion of every five year block and with an option on the lessee's part to have the term of the lease extended by a further renewal upon mutually agreed terms and conditions for which separate lease deed will be executed*" It was wrongly typed as "*The lessor has demised to the Lessee all that premises described in the schedule hereto hold the same to the lessee from 16.02.2013 for the term of 10 years,*

i.e., from 16.02.2013 to 15.02.2023 paying during the said term a monthly rent of Rs.15,990/- for the 1230 Sq.ft. carpet area occupied by the Lessee, with 20% escalation in rent for the period after completion of every five year bank and with an option on the lessee's part to have the term of the lease extended by a further period of 10 years with provision for further renewal upon mutually agreed terms and conditions "

When the above rectification document was presented for registration, the Sub Registrar, considered that as the lease period for the property is getting modified from 10 years to 20 years, the same should be considered as fresh lease deed. Based on the above analogy, the registering officer impounded the document as the same is not sufficiently stamped and forwarded it to the District Registrar, Erode for further action. The District Registrar, Erode in his proceedings 1st cited passed under section 40 of the Indian Stamp Act, 1899, held that as per section 2(14) of Indian Stamp Act, 1899 the above document should be treated as an Instrument creating fresh rights and determined the deficit stamp duty of Rs.51, 980/-.

Aggrieved over the same present revision petition has been preferred before the Chief Controlling Revenue Authority and Inspector General of Registration.

3) The petitioner through their counsel was heard on 22.11.2023.

Major contentions of the revision petitioner:

- i. The District Registrar has failed to consider the fact that this Deed of Rectification is executed only for Clarification, rectification and Modification of earlier lease deed document.
- ii. The District Registrar has failed to consider that required stamp duty and registration fees already paid in pervious lease deed document for full lease period i.e., 20 Years.
- iii. The instant Rectification deed document does not create any new right or liability.
- iv. The District Registrar has failed to follow rule 7 of Tamil Nadu Stamp (prevention of undervaluation) Rules, 1968.

4) Contents of revision petition, connected records received from the District Registrar, arguments advanced by the petitioner have been carefully examined by me.

Clause 1 in page 1 & 2 of the previous lease deed No.2963/2013 recites as follows:

1. *The Lessor has demised to the LESSEE all that premises described in the Schedule hereto to HOLD the same to the LESSEE from 16.02.2013 for the term of 10 years, i.e., from 16.02.2013 to 15.02.2023 paying during the said term a monthly rent of Rs.15990/- for the 1230 sq.ft. Carpet area occupied by the Lessee, with 20% escalation in rent for the period after completion of every five year bank and with an option on the lessee's part to have the*

term of the lease extended by a further period of 10 years with provisions for further renewal upon mutually agreed terms and conditions.

The above recital as well as the other recitals of the lease deed does not show an iota of idea that the intended period of lease is 20 years. Moreover it is well settled law that terms of one document cannot be authority for construction of another document as held by Hon'ble Andhra Pradesh High Court in A. Bapiraju And Ors. vs District Registrar, dated 26.10.1966 {Equivalent citations: AIR 1968 AP 142}

"Another principle that is to be borne in mind in the context of this enquiry is that, it is the instrument that is presented for registration that should be taxed. We cannot read a number of documents to see if a particular transaction is spread over all these instruments. We have to take into account the nature of the document that is sought to be taxed". (para 16)

23. It is well settled that the construction of the terms of one document cannot be an authority for the construction of another document, as each case depends on the terms of the document in that particular case.

In as much the previous lease does not create any lease hold right for the period from 16.02.2023 to 15.02.2033, the claim of the petitioner that no new right is created through the rectification deed is totally unfounded and legally untenable.

Moreover the argument of the petitioner that stamp duty payable based on the rent payable for 20 years has already been paid for the previous lease

(P.T.O)

deed would not also come to rescue of the revision petitioner. None of the provisions of the Indian Stamp Act, 1899 provide for adopting such analogy. At this juncture it would be noteworthy that section 4 and section 47-B (which does not cover a lease deed) which provide for reckoning the stamp duty paid in respect of certain class of instruments while levying stamp duty for subsequent documents is not at all applicable to a lease deed. Hence in absence of any similar provision in the statute for lease deeds, the claim of the petitioner is legally untenable.

Furthermore, the claim of the petitioner that District Registrar has failed to follow rule 7 of Tamil Nadu Stamp (prevention of undervaluation) Rules, 1968 is also untenable for the reason that said rule 7 is relevant only to action taken under section 47-A of the Indian Stamp Act, 1899, whereas the action taken on the instant document are obviously under section 33, 38 and 40 of the said Act.

In the above backdrop, though the document in question is titled as 'DEED OF RECTIFICATION OF LEASE DEED', since it creates fresh lease hold right over the property, it is steadfast that the document in question is classifiable as a deed of Lease for the period from 16.02.2013 to 15.02.2033 and hence the order of the District Registrar 1st cited is sustainable.

At this juncture it would be pertinent to mention that in The Chief Controlling Revenue Authority Vs Dr. K. Manjunatha Rai {(1976)2MLJ279} it has been held that *"It is true that what name the parties choose to give to an*

instrument cannot be decisive or even indicative of the true nature of the instrument for purposes of stamp duty."

Hence in view of the above legal position, the order of the District Registrar is upheld and the revision petition is dismissed.

Sd/- Dinesh Ponraj oliver /- 15.03.2024

Chief Controlling Revenue Authority &

Inspector General of Registration.

/By Order/


District Registrar (Inspection)


15/03/24

To

1. The Branch Manager, Syndicate Bank,
Kalingarayan Palayam Branch,
6/1244, Bhavanai Main Road,
Kalingarayan Palayam,
Bhavanai – 638 301.
2. Mr.L.Dakshinamoorthy,
Advocate,
90, Raja Street,
Komarapalayam – 638 183.
3. District Registrar,
Erode. (With original file)

Copy to: Stock file.

