(1973) 03 DEL CK 0037

In the Delhi High Court

Case No : First Appeal No. 346 of 1972, against order of R.L. Gupta, Commercial Sub-J., Delhi, D/- 31-7-1972

Label Art Press and Another APPELLANT

Vs

Indo European Machinery Co. (P.) Ltd. RESPONDENT

Date of Decision : 09-03-1973

Acts Referred:

Civil Procedure Code, 1908 (CPC) — Order 41 Rule 5, Order 41 Rule 6
Court Fees Act, 1870 — Article 6
Registration Act, 1908 — Section 17
Stamp Act, 1899 — Article 40, 57

Citation : AIR 1974 Delhi 136

Hon'ble Judges : B.C. Misra, J

Bench : Single Bench

Advocate : R.L. Kohli, for the Appellant; O.P. Khanna, for the Respondent

Judgement

1. Regular First Appeal No. 346 of 1972 has been filed in this Court against the decree of the subordinate judge dated 31st July, 1972 for payment of Rs. 36000/- besides costs and interest, in all amounting to Rs. 40495.90. On 15th September, 1972, this Court passed an order for the stay of execution of the decree conditional on furnishing security for the decretal amount to the satisfaction of the Deputy Registrar of this Court. On 25th September, 1972, the surety furnished security by mortgaging one of his two immovable properties for payment of the decretal amount .The security bond was in accordance with form Ii of Appendix ''G'' of the Code of Civil Procedure. The plaintiff decree-holder, on receiving notice of the security bond raised objections to it and contended that the bond was invalid for want of payment of stamp duty livable on mortgage deeds under Article 40 of the Stamp Act and for want of registration and that the title-deeds of the property must be deposited.

2. The objections were contested and the Deputy Registrar has referred them to the Court for directions. Three questions arise for determination in this matter , (1) Whether the security bond amounts to a mortgage and if so whether it

requires the payment of duty under Article6 of Schedule 11 of the Court-fees Act or under Articles 40, 57 or 15 of the Stamp Act or both Court-fees and stamp duty.

(2) Whether the bond requires registration u/s 17 of the Registration Act.

(3) Whether the title-deeds of the property must be deposited along with security-bond.

Questions 1 and 2.

3. I find that on these questions there has been a sharp divergence of opinion amongst the various High Courts in the country. One view taken is that such a Security bond is a step in judicial proceedings and forms a part of the judicial record and Therefore , requires neither a duty under the Stamp Act nor registration under the Registration Act. The other view is that it is not itself a step in judicial proceedings but it is only an instrument executed y a stranger to the suit and given to the Court and if immovable property be hypothecated it must be stamped as a mortgage deed under Art. 40 of the Stamp Act and it must also be registered under clause (b) of Section 17 of the Registration Act since it creates rights in the immovable property worth more than Rs. 100/- and in the absence of registration, the document would not confer any rights in view of Section 49 of the Registration Act.

4. For security in the matter of stay of execution under Rule 5 or 6 of Order 41 of the Code of Civil Procedure, Forms 2 and 3 of Appendix G of the Code have been prescribed. The Form No. 2 after making the necessary recitals proceeds to state 1, of my free will, stand security to the extent of Rs ....mortgaging the property specified in the schedule an that the defendant shall duly act in accordance with the decree and shall pay whatever may be payable by him and if he should fail therein, then any amount so payable shall be realised from the properties hereby mortgaged and if the proceeds of sale of the said property are insufficient to pay the amount due, I and my regal representatives will be personally liable to pay balance." Rule 3 of Order 48 prescribes that all forms given in the Appendix (with necessary variations) shall be used for the purposes therein mentioned and Section 121 of the Code gives statutory authority to the aforesaid rule. The result is that the prescribed form has statutory force.

5. Security bond given in pursuance of the order of the Court is enforceable by the Court u/s 145 of the Code which provides that where a person becomes liable as a surety for purposes of any decree, the order may be executed against the surety to the extent he has made himself personally liable in the manner provided that such person shall be deemed to be a party within the meaning of Section 47 of the Code. This provision undoubtedly Paces the security bond on the level of judicial proceedings and allows the Court to enforce it as enforce it as an executable decree of its if necessary, by arrest of the security by its own orders, without the necessity, for the Court to institute a regular suit for recovery of the amount from the surety. The provision exists for the benefit of the decree

holder who has already obtained a decree from the Court of first instance and who has been deprived of its fruits by the Court of appeal conditional on furnishing security. He will not relish the harassment of going through the procedure of another suit with its accompanying. appeals and revisions in order to pursue his claim against the surety. The security has been furnished in pursuance of an order of the Court, and the bond, after execution is submitted to the Court and is scrutinised and accepted by it. The rule nisi granting stay is there after made absolute or the conditional order previously passed works itself out after fulfillment of the condition. In my opinion, the security bond is not at all complete or effective unless and until it is accepted by the Court. It is difficult to subscribe to the view that the security bond would be effective or valid without such acceptance by the Court, As a matter of fact, the validity and efficacy is lent to the security bond only by the order of the Court, either passed by itself or by its nominee like the Registrar, to whom the judicial powers may have been delegated, and if the bond is not accepted, it has no legal effect.

6. Moreover, the Court is not juridical person and cannot hold or transfer or acquire any property and, Therefore the statutory form Joes not lay down that the security bond should be executed in favor of the Court or for that matter, the presiding officer of the Court. The bond is not executed or enforced as a contract between the Court and the surety, nor does it amount to a contract between the surety and the decree-bolder. The validity of the bond arises on the submission of the surety undertaking the obligation and placing his property under a charge and at the disposal of the Court for purpose of fulfilling the decree and the Court, in exercise of its judicial powers, accepts the same and enforces it in accordance with the provisions of law. As such, it must follow that the furnishing of a security bond is undoubted1, a step in the judicial proceedings and form, a part of the judicial order and records of the Court.

7. In Raj Raghubar Singh v. Jai Indra Bahadur Singh, 46 Ind App 228 = AIR 1919 Pc 55, the judicial Committee considering a bond, observed that a separate suit was not necessary to be filed to enforce it and no person is mentioned in the instrument as the beneficiary of the bond, nor had it been given in favor of any named officer. Then the Committee observed that the Court is not a juridical person; it cannot be sued, it cannot take the property and as it cannot take the property, it cannot assign the property , the bond created an unquestionable liability and there must be some mode of enforcing it and that the only mode was by the Court make an order upon an application that the In charged property of the surety be sold. The judicial Committee of the Privy Council in Bindesri Naik v. Gangasaran Sahu, (1897) 25 Ind App 9, observed that the provisions of Section 17 of the Registration Act do not apply to proper judicial proceedings, whether consisting of pleadings filed by the parties, or orders made by the Court. In Pranlal Annee v. Lakshmi Annee, (1899) 26 Ind App 101, the Judicial Committee was dealing with a case of compromise but which bad not been registered. The Committee observed that the compromise, in so far as it was submitted to and was acted upon judicially by the judge was in itself a step of judicial procedure

not requiring registration and any order pronounced in terms of it constituted res judicata, binding upon both the parties to the case who gave their consent.

8. In Punjab, the matter has for a long time been settled by a Full Bench authority of the High Court of Lahore (Kasturi Lal v, Goverdhan Dass, Air 1934 Lah 138. The following question was referred to the Full Bench '' namely, whether a security bond executed in accordance with an order passed under Order 41, Rules 5 a and 6 of the Code staying execution of the order pending decision of the appeal, whereby the surety hypothecates the immovable property for satisfaction of such decree as might be passed by the Appellate Court, which is duly accepted by the Court and execution stayed accordingly, required to be registered. The Full Bench answered the question in the negative and held that the bond did not require registration and non registration did not bar the decree-holder from asking the Court to realise the decretal amount from the immovable property described in the bond. In this authority, the Single Bench decision of the High Court of Lahore in Lahore Spg. and Wvg. Co. Ltd. v. Uttam Chand, Air 1919 Lah 8, which had followed an earlier decision of the High Court of Madras in Nagaruni Sambayya v. Tanjatur Subbayya (1908) 2nd 31 Mad 330, was expressly overruled. During the course of arguments, it was frankly admitted by the counsel before the Full Bench that it was not execution of the bond which effected transfer of rights in the immovable property so as to make it available for the satisfaction of the decree which may be passed by the appellate Court, but it was the order of the Court accepting the bond which created those rights and even if the bond had been duly registered immediately after its execution, it would not become operative unless and until it was accepted by the Court. It was further observed by the Full Bench that if by reason of insufficiency of the security or on any other ground the Court chose not to accept the bond, it would remain a wholly ineffectual and inoperative document despite the fact that it contained all the terms of the transaction and had been duly executed and registered. The law thus laid down in the aforesaid authority has held the field in Punjab and Delhi ever since and there is no authority of this High Court to the contrary.

9. The Full Bench decision of the Lahore High Court mentioned above with respect followed a Division Bench decision of the High Court of Bombay in Jayappa Lokappa Narsinganawar Vs. Shivangouda Dyamangouda Patil, , where Narten, C. J, held that a security bond being a part of judicial proceedings and incorporated with it, was not hit by the provisions of Section 17 of the. Registration Act and that a security is given to the Court and not to named individual, still it could not be void and could be enforced by the Court. The learned counsel for the parties appearing before me in formed me that authority of the High Court of Bombay has since been followed in the State of Bombay and Maharashtra and there is no decision of that Court taking a contrary view. Kasturi Lal''s case '' Air 1934 Lah 138 (supra) has also been followed b the High Court of Nagpur in AIR 1947 26 (Nagpur) .The learned judges after reviewing the various authorities bearing on the subject observed that the security bond hypothecating

the immovable property of the surety for the performance of the decree did not require registration and that the giving of the security bond was a step in judicial proceedings before any stay order could be granted and execution of a bond did not effect transfer of rights in the immovable property so as to make it available for the satisfaction of the decree, but it was an order of the Court accepting the bond which created those rights and the bond did not become operative unless and until it is accepted by the Court. In this decision, his lordship further held that the security bond did not require a stamp duty under any article of Stamp Act but it was liable to payment of Court-fees under Article 6 of- Schedule Ii of the Court-fees Act. KasturiLal''s case has also been followed by the High Court of Travancore and Cochin in Tramania Nadar Arumughaperumal Nadar v. Esakkimadan Nadar Dwarapandia Nadar, Air 1953 Trav Co 364, where the Division Bench held that the security bond executed in favor of a Court and accepted by the Court and incorporated in the order accepting the same was exempt from registration.

10. The contrary view was held by the High Court of Madras in Nagang Sarnbayya''s case, (1908) 2nd 31 Ma 3, Considering the bond given u/s 545 of the old CPC (which did not contain the statutory form before us) the Court observed that the bond effected, a transfer to the Court of an interest in specific immovable property to secure a future debt and it constituted a mortgage as defined by Section 58 of the Transfer of -Property Act and, Therefore it required registration u/s 59 of the Transfer of Property Act and Section 17 of the Registration Act. The Court rejected the argument that the acceptance of the security bond by the Court gave validity to the bond and it held that the acceptance was merely an intimation by the Court that the property given as security was sufficient for the purpose. It is, however, noteworthy that the practice of the Madras High Court, was as noticed in the judgment, governed by the Rule 117 of the High Court Rules (Appellate Side) which provided that when security offered consisted of immovable property, the appellant must file a mortgage bond duly registered together with specifications of surety''s title. Obviously, if the statutory rules of the Court required registration, it cannot without registration be said to have been given in accordance with the law to acquire efficacy. In my opinion, the decision 01 the High Court of Madras turned on its own facts and the rules of the Court. I am, however, with the greatest respect, unable to agree that the acceptance of the security bond by the Court does not lend validity and efficacy to it and it was merely an intimation by the Court that the property given as security was sufficient. I am of the view that the acceptance of the security bond by the Court implied that the Court accepted the security furnished by the surety and it was satisfied with regard to its contents, legality, form and validity of the bond as well as the sufficiency of the property. Without such acceptance, the bond was not effective. Even a non-testamentary instrument executed in favor of a private party requires acceptance before it becomes effective giving rise to respective rights and obligations of the parties and any unilateral contract or conveyance without its acceptance by the

promiseor transferee, fails to bring about the change in legal relationship. The Madras authority, as mentioned above, bad been followed by a Single judge of the High Court of Lahore in Lahore Spg. and Wvg. Co,''s case, Air 1919 Lah 8 which were overruled by the Full Bench in Kasturi Lal''s case, Air 1934 Lah 138.

11. A noteworthy decision has, however, been given by the High Court of Rangoon in A. S. P. S. S. Chettyar Firm v. Lloyds Bank, Air 1985 Rang 168. In this decision, their Lordships, considering the aforesaid Madras case as well as both the Lahore views and the authority of the High Court Bombay mentioned above, observed that by acceptance of the bond, the Court merely approved the substance and not the form of the security and, Therefore, the execution of bond did not constitute an act of the Court or a step in judicial proceedings. The Court further observed that if such a bond was not registered it would facilitate the commission of frauds by dishonest sureties. The Court also relied on the change in clause 6 of sub-section (2)of Section 17 of the Registration Act. The view of the High Court of Rangoon found favor with the High Court of Patna in Gauri Shankar Jhunjhunwala Vs. Baldeo Sahujee, , which has followed the same without much discussion''.

12. The Chief Court of Oudh constituted special Bench to consider the matter in AIR 1942 371 (Oudh) . It came to the conclusion that the security bond hypothecating property fell under Article 40. It considered the matter whether the execution of the security bond under Order 41, Rule 5 of the Code was liable to stamp duty under Article 57 or 40 of the Stamp Act. It observed that the word "contract" mentioned in Article 57 did not really mean the contract of the surety himself and then an order passed by the Court for filing a security could not be said an agreement or contract and that in the case of a mortgage-bond executed by way of security in favor of Court, there was no agreement as could amount to a con tract. The Court, Therefore, held that Article 57 did not apply and consequently it held that the bond fell under Article 40 of the Stamp Act.

13. A Division Bench of the High Court of Assam considered the problem in Rivers Steam Navigation Co. Ltd. v. Jalim Mulla, Air 1957 Ass 157. Sarjoo Prosad, C. J., speaking for the Court, examined the Full Bench decision of the Lahore High Court in Kasturi Lal''s case, Air 1934 Lah 138 (supra) as well as the case of the B ay High Court in Air 19 Bom 42. The learned Chief justice referred to Kasturi Lal''s case, Air 1934 Lah 138 and observed that in that case emphasis bad been laid on the fact that it was not the execution or registration of the document which was really material, as the fact that the document had been accepted by the Court and made a part of the judicial proceeding, its decree or order, thereby ensuring certain rights to the parties and then the learned Chief justice observed that he attached great importance to the line of reasoning contained in this decision and would have been inclined to accept the said observation without reservation, but for the fact that the Registration Act itself had been amended in 1929. The amendment that the learned Chief justice referred to is the following:

"Section 17(2) Nothing in clauses (b) and (c) of sub-section (1) applies to any decree or order except a decree or order expressed to be made on a compromise and comprising immovable property other than that which is the subject-matter of the suit or proceeding." In my opinion, the said amendment, far from demolishing the validity of the reasoning in the Lahore Full Bench case, reinforces the same. The amended provision maintains the general rule of law that no decree or order of a Court would require registration; it only carves out an exception in compromise decrees which in terms of Hemanta Kumari''s decision, 46 Ind App 240 = AIR 1919 Pc 79 be exempt from registration even if they comprised immovable property other than the subject-matter of the suit or proceedings and any decree or order of the Court not falling within the engrafted exception would still be as before exempt from the requirement of compulsory registration. I am, Therefore, of the view and respectfully hold that the Full Bench decision of the Lahore High Court in Kasturi Lal''s case, Air 1934 Lah 138, was correctly decided.

14. Two other authorities need mention, The Full Bench of the High Court of Kerala in R.M. Palat Vs. P.A. Nedungadi, and a Division Bench of the High Court of Allahabad in Bishnath Sahu Vs. Prayag Din and Another, , have accepted the view propounded by the High Court of Rangoon in Chettyar Firms'' case, Air 1935 Rang 168, They have held that the security bon in Form 3 of Appendix ''G'' requires registration. The aforesaid decision of the High Court of Allahabad was cited before A. N. Grover, J. (as he then was) in Basant Lal Khacheru Ram and Others Vs. Jagdish Parshad Kishan Chand and Others, . With the greatest respect, I would reproduce the following observation of his Lordship:

"With great respect to the learned Allahabad Judges their observations do not fully explain the reasons which were adopted by the Full Bench and even though This Court, technically speaking, may not be bound by the decisions of the Lahore High Court, nevertheless, I consider that the Lahore view based, as it is on very good reasons, ought to be followed."

After careful consideration of the provisions of law and the authorities of the various High Courts, my conclusion is that the Court is not a juridical person and not a transferee or holder of the property and that the security bond furnished to it in pursuance of its order does not acquire validity or efficacy unless and until it is accepted by the Court and as such the security bond forms part of the order of the Court and is a step in judicial proceedings and, Therefore, it does not require registration u/s 17 of the Registration Act, I also hold that the bond given in pursuance of the judicial order of the Court in the statutory form, with necessary variations and by the Court, obliges the surety to his undertaking and the surety creates a charge on the immovable property and places it at the disposal of the Court for its being dealt with u/s 145 of the Code or other provisions of law and it is enforceable and not invalid for want of registration. The 1 Bench authority of the High Court of Lahore (AIR 1934 Lahore 138 (FB)) has consistently been followed in Delhi and I do not see any valid reason to differ from it and I find accordingly.

15. This takes me to the question of levy of stamp duty. Section 2(17) of the Stamp Act defines a mortgage deed as inclusive of every instrument whereby, for the purpose of securing money advanced, or to be advanced, by way of loan, or an existing or future debt, or the performance of an engagement, one person transfers, or creates, to, or in favor of another, a right over or in respect of specified property. In my, opinion, the security bond in Form 2 or 3 of Appendix ''G'' of the Code does not satisfy the conditions of a mortgage-deed as defined in clause 17 above. It is not an instrument for the purpose of securing the money advanced or to be advanced by way of loan, nor an existing or future debt nor is it a transfer of a right in immovable property, nor is it in favor of any other person. The Court is neither a person nor a transferee. The security bond does not transfer a right in property. But it creates a charge over the property and places the property at the disposal of the Court for being proceeded against according to law. It is similar to the seizure and proceeding against the property of the judgment-debtor by the Court by the force of law to realise the decretal amount. Since no judgment has been pronounced against the surety, it will need his initial consent to undertake the obligation and place his proper at the disposal of the Court, but having done so, it is in law subject to the same incidents of exercise of power the Court as the property of the judgment-debtor in execution of a decree, It is, Therefore, not a mortgage, Consequently, Article 40 of the Stamp Act will not apply to it. As mentioned above, the Full Bench of the Chief Court of Oudh held in Air 1942 Oudh 371, that Article 57 did not apply to security bond because its execution did not constitute a contract. If this argument is valid in respect of Article 57, it would have stronger force against attraction of Article 40. So in any view of the matter, Article 40 cannot apply.

16. An Article which could easily be attracted is 15 relating to a bond, clauses (a) and (b) of Section 2(5) define it as an obligation for the performance of certain conditions or for payment of money to somebody. But this Article itself specifies that the stamp duty under this Article would not be livable if it is provided for by the Court-fees Act, 1870. This would lend support to the view that the provisions of the Stamp Act are ordinarily not intended to apply to judicial proceedings. Article 6 of Schedule Ii of the Court-fees Act provides a fee to be levied on bail bonds or other instruments of obligation given in pursuance of an order made by a Court or Magistrate under any section of the Code or otherwise provided for by the Court-fees Act. The security bond in the present case is certainly an instrument of obligation given in pursuance of an order of the Court. In my opinion, the security bond given under Order 41, Rule 5 or 6 of the Code requires fee to be paid ''by way of Court-fees under Article 6 of Schedule Ii which, for the present moment, is 65 paise. In giving this answer to the question raised, I am supported by an authority of the High Court of Lahore reported as Ghulam Muhammad v. The Crown, Air 1933 Lah 89 as well as in Re Reference by the District Registrar, Dadu, Air 1936 Sind 41 and the case in AIR 1947 26 (Nagpur) . As far as I remember, this was the old prevailing practice to pay Court-fees under

schedule Ii, Article 6 of the Court-fees Act as well as stamp duty under Article 57 of the Stamp Act on such security bonds. For some time past, the affixation of Court-fee has fallen out of use. I hold that in the view I have taken, that the security bond is a part of judicial proceedings it is imperative that Court-fees under the aforesaid Article must be paid on all such bonds.

17. The question remaining to be decided is whether in addition to Court fees, stamp duty under Article 57 of the Stamp Act must be paid on the bond. In this connection I am, as at present advised, not inclined to disturb the uniform practice followed in Delhi of paying stamp duty under Article 57 of the Stamp Act without hearing the Chief Revenue Controlling Authority to whom notice of this proceeding has not been issued.

18. As a result, my answer to the question is that the security bond in question must bear the Court-fee stamp under Article 6, Schedule 2 of the Court-fees Act as well as stamp duty under Article 57 of the Stamp Act, but it does not require any stamp duty under Article 40.

Question No. 3.

19. The next question for consideration is the deposit of title-deeds. The High Court of Delhi was established with effect from October, 1966 and it was given original jurisdiction to try suits of a certain valuation. u/s 7 of the High Court Act, the High Court framed rules, Chapter 20 of which deals with the procedure for furnishing security and Rule 2 thereof prescribes that every person offering himself as surety shall produce before the Court or officer concerned, his title deeds and vouchers and may be examined by him on oath or solemn affirmation, touching the value of his property, and the debts and liabilities to which it is subject; after being examined and allowed, be shall sign the site bond and shall deposit his title deeds and vouchers.

20. Provided that in cases where the amount of the bond does not exceed Rs. 5000/-, the officer concerned, and in other cases, the Court may, on good cause shown, dispense with the deposit of title deeds and vouchers.

21. Rule 6 prescribes that papers and records relating to the taking of security, including securities and security bonds, shall be kept by the Registrar in safe custody in his safe in the strong room after making an appropriate entry in a register to be maintained by him for the purpose. The provision, Therefore, requires the deposit of title-deeds in respect of bonds for more than Rs. 5000/.-.

22. This practice hag uniformly been adopted on the original side and has .The rules of been working satisfactory. The Court on the appellate side do not contain any such requirement for deposit of title-deeds. Nor do I find in them any prohibition in this behalf. I am of the view that it is a very salutary practice to obtain deposit of title-deeds from the sureties. It avoids the danger of fraud alluded to in the case of Chettyar Firm, Air 1935 Rang 168. Under Sections 58 and 59 of the Transfer of Property Act, a mortgage by deposit of title-deeds can

be effected orally by delivery of documents of title. So a subsequent transferee of interest in the property for value would, not finding the title-deeds with his transferor, be put to enquiry and notice of the charge created by deposit of title-deeds under the security bond even in the absence of registration. This fortifies the legal results flowing from the furnishing of the security to the Court and minimises chances of fraud. 1, Therefore, hold that on the appellate side also the principles behind the original side rule mentioned above should be followed and in respect of security bonds of the value of Rs. 5,000 or more, the title-deeds relating to the charged property must be deposited with the Registrar of the Court.

23. Arguments addressed at the bar invited my attention to one or two difficulties in the matter, for example if a party was unable to deposit the title-deeds on account of security being a second charge (if it was already subject to a mortgage) or a title-deed consisting of a renewal of an expired lease had not been obtained or the surety being entitled to only a share in undivided property, were bona fide not in a position to deposit the original title-deeds. in my opinion, ordinarily the Registrar would insist upon furnishing of clear security where documents of title could be deposited. If for any reason, this cannot be one, I hold that the party may apply to the Court for such directions as it may deem fit to give and on such motion, the Court may order the surety to be executed and register a regular mortgage-deed on proper stamp duty under Article 40 of the Stamp Act in favor of the Registrar or other officer of the Court, or it may if so consented to by the surety, order the ''attachment of the immovable property of the surety in question in accordance with the provisions of Order 38, Rules 5 and 6 read with Section 145 of the Code, in order to bring about the result mentioned in Section 64 of the Code. Lastly, the Court may pass such other or further orders according to law as it may deem fit.

24. To summarise, my conclusions are as follows:

(1) The security bond executed with necessary variations in forms 2 and 3 of Appendix ''G'' of the CPC in pursuance of orders passed under Order 41, Rule 5 or 6 of the Code does not require registration u/s 17 of the Registration Act.

(2) The requisite stamp on such security bonds is the fee payable under Art..61 of Schedule Ii of the Court-fees Act in addition, to the duty under Article 57 of the Stamp Act.

(3) If the security bond involves an obligation to pay more than Rs. 5000/-, the documents of title of the charged property must be deposited along with security bond in accordance with the principles contained in Chapter Xx of the Delhi High Court (Original Side) Rules, 1967.

(4) If for any good reason, the title deeds cannot be deposited, the matter must be reported to the Court for such directions as it may deem fit to give in the circumstances of the case. In appropriate cases, the Court may order the surety to execute and register a regular mortgage-deed in favor of the Registrar or

other officer of the Court or it may, if so consented to by the surety, order attachment of the immovable property of the surety, or the Court may pass such other or further orders according to law as it may deem fit.

25. Before I part with the case, I must record appreciation of the assistance rendered to the Court by the counsel. I desire to express thanks to Mr. Sardari Lal Bhatia, Senior Advocate, President of the Delhi High Court Bar Association, who very ably, fairly and fully argued the matter and assisted amices curiae. There will be no order as to costs.

26. Order accordingly.

