**IN THE HIGH COURT OF PUNJAB AND HARYANA
AT CHANDIGARH**

CWP-2496-2020 (O&M)
Reserved on: 28.07.2026
Pronounced on: 04.08.2026
Uploaded on: 04.08.2026

Late Sh. Ved Prakash Vijh through his LR and another ….Petitioners

Versus

State of Punjab and others ….Respondents

CORAM: HON'BLE MR. JUSTICE KULDEEP TIWARI

Present: Mr. Pankaj Jain, Senior Advocate, with
Mr. Yogesh Kumar Mittal, Advocate,
Ms. Divya Suri, Advocate, and
Mr. Sachin Bhardwaj, Advocate,
for the petitioner(s).

Mr. Sahil R. Bakshi, AAG, Punjab.

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KULDEEP TIWARI, J. (Oral)

1. By way of instant writ petition, as cast under Article 226/227 of the Constitution of India, an order dated 09.04.2019 (Annexure P-26), is put to challenge, vide which, the Commissioner, Jalandhar, dismissed the appeal preferred by the petitioner(s).

2. Learned Senior counsel for the petitioner(s), while assailing the abovesaid order, contended that it is the thumb rule that stamp duty is assessed on the basis of the prevailing market rate as on the date of execution of the agreement to sell, and not at the time of registration of the sale deed. To buttress the contention, he relied upon a decision dated 07.05.2019, rendered by a Coordinate Bench of this Court in ***CWP-10268-2017 (Subhash Chander Abrol Vs. State of Punjab and Others).***

3. The second limb of submissions is based on a distinction

between a multiplex and a multistoried building. It was argued that the shops in question are situated in a multistoried building, but the Sub-Registrar, in its report, erroneously calculated the stamp duty considering the same to be a part of multiplex. While referring to the "Industrial Policy-2003", issued on 08.09.2003 (Annexure P-14), by the Government of Punjab, Department of Industries & Commerce, with a view to facilitate the development of Industry in the State, he asserted that the expression "multiplex complex" denotes an integrated entertainment and shopping centre/complex having, at least, three cinema halls with aggregate seating capacity of 1,000 persons, spanning over an area of 4000 square yards of above, with minimum investment of Rs.20 crores, including the cost of land. However, the word has neither been explained in the Indian Stamp Act, 1899 (for short, 'the Act of 1899') nor in the relevant rules made thereunder. Therefore, the definition of 'multiplex', as embodied in the Industrial Policy (supra), would be of much significance for the purpose of assessment of stamp duty as regards the property in question. Not only that, he further invited attention of the Court to the meaning of 'multiplex', as described in different dictionaries, in support of his contention, i.e. *(of a cinema) having several separate screens within one building*.

4. With reference to the Punjab Stamp (Dealing of Under-Valued Instruments) (2nd Amendment), Rules, 2011, notified on 11.03.2011 (Annexure P-5), vide which, Rule 3-A, for clause (c) was substituted, he asserted that the rationale for assessment of stamp duty, as regards buildings, has been prescribed thereunder. However, both, the Collector as well as the Commissioner (Appellate Authority), while

overlooking the afore-stated amendment to the Principal Rules, i.e. the Punjab Stamp (Dealing of Under Valued Instruments) Rules, 1983 (for short' "Rules of 1983'), illegally fastened the petitioner(s) with a liability to affix exorbitant stamp duty, whereas, the stamp duty payable, in terms of the amended Rules, was substantially lower.

5. *Per contra*, learned State counsel argued that it is a well established law that the minimum market value is assessed on the date of registration of the sale deed, and not on the date of execution of agreement to sell between the parties. Further, the Deputy Commissioner, in exercise of powers conferred under Section 3-A of the Rules of 1983, had already fixed the minimum market value of land/properties, located in the district, locality wise and category-wise, for the year 2012-13, vide order dated 09.04.2012, and conveyed the same to all concerned, including Sub-Registrars/Joint Sub-Registrars. According to which, the rates of property, situated on 3rd floor and above in the area concerned, were fixed at Rs.7800/- per square feet against Segment Code 02/0069. Thus, the Collector committed no error in concluding that the stamp duty paid by the petitioner(s) was, indeed, considerably deficient. Likewise, the Commissioner, in due compliance with the apt rules, rendered the impugned order, which suffers from no procedural infirmity. So much so, even learned Senior counsel for the petitioner(s) could not point out any perversity in the impugned order, which deserves to be upheld.

6. This Court has heard learned counsel for the parties, and perused the record.

7. As a sequel of the foregoing narration, the predominant issue that arises for consideration of this Court is, *whether the stamp duty*

is liable to be assessed on the market value prevailing on the date of registration of the sale deed or on the date of execution of the agreement to sell?

8. Before delving into the merits and dealing with rival submissions advanced on behalf of the parties, it would be expedient to recapitulate the factual background of the matter.

9. The petitioner, and his late father (Sh. Ved Parkash Vijh), presented a sale deed as regards office No.401 to 406, measuring 3556 square feet (commercial), on the fourth floor, front side of Grand Mall Complex, situated in the Abadi, near G.T. Road, near B.M.C. Chowk, Jalandhar, having value of Rs.20 lakhs. The instrument was registered on 01.03.2013, which was impounded by the Sub-Registrar, and referred to the Collector for initiation of proceedings under Section 47-A of the Act of 1899, (as applicable to the State of Punjab), as he was of the opinion that there was a deficiency of Rs.22,38,950/- with respect to stamp duty, as well registration charges. Accordingly, the Collector, upon consideration of the matter and hearing the parties, concluded that as regards the area, where the property in question is situated, stamp duty @ Rs.7800/- per square feet, was required to be affixed. In such circumstances, the Collector, vide order dated 29.02.2016 (Annexure P-8), assessed the deficiency of Rs.30,44,972/-, including interest amounting to Rs.8,06,022/-. Fetching grievance therefrom, the petitioner(s) preferred an appeal before the Commissioner, Jalandhar Division, but to no relief, as the same was dismissed, vide order dated 12.11.2016 (Annexure P-11).

10. Aggrieved by both the abovesaid orders, the petitioner(s),

approached this Court by preferring a writ petition (CWP-6868-2018). Upon analysis of the matter in issue, a Coordinate Bench was of the opinion that the order rendered by the Appellate Authority was a cryptic and non speaking order. Accordingly, the *lis* was remitted to the Appellate Authority for decision afresh, after dealing with the issues raised in the petition, vide order dated 10.01.2019 (Annexure P-24). However, the legality of the order passed by the Collector was not adjudicated. In compliance thereto, the Commissioner, after hearing the parties, passed a speaking order, which, as indicated above, is a subject matter of judicial scrutiny.

11. This Court shall now proceed to deal with the primary argument, as to whether, the stamp duty is required to be assessed on the market value prevailing on the date of execution of agreement to sell or when the sale deed was registered. In the instant case, the agreement to sell was executed as back as in the year 2001, whereas, the sale deed was registered after more than a decade, i.e. 2013. Further, in fact, the issue under deliberation is no more *res integra*, as the Hon'ble Supreme Court, in a series of pronouncements, has elucidated the proposition that stamp duty is to be assessed, as per the rates prevailing at the time of registration of the sale deed. To conclude the issue against the petitioner(s), this Court draws support from the celebrated decisions of the Hon'ble Supreme Court, in ***State of Rajasthan and others Vs. M/s Khandaka Jain Jeweleers, 2008 (1) RCR (Civil) 91,*** and ***Shanti Bhushan (dead) through LRs Vs. State of U.P., and others, 2023 INSC 425***, and a decision rendered by the Division Bench of this Court in ***Uggar Singh Vs. State of Punjab and others, 2025 (4) RCR (Civil) 358.***

12. Adverting to the decision in **Subhash Chander Abrol (supra),** the learned Single Judge had categorically held that there is no quarrel with the proposition that the stamp duty on sale of immovable property, under normal circumstances, is required to be assessed on the market value at the time of registration of the sale. However, what impelled the Court to carve out an exception to the settled legal position was the peculiar factual matrix of the case, inasmuch as the rights of the parties had crystallized on the execution of the agreement to sell itself, the entire sale consideration having been paid and possession having also been delivered:-

> *"There would be no quarrel with the proposition that the stamp duty on sale of immovable property requires to be assessed on the market value at the time of registration of the sale-deed under normal circumstances. However, the facts and circumstances of the instant case are peculiar. Placed on record and appended alongwith the instant writ petition at Annexure P-1 (colly) are the agreement to sell dated 08.11.2005, the receipts towards sale consideration amount, copies of the wills, General Power of Attorney as also the affidavits executed by the vendors. Such documents and the contents thereof have not been disputed.*
> *A conjoint reading of the documents at Annexure P-1 would reveal that the total sale price of the land in question was settled as Rs.22,00,000/-. The entire sale consideration i.e. Rs.22,00,000/- was made over to the vendors on the date of agreement to sell itself i.e. 08.11.2005. Sale consideration was made vide three instruments i.e.(i) Rs.5,50,000/- vide cheque No. 887530 dated 24.10.2005 drawn at Punjab & Sind Bank, Sector 21-C, Chandigarh, in favour of Dilprit Singh; (ii) Rs. 5,50,000/- vide cheque No.887529 dated 24.10.2005 drawn at Punjab & Sind Bank, Sector 21-C, Chandigarh in favour of Kanwal Mohan Singh; (iii) Rs. 11,00,000/- vide cheque/draft NO.887535 dated 5.11.2005 payable at Punjab & Sind Bank, Sector 21-C, Chandigarh in favour of Sudesh Kumar. Even the possession of*

> *the land in question was handed over by the vendors at the time of agreement dated 08.11.2005. The vendors further executed affidavits in favour of the vendees at the stage of entering into the agreement deposing clearly therein that the sale consideration had been received and the possession of the land stood delivered and that henceforth the vendors are left with no concern or connection with the land and that the entire rights and interest therein stood vested in the vendees.*
>
> *In law mere execution of an agreement for sale without doing anything more will not create any interest in the property to be sold, but where the vendor has received the sale price and in pursuance of the agreement to sell possession thereof has been delivered to the prospective vendee (s) then it can certainly be urged that on the basis of Section 54 of the Transfer of Property Act interest already stood created in the property. Such vital aspect has been completely overlooked by the Collector as also by the Commissioner while passing the impugned orders. The general proposition laid down in* ***M/s Khandaka Jain Jewellers's case (supra)*** *as regards the stamp duty on sale of immovable property to be assessed as per market value at the time of registration of the sale-deed and not at the time of agreement to sell was in the backdrop of a factual premise wherein two agreements to sell dated 20.10.1983 had been entered into and only earnest money had been paid. Since the vendor in the facts of that case had failed to fulfil the conditions of agreement and to execute the sale-deed consequently the vendee had filed a suit for specific performance of the contract. The facts of the present case are completely distinguishable."*

13. *Ex facie,* no such exceptional or peculiar circumstance exists in the instant case. The sale deed (Annexure P-6), clearly indicates that neither the entire sale consideration was remitted to the vendee at the time of execution of the agreement to sell, nor the possession was handed over. Further, it is the settled principle of law that peculiar facts of each case are to be examined, considered and appreciated first, before

applying any codified or judge-made law thereto. Sometimes, difference of even one circumstance or additional fact can make a world of difference. As a consequence, the ratio laid down in the case (supra) is not applicable to the facts of the present case, as such the reliance thereupon is totally misplaced. In this way, the first contention raised on behalf of the petitioner(s) is rejected.

14. Before adverting to the next submission, it is necessary to deal with the relevant provisions of the Principal Rules of 1983.

15. To begin with, Rule 2 [(f)], postulates the definition of commercial premises:-

> *"commercial premises" means any premises wherein any business, trade or profession is carried on for profit and includes journalistic or printing establishment and premises in which business of banking, insurance, stocks and shares, brokerage or produce exchange is carried on or which is used as hotel, restaurant, boarding or eating house, theatre, cinema or other place of public entertainment or any other place which the Government may by notification in the official gazette, declare to be a commercial establishment for the purposes of these rules."*

(i) Rule 3 deals with the description of land/property, which has been mandated to be included in the instruments:-

> *"The following description of agricultural land, non-agricultural land, gardens and buildings, as the case may be, shall be inserted in the instrument of transfer presented for registration, namely:-*
>
> ***(1) In case of agricultural land,--***
>
> *(a) Khasra Number/Khewat/Khatauni Number of latest Jamabandi area and location;*
>
> *(b) Kind of land (chahi, barani, banjar etc.);*
>
> *(c) If under cultivation, whether sown once or more than once in a year;*

(d) Whether falling in urban or rural area;

(e) Minimum market price fixed by the Collector;

(2) In case of non-agricultural land,

(a) Khasra No./Khewat/Khatauni Number of latest Jamabandi/Plot Number, area and location of land;

(b) Whether falling in urban or rural area;

(c) Purpose for which the land is being used presently;

(d) Minimum market price fixed by the Collector;

(3) In case of Gardens,

(a) Khasra No./Khewat/Khatauni No. of latest jamabandi area and location of land;

(b) Number of trees, kind, size and age;

(c) Whether falling to urban or rural area;

(d) The amount of average income per year derived during the last three years;

(e) Minimum market price fixed by the Collector.

(4) In case of Buildings,

(a)Name/Number of building, total area, constructed area and open area;

(b)Whether the building is used as Industrial/Commercial/Residential premises;

(c)Number of storeys and area of each storey;

(d)Whether the constructions is of mud or cement, concrete of R.C.C. and year of construction;

(e)Type of construction, concrete, pucca bricks or other material;

(f)Annual rent, if given on rent;

(g)Amount of Annual House Tax, if assessed;

(h)Nature of Economic, Industrial, Developmental activity being run in the building;

(i)Minimum market price fixed by the Collector.

The description of land/property shall also be stated in Form-1 (in duplicate) appended to these rules and it shall be attached to the instrument presented for registration.]"

(ii) Likewise, Rule 3-A explains the procedure to be adopted for fixation of minimum value of land/property. It imposes an obligation upon the Collector to fix minimum market value of land/property, in consultation with various stakeholders mentioned therein, located in respective districts, locality-wise and category-wise, and convey the same to the Registering Officer(s) for levying of stamp duty on instruments of transfer of any property.

(iii) Further, the Note, appended with the abovesaid Rules, carries much force, as it unambiguously clarifies that the factors given above are only indicative and not exhaustive. Similarly, the value of land/property so fixed/revised shall be deemed to be the price which it would have fetched if sold in public auction.

> "***[3A. Procedure to be adopted for fixation of minimum value of land/property.*** *- The Collector of district shall in consultation with Committee of experts consisting of officers of the department of Public Works (Building and Road), Department of Revenue and Rehabilitation, Punjab Urban Development Authority, Department of Local Government, Department of Rural Development and Panchayats Department of Horticulture/Forest/Town Planning/Industries or any other department as may be found desirable, fix the minimum market value of land/properties, located in his district, locality- wise and category-wise and convey the same to the Registering Officer(s) for the purposes of levying of stamp duty on instruments of transfer of any property. The value of agricultural land will be fixed per acre/per bigha whereas for other lands/properties, it will be fixed per Marla, per square yards/per square feet/per square metre keeping in view the following factors:-*
>
> ***(a) In case of agricultural land,-***
>
> *(i) Classification of land.*
>
> *(ii) Source of irrigation.*
>
> *(iii) Distance from roads, Bazars, Bus Stand, Railway Station, Factories, Educational Institutions, Hospitals, Government Offices and shopping complexes.*
>
> *(iv) Situation of land like urban/rural.*
>
> *(v) Number of crops per year sown.*

(vi) Any other special feature having bearing on valuation.

***(b) In case of non-agriculture land,** -*

(i) Distance from Roads, Bazars, Bus Stand, Railway Station, Factories, Educational Institutions, Hospitals Government Offices and Shopping Complexes.

(ii) Situation of land like urban/rural.

(iii) Purpose for which the land is being used presently

(iv) Any other special features having bearing on the valuation.

(c) In case of buildings, -

(i) Type of construction, i.e. concrete, pucca bricks or other material.

(ii) Year of construction.

***(d)In case of gardens,** -*

(i) Kind of land.

(ii) Source of Irrigation.

(iii) Cost of trees, according to their kind, value, size and age.

(iv) Income being derived out of the garden.

(v) Whether situated in urban or rural area.

(vi) Any other special features having bearing on the valuation.

***Note:-** The list of factors given above is only indicative and not exhaustive.*

The rates so fixed, will be revised by the Collector, once a year as far as possible in the month of March and to be effective from first April of each year or after one month of its fixation. Copies of rates so fixed/revised shall be made available by the Collector to the Government, Inspector General of Registration, Punjab, Commissioners of Divisions, Sub-Divisional Magistrates and the Registering Officers concerned. The Registering Officers will display the rate lists on the notice board for the information of general public. The value of land/properties so fixed/revised shall be deemed to be the price, which it would have fetched if sold in public auction.”

16. As already referred to above, the Rule was amended vide notification dated 11.03.2011, thereby substituting clause (c) to the effect:-

> ***"(c) In the case of buildings,-***
>
> *(i) for ground floor, ten per cent of the cost of land; and*
>
> *(ii) for every consecutive floor, five per cent of the cost of land."*

17. At this juncture, what cannot be afforded to be skipped, even at the cost of repetition, is that Rule 3-A mandates the District Collector to fix minimum market value of the land/property located in his district, locality-wise and category-wise, and the value so fixed, shall be considered as per the prevalent market price, and the Note (supra) further makes it abundantly clear that **list of the factors elaborated therein are not exhaustive but only indicative.** Therefore, the amendment, which was carved out in Rule 3-A in the year 2011, as stressed upon by learned Senior counsel, would not come to the rescue of the petitioner(s).

18. In the instant case, the Collector, while exercising powers conferred by Rule 3-A, had already notified minimum market value of the land/property in the district concerned, both, locality-wise and category-wise, vide order dated 09.04.2012 for the year 2012-2013, and also conveyed to all concerned, including Sub-Registrars/Joint Sub-Registrars.

19. When the matter was argued on 17.07.2026, learned Senior Counsel for the petitioner(s), in relation to the abovesaid aspect, sought to raise a plea that it is not clear, as to whether, Collector rates notified on 09.04.2012, are applicable to the site in question.

20. Therefore, this Court, in order to have clarity on the aspect, had directed the District Collector concerned to file his personal affidavit. In compliance, the necessary affidavit was filed, and the same taken on record, vide order dated 28.07.2026.

21. Upon a perusal of the affidavit, it can be effortlessly comprehended that indisputably, the property in question falls in the segment code of '2/69', as was also applicable to the commercial properties at the relevant time. Further, as demonstrated above, the Deputy Commissioner-cum-Collector, vide order dated 09.04.2012, had fixed the minimum market value of the land/property, strictly in terms of Rule 3-A. And, as per the Collector's rate list, the commercial rates of the properties falling within the areas of Police line Road Shashtri Chowk to Thana Sadar, Jalandhar, and situated on 3rd floor and above, where the property of the petitioner(s) is also located, were fixed at Rs.7800/- per square feet against segment code 02/0069.

22. Albeit, a bare glance at the abovesaid averments is sufficient to dispel any ambiguity, yet, the relevant averments set out in the affidavit are extracted hereinbelow:-

> *"According to the said collectors' rate list, the commercial rates of properties situated between the areas of Police line Road Shastri Chowk to Thana Sadar, Jalandhar and situated on 3rd floor & above floors, where the property of the petitioner is situated, were fixed at the rate of Rs.7800/- per Sq.ft. against Segment Code 02/0069."*

23. It is recited in the sale deed that the shops/property in question is situated on the fourth floor, and the segment Code is 2/69,

thereby leaving no room for doubt about the applicability of the rates in sync with the above mentioned Collector's Rate List.

24. As far as the last submission is concerned, it seems that the petitioner is attempting to weave a web of confusion by harping on the plea of multiplex and multistoried building. In fact, the issue sought to be raised has no nexus, whatsoever, with the facts of the matter at hand. Suffice it to observe; the stamp duty was not assessed considering the property in question to be a part of either a multiplex or a multistoried building, but was rationalized, in terms of the rate list issued by the Collector. Therefore, the usage of expressions, 'multiplex' and multi-storey, by the Sub-Registrar, in his report, pales into insignificance, and would not advance the cause of the petitioner(s), in any manner.

25. In conspectus of the position sketched out above, this Court has no reservation to answer the issue posed above against the petitioner(s), by holding that the amount of stamp duty is required to be determined as per the market rate prevailing at the time of execution of sale deed and not when the parties entered into agreement to sell.

26. Accordingly, the instant writ petition is **dismissed.**

(KULDEEP TIWARI)
JUDGE

04.08.2026
Ak Sharma

Whether speaking/reasoned	Yes
Whether reportable	Yes/No