



**CIRCULAR**

**Sub: Stoppage of the reimbursement of Registration Charges.**

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A decision has been taken earlier to get simple mortgage registered in respect of properties given as security. This was done because in many cases the parties have created multiple charges by way of equitable mortgage resulting in protracted litigations. Registered Simple Mortgage would ensure noting of the encumbrance of the Corporation in the records of the Sub-Registrar. In order to reduce financial burden on the Borrower it was decided that the Borrower should pay the stamp duty on the Mortgage Deed to be executed while the Corporation would bear the registration charges.

It has come to notice that although this concession was to be extended only in cases where documents are executed while availing the loan, Branch Offices have been reimbursing registration charges in cases of transfer of liabilities, change of collateral security and other such cases, which was not intended by the management while taking a decision to extend the concession, of the Corporation bearing registration charges.

All the concerned are hereby instructed to stop reimbursement of registration charges in all cases including cases of new loans / additional loans w.e.f. 01.7.2010. In all cases where the party executed registered Mortgage Deed / registered MDTD, the party shall bear both the stamp duty as well as registration charges as is being done in case of other institutions.

The Audit Department is instructed to verify this aspect during the course of the audit of the Branches / Departments.

Sd/-

**CHAIRMAN & MANAGING DIRECTOR**

All BM's / AGM's  
DGMs of Super 'A' Grade BO's  
Zonal Managers / HOD's / IA Cells  
General Managers  
Executive Directors – for information.