$~

* **IN THE HIGH COURT OF DELHI AT NEW DELHI**

% ***Judgment reserved on: 25.09.2025***
Judgment pronounced on:28.10.2025

\+ FAO(OS) 106/2025 & CM APPL. 59689/2025 and CM APPL. 59690/2025

MANOHAR LAL .....Appellant

Through: Mr. Vikas Khatri, Mr. Manas Khatri, Ms. Seema Khatri & Ms. Khushboo Pathak, Advs.

Versus

DELHI DEVELOPMENT AUTHORITY AND ORS. .....Respondents

Through: Mr. G.S.Oberoi, ASC for DDA. Mr. Raghav Narayan, Adv. for R-8.

CORAM:
HON'BLE MR. JUSTICE ANIL KSHETARPAL
HON'BLE MR. JUSTICE HARISH VAIDYANATHAN SHANKAR

J U D G M E N T

ANIL KSHETARPAL, J.

1. Through this first appeal under Section 10 of the Delhi High Court Act, 1966, the Appellant assails the Order dated 26.08.2025 [hereinafter referred to as "Impugned Order"] passed by the learned Single Judge in Interlocutory Application No. 4032/2025 in Civil Suit (OS) No. 203/2024. The moot question that arises here is whether *ad valorem* court fee on the market value of the property is payable in a suit for declaration bundled with the relief of injunction.

FACTUAL MATRIX

2. The brief factual matrix of the case leading to the filing of the present appeal has been noted hereinafter:

2.1 Sh. Manohar Lal/Appellant has filed a Suit for Declaration, mandatory and permanent injunction against the Delhi Development Authority [hereinafter referred to as 'DDA'] and legal representatives of his brothers, late Sh. Bansi Lal and Sh. Mehar Chand, with regards to the property bearing No. A-62, Ashok Vihar Phase-I, Delhi-110052 [hereinafter referred to as "suit property"]. The Appellant claims to be a co-owner to the extent of his 1/3rd undivided share in the suit property.

2.2 According to the Appellant, the suit property was purchased by the Appellant along with his brothers through an auction organised by the DDA on 18.06.1967 for the highest bid of Rs.25,500/-, on a leasehold basis in joint ownership. The Appellant, along with his two brothers, jointly took possession of the suit property, for which a possession slip dated 15.10.1971 was duly issued by the DDA. It is stated that the Appellant and his family have been enjoying uninterrupted and peaceful possession of the Ground Floor [hereinafter referred to as "GF"] of the suit property since the year 1972.

2.3 Thereafter, the DDA issued a Letter of Stamping of Perpetual Lease Deed dated 20.12.1971 in favour of the Appellant and his two brothers. The Appellant alleges, late Sh. Bansi Lal, in connivance with officials of DDA and late Sh. Mehar Chand, forged and fabricated

documents and manually obliterated the name of the Appellant using a pen, besides late Sh. Bansi Lal and late Sh. Mehar Chand, in the Perpetual Lease deed dated 04.09.1972.

2.4 It is stated that the Appellant only came to know about this when he received a Notice dated 06.10.2023 from the legal heirs of Smt. Surinder Chojar/Respondent No.8 [daughter of late Sh. Bansi Lal] and was called upon him to vacate the GF of the suit property, alleging the Appellant to be a licensee when, in fact, he is the lawful and *bona fide* owner to the extent of 1/3rd undivided share in the suit property.

2.5 The suit was listed before the Joint Registrar, subject to office objection regarding valuation and court fees paid. On 18.09.2024, the Joint Registrar directed the Appellant to deposit the deficient court fee, if any. Thereafter, the Appellant filed the application bearing IA No. 4032/2025 in CS (OS) No. 203/2024 seeking clarifications as to whether the court fee is payable *ad valorem* or a fixed fee, considering the reliefs sought in the suit.

2.6 It was the case of the Appellant that no consequential relief has been sought as he has been in uninterrupted possession of the suit property since the year 1972, and therefore, the case of the Appellant squarely falls under Section 7(iv)(c) read with Article 17(vi) of the Schedule II of the Court Fees Act, 1870 [hereinafter referred to as "the Act"] and is liable to pay only the fixed court fee.

2.7 The learned Single judge, *vide* the impugned Order dated 26.08.2025, observed that the suit would *prima facie* fall within the

ambit of Section 7(iv)(c) of the Act and disposed of the application with a direction to the Appellant to deposit the deficient court fee within a period of six weeks.

SUBMISSIONS MADE ON BEHALF OF THE PARTIES

3. Learned counsel for the Appellant has advanced the following reasons as to why the suit should fall within Section 7(iv)(c) read with Article 17(vi) of the Schedule II of the Act:

3.1 Appellant is one of the co-owners of the suit property along with his brothers and has been in uninterrupted possession on the GF of the suit property since the year 1972.

3.2 The suit is a simpliciter suit for declaration and injunction without consequential relief of possession, and therefore, the value must be at Rs.20/- and Rs.13/-. Thus, fixed fee is payable and not be *ad valorem.*

3.3 Reliance has been placed on the judgments of ***Surhid Singh alias Sardool Singh v. Randhir Singh and Others***[1], ***Sarabjit Prakash v. Udyajit Prakash***[2] and ***Neelavathi & Ors. vs. N. Nataranjan & Ors.***[3].

4. *Per Contra*, the learned counsel for the Respondents has submitted that the present suit is not a simpliciter suit for declaration; rather, it is a suit for declaration along with consequential reliefs of mandatory and permanent injunction. The Respondents have placed

[1] (2010) 12 SCC 112
[2] 2011 SCC OnLine Del 4465
[3] (1980) 2 SCC 247

reliance on the judgment of ***Sarvinder Singh v. Punjab National Bank***[4].

ANALYSIS

5. In order to adjudicate the dispute, it is necessary to refer to the reliefs claimed in the suit by the Plaintiff/Appellant, which is reproduced hereinbelow:

> *"I. Pass a decree for declaring the Plaintiff as the lawful owner of 1/3rd share in the Suit property bearing no. 62, Block-A, in the lay out plan of Wazirpur Residential Scheme Ph-1, Delhi, comprising of 350 Sq. Yds as shown in the Site plan attached.*
>
> *II. Pass a decree of mandatory injunction thereby directing the Respondent No. 1 to rectify and add the name of the Plaintiff in the Perpetual Lease deed dated 04.09.1972.*
>
> *III. Pass a decree of mandatory injunction thereby directing the Respondent no. 2 to register the rectified document i.e Lease deed dated 04.09.1972 after the name of the plaintiff is added in the same.*
>
> *IV. Pass a decree of permanent injunction restraining the Defendants, their agents, heirs, representatives, assigns from selling, alienating, partitioning, parting with possession and creating third party interest in the suit property bearing no. 62, Block-A, in the lay out plan of Wazirpur Residential Scheme Ph-1, Delhi, comprising of 350 Sq. Yds. till the disposal of suit.*
>
> *V. pass any other or further order/directions as may be deemed fit and proper, by this Hon'ble Court in the given facts and circumstances of the present case."*

6. A perusal of the plaint shows that the Appellant has valued the suit for the relief of declaration at Rs.200/-, for which a court fee of Rs.20 has been paid and affixed and for the relief of mandatory injunction at Rs.260/-, for which the court fee of Rs.26/- has been affixed and for permanent injunction, the suit is valued at Rs.130/- and court fee of Rs. 13/- has been affixed. For the purpose of pecuniary

[4] 2019 SCC OnLine Del 11782

jurisdiction, the suit is valued at Rs.5,00,00,000/, the current value of the immovable suit property.

7. It is imperative, at this stage, to elucidate the meaning and ambit of the expression *"consequential relief"* as discussed in authoritative pronouncements. Reference may be made to the Full Bench judgment of the Allahabad High Court rendered in ***Chief Inspector of Stamps U.P. v. Mahanth Laxmi Narain***[5]. The provisions of Section 7(iv)(a) of the Act [UP Amendment] were considered by the Full Bench and two questions were framed as under:

> *"(i) Whether the relief of injunction prayed for in the two suits is a consequential relief to the relief of declaration?*
>
> *(ii) How is the relief in the two suits to be valued if they are governed by sub-Section (iv)(a)?"*

8. The Full Bench considered the earlier view taken in ***Kalu Ram v. Babu Lal***[6] and held that the four tests prescribed therein for determining whether a relief qualifies as a "*consequential relief*" within the meaning of Section 7(iv)(c) of the Act were too narrow. It was laid down that, in order to ascertain the true nature of the reliefs claimed, the substance of the plaint must be examined rather than its form. It was further held that the expression "*consequential relief*" implies that the other relief sought must flow directly from the declaration prayed for, meaning thereby that the plaintiff should be entitled to such other relief only as a necessary consequence or result of the grant of the declaratory relief. The ancillary or other relief must

[5] 1969 SCC OnLine All 225
[6] AIR 1932 Alld. 485 (FB)

be so dependent upon the declaratory relief that it cannot be granted if the principal relief is refused. The relevant paragraphs of the judgment are extracted hereinbelow:

> ***"38.*** *It thus appears that the second, third and fourth tests laid down in Kalu Ram's case [A.I.R. 1932 Alld. 485 (F.B.).] are not justified and unnecessarily narrow down the meaning of the words 'consequential relief'. Sec. 7(iv)(a) applies to a suit to obtain a declamatory decree or order in which a consequential relief is prayed. The suit must principally be for a declaration and in that suit some other relief should also be claimed. The two reliefs may be asked for either as one composite relief or as two distinct reliefs.* ***The words 'consequential relief' imply that the other relief should be one which flows directly from the declaration which the plaintiff desires to be made. This means that the plaintiff should be entitled to the other relief only as a necessary consequence or result of the granting of the declamatory relief. The other relief must be so dependent on the declamatory relief that it cannot be allowed it the principal relief is refused****. In suit No. 83 of 1953, two reliefs were prayed for which, in substance, were for a declaration that the proceedings of a meeting held on 14-2-1952 and the resolutions passed at it were illegal and not binding on the Mandali and for an injunction restraining the defendants from obstructing the plaintiffs from using the hall belonging to the Mandali. Here the relief of injunction flowed from the relief of declaration, and it the suit for declaration were dismissed, it could not be decreed for the injunction. The relief of injunction is, therefore, a consequential relief and the suit is covered by sub-sec. (iv)(a). In suit No. 12 of 1960, the reliefs prayed for were a declaration that the first plaintiff was the Mahant of the Math and the Sarbarakar of the deity and of the properties of the Math and an injunction restraining the defendants from interfering with the possession of the first plaintiff over the properties as Mahant and Sarbarakar. The relief of injunction flowed directly from the right which the plaintiff desired to be declared and is a consequential relief. This suit is also, therefore, covered by sub-sec. (iv)(a).*
>
> ***39.*** *The next question, which arises for consideration, is as to the manner in which the reliefs are to be valued under sub-sec. (iv)(a). Sub-sec. (iv)(a) treats a suit for a declamatory decree or order, in which a consequential relief is prayed, as one for a jingle relief. It provides that the court-fee payable in such suits shall be according to the amount at which the relief shought is valued in the plaint or memorandum of appeal. This gives the plaintiff a right to put any valuation, which he considers proper, on the combined declamatory and consequential reliefs. This right of the plaintiff is subject to two*

restrictions imposed by the first and the second provisos. The second proviso makes it incumbent on the plaintiff to value the relief at an amount not less than Rs. 300/-. The first proviso has already been set out earlier. It is applicable only to suits falling under sub-sec. (iv)(a) in which the relief sought is with reference to immovable property. It provides for the following three things:—

(i) That the plaintiff shall value the relief according to the value of the consequential relief. This means that the declamatory relief and the consequential relief have to be treated as one relief and the value of such relief has to be the value of the consequential relief;

(ii) that, if the consequential relief is capable of valuation, then the plaintiff shall value the relief at an amount according to this valuation; and

(iii) that, if the consequential relief is incapable of valuation, then the plaintiff shall value the relief at an amount which is the value of the immovable property computed in accordance with sub-sec. (v), (v-A) or (v-B) as the case may be. Upto this stage there is no dispute. The controversy is over the meaning of the words "relief is incapable of valuation". On the one hand, it is said that these words mean that the relief should be incapable of valuation under any provision of the Act. On the other hand, it is asserted that these words mean that the relief should be incapable of market or economic valuation. On behalf of the Chief Inspector of Stamps it is contended that the valuation of the consequential relief has to be the market value of the immovable property in respect of which the relief has been sought. Reliance for this proposition is placed, mainly, on two decisions. In Chief Inspector of Stamps U.P. v. Sewa Sunder Lal [A.I.R. 1949 Allahabad 560.] , it was held that the consequential relief of injunction cannot be valued according to Sec. 7(iv-B) as that provision applies to suits for injunction only and not to suits for declaration with a consequential relief, the respect, this dots not appear to be the correct position. In a suit for declaration in which the consequential relief of injunction has been prayed for the entire relief has to be valued according to the value of the consequential relief. Therefore, the question still is a how the consequential relief is to be valued. If the consequential relief is the relief of injunction, then what is to be seen is how the relief of injunction is to be valued. The question as to what is the meaning of the words "incapable of valuation" was neither raised nor decided in this case. The same appears to be the position with respect to the second case of Mrs. Anna Banerjee v. United Provinces of Agra and Oudh [A.I.R. 1940 Oudh 249.] . In this case, it was held by a Division Bench of the Oudh Chief Court that, in a suit for a declamatory decree where consequential relief is prayed for with reference to immovable property and this relief is incapable of valuation, the amount, at which this relief should be valued, is the value of the immovable property

computed in accordance with sub-Sec. (v). To this proposition no exception can be taken but it was further held in this case that sub-sec. (iv-B) applies to a suit. In which the only relief claimed is one to obtain injunction and not to a suit which clearly falls under Sec. 7(iv)(a). Again, what is meant by the words 'incapable of valuation' was not considered in this case. Reference was also made to Vibhuti Narain Singh's case [A.I.R. 1958 Allahabad 41.] in this connection. In the penultimate paragraph of the judgment, the learned Judges agreed with the report of the Inspector of Stamps that the valuation of the suit should be Rs. 10,000/- which was apparently the value of the immovable property in respect of which the reliefs had been prayed for. But it has not been said there that the relief was incapable of valuation or why the valuation at the market price of the property was the correct valuation. If the contention of the Chief Inspector of Stamps is accepted, it would lead to this result that, if the plaintiffs in the two suits had asked only for the relief of injunction, and there appears to have been no obstacle in their way in doing so, they would have had to value the relief at one-tenth or one-filth of the value of the immovable property; but, since they have asked for the relief of declaration also, they must value the same relief of injunction at the respect of the immovable property. Surely, the Legislature did not intend such an reasonable result. If the further contention of the Chief Inspector of Stamps that every consequential relief in respect of immovable property is capable of valuation according to the market value of the immovable property is accepted, the last part of the first proviso to sub-sec. (iv)(a) would become redundant. The other view that capability or incapability of valuation of a relief depends on whether there is or is not a specific provision in the Act relating to such relief leads to a more equitable and just result. In this view, the relief of injunction whether prayed for as an independent substantive relief or as a consequential relief, has to be valued in the same manner. It is well settled that the Court Fees Act is a fiscal measure and is to be strictly construed in favour of the subject. See Sri Krishna Chandra v. Mahabir Prasad [A.I.R. 1933 Allahabad 488 (F.B.).] . If the language of the provision is capable of two interpretations, then that interpretation should be accepted which is in favour of the subject. It must be kept in mind that the declamatory relief and the consequential relief falling under Sec. 7(iv)(a) in respect of immovable property have to be valued as one relief and that relief is the consequential relief. What has then to be seen is whether the relief, which has been prayed for as a consequential relief, is capable of valuation or not When the Act itself provides the manner or method of valuation of a particular relief, how can it be said that relief is incapable of valuation. If the relief, which is prayed for as a consequential relief, is specifically provided for in the Act, then it is capable of valuation and must be valued according to the provision

made in respect of it; but, if the relief is one which is not specifically provided for in the Act, then it is not capable of valuation under the Act and must be valued according to the value of the immovable property in respect of which it has been prayed. Simply because an injunction is sought in conjunction with a declamatory relief, thereby becoming a consequential relief, it does not cease to be relief of injunction. The value of the suit is the value of the consequential relief that is to say the value of the relief of injunction. The method for valuation of a relief of injunction is specifically provided in sub-sec. (iv-B). Where the relief, which is prayed for as a consequential relief, is the relief of injunction, it is capable of valuation under sub-sec. (iv-B) and must be valued according to the provisions of this sub-section."

(Emphasis Supplied)

9. The Madhya Pradesh High Court in the Judgment of ***Gomati Prasad v. Mahesh Singh***[7] has observed that, to ascertain whether the consequential relief, in fact, flows from the declaratory relief or not, the Court is required to apply the test as to whether the said consequential relief can be claimed independent of the declaratory relief as a substantive relief or not. All injunctions in a suit for injunction do not necessarily flow from the relief of declaration. In a case where the plaintiff is in possession of the property in his own right and approaches the Court seeking a declaration that the property belongs to him, along with an injunction restraining the other party from interfering with his possession, the plaintiff is not required to pay *ad valorem* court fee, as the relief of injunction is not a consequential relief. Once it is found that the relief of injunction can be claimed independently, it ceases to be a consequential relief. If a plaintiff claims a declaration of his title and an injunction restraining the defendant from interfering with his possession, the relief of injunction does not arise as a consequence of the declaration. Even if the Court is

[7] 2017 SCC OnLine MP 1599

of the opinion that the declaration cannot be made in favour of the plaintiff, then too, the Court may grant injunction in favour of the person who is in settled possession. In such a case, Section 7(iv)(d) of the Act would not apply for valuing a suit for injunction, and Article 17 of Schedule II of the Act would govern the court fee for the said declaration.

10. In ***Sanik Nagar Durga GH Samiti v. Indore City Improvement Trust***[8], it was laid down by the Madhya Pradesh High Court that, in fact, the plaintiff was claiming two distinct reliefs, one for the declaration of title and the other for a preventive injunction. The relief of injunction was not consequential to the relief of declaration because even without claiming the declaration relief, the plaintiff could have brought the suit for injunction. Hence, these were two different, distinct and separate reliefs.

11. A reading of the aforesaid precedents makes it clear that a consequential relief is one which flows directly and necessarily from the declaratory relief. It is the logical and inevitable outcome of the declaration sought, and its grant is dependent upon the grant of the principal declaratory relief. Such a relief cannot be claimed or maintained independently of the declaration, for it derives its very foundation and enforceability from the existence of the declaratory decree itself. In other words, if the declaration is refused, the consequential relief must necessarily fail.

12. In our considered view, detailed deliberations are not required

[8] (1983) MPWN 56

as the present Appeal appears to be covered by a judgment of the Supreme Court in ***Surhid Singh*** (supra), wherein it was held that where the documents are alleged to be illegal and void and executant has not signed the documents, then it is not necessary to pay *ad valorem* court fee in a suit for permanent injunction and declaration. The Supreme Court, for the purpose of liability to pay *ad valorem* court fee, distinguished between a suit filed by the executant of the deed seeking its cancellation by way of declaration and a suit filed by a non-executant, who is in possession, seeking a declaration that the deed is null and void. It was held that only a fixed court fee is payable in the latter event. The relevant paragraphs of ***Surhid Singh*** (*supra*) are extracted as hereinunder:

> *"7. Where the executant of a deed wants it to be annulled, he has to seek cancellation of the deed. But if a non-executant seeks annulment of a deed, he has to seek a declaration that the deed is invalid, or non est, or illegal or that it is not binding on him. The difference between a prayer for cancellation and declaration in regard to a deed of transfer/conveyance, can be brought out by the following illustration relating to A and B, two brothers. A executes a sale deed in favour of C. Subsequently A wants to avoid the sale. A has to sue for cancellation of the deed. On the other hand, if B, who is not the executant of the deed, wants to avoid it, he has to sue for a declaration that the deed executed by A is invalid/void and non est/illegal and he is not bound by it. In essence both may be suing to have the deed set aside or declared as non-binding. But the form is different and court fee is also different. If A, the executant of the deed, seeks cancellation of the deed, he has to pay ad valorem court fee on the consideration stated in the sale deed. If B, who is a non-executant, is in possession and sues for a declaration that the deed is null or void and does not bind him or his share, he has to merely pay a fixed court fee of Rs. 19.50 under Article 17(iii) of the Second Schedule of the Act. But if B, a non-executant, is not in possession, and he seeks not only a declaration that the sale deed is invalid, but also the consequential relief of possession, he has to pay an ad valorem court fee as provided under Section 7(iv)(c) of the Act.*

8. Section 7(iv)(c) provides that in suits for a declaratory decree with consequential relief, the court fee shall be computed according to the amount at which the relief sought is valued in the plaint. The proviso thereto makes it clear that where the suit for declaratory decree with consequential relief is with reference to any property, such valuation shall not be less than the value of the property calculated in the manner provided for by clause (v) of Section 7.

9. In this case, there is no prayer for cancellation of the sale deeds. The prayer is for a declaration that the deeds do not bind the "coparcenary" and for joint possession. The plaintiff in the suit was not the executant of the sale deeds. Therefore, the court fee was computable under Section 7(iv)(c) of the Act. The trial court and the High Court were therefore not justified in holding that the effect of the prayer was to seek cancellation of the sale deeds or that therefore court fee had to be paid on the sale consideration mentioned in the sale deeds."

(Emphasis Supplied)

13. Applying the law laid down in the above-mentioned pronouncements, in order to ascertain the Court fee, the Courts are required to look into the nature and substance of the relief sought in the plaint. The Appellant is seeking a declaration that he is the lawful owner of 1/3rd undivided share of the suit property and, at the same time, is also seeking a mandatory injunction directing the Respondents to rectify and add his name in the Perpetual Lease Deed dated 04.09.1972. Besides the above, he is also seeking a permanent injunction against the Defendants/Respondents herein from creating third-party interest in the suit property till the disposal of the suit.

14. In the present case, the Appellant has been in continuous and uninterrupted possession of the suit property since the year 1972 and has never been dispossessed therefrom. The relief of permanent injunction cannot, therefore, be said to flow directly from the declaration of ownership; rather, they are distinct and independent

reliefs based on the Appellant's subsisting possession and apprehension of interference. Consequently, the Appellant is liable to pay only the fixed court fee as prescribed under Schedule II of the Act.

15. Keeping in view the authoritative pronouncements and settled law, the Impugned Order dated 26.08.2025 passed by the learned Single Judge cannot sustain and is, accordingly, set aside.

16. The present Appeal, along with the pending application(s), if any, stands disposed of.

ANIL KSHETARPAL, J.

HARISH VAIDYANATHAN SHANKAR, J.

OCTOBER 28, 2025
sp/er