



IN THE HIGH COURT OF KARNATAKA AT BENGALURU

DATED THIS THE 29TH DAY OF JUNE, 2026

BEFORE

THE HON'BLE MR. JUSTICE M.G.S. KAMAL

WRIT PETITION NO.15998 OF 2022 (GM-ST/RN)

BETWEEN:

M/S. QUIKR INDIA PVT. LTD.
A COMPANY REGISTERED UNDER THE PROVISIONS OF
THE COMPANIES ACT, 1956
WITH ITS OFFICE AT NO.106
SUB NO. 5, 6, 7, 8 AND 9
RACHENAHALLI VILLAGE
NO.176, SRK NAGAR POST
KRISHNARAJAPURAM HOBLI
BENGALURU-560 045
REP. BY ITS AUTHORISED SIGNATORY
MR. VINEET SEHGAL, (DIRECTOR).

...PETITIONER

(BY SMT. NIYATHI M., ADVOCATE FOR
SRI UDAY SHANKAR R., ADVOCATE)

AND:

1. STATE OF KARNATAKA
DEPARTMENT OF STAMPS AND REGISTRATION
KANDAYA BHAVAN
KEMPEGOWDA ROAD
BENGALURU-560 009
REP. BY ITS SECRETARY
2. OFFICE OF THE DISTRICT REGISTRAR
AND DEPUTY COMMISSIONER OF STAMPS
AND REGISTRAR OF FIRMS
SHIVAJINAGAR REGN. DISTRICT
4TH FLOOR, MONARCH CHAMBER
NO.122/2, INFANTRY ROAD
BENGALURU-560 001
REP. BY THE DISTRICT REGISTRAR

...RESPONDENTS

(BY SRI MAHANTESH SHETTAR, A.G.A.)





THIS WRIT PETITION IS FILED UNDER ARTICLE 226 OF THE CONSTITUTION OF INDIA PRAYING TO SET ASIDE THE IMPUGNED ORDER NO.DRO/SJN/COP/ADJ/09/2019-20/585 DATED 17.9.2021 PASSED BY THE R-2 AS PER ANNEXURE-A AND SET ASIDE THE IMPUGNED NOTICE NO.DRO/SJN/COP/09/2019-20 DATED 19.7.2022 PASSED BY THE R-2 AS PER ANNEXURE-L.

THIS PETITION, COMING ON FOR FURTHER HEARING, THIS DAY, ORDER WAS MADE THEREIN AS UNDER:

CORAM: HON'BLE MR. JUSTICE M.G.S. KAMAL

ORAL ORDER

Petitioner had submitted a scheme of amalgamation under Sections 230 to 232 of the Companies Act, 2013 before the National Company Law Tribunal, Bangalore (hereinafter referred to as 'NCLT') intending to acquire businesses of certain entities namely;

- (1) M/s. Abhiman Technologies Pvt. Ltd.;
- (2) M/s. Babajob Services Pvt. Ltd.;
- (3) M/s. Cryptopy Technologies Pvt. Ltd.;
- (4) M/s. Glow Prime Technologies Pvt. Ltd.;
- (5) M/s. Rejuvenate Solutions Pvt. Ltd.

By an order dated 06.05.2019, NCLT approved the said amalgamation scheme, consequent upon which the petitioner became liable to pay the stamp duty in terms of Article 20(4) of Schedule I of Karnataka Stamp Act, 1957.



2. Petitioner had submitted the requisition to respondent No.1 seeking adjudication of stamp duty payable on the order of amalgamation. Petitioner was directed to obtain valuation of the movables from the Technical Consultancy Services Organisation of Karnataka (TECSOK), which also submitted its report in February 2020 to the respondent No.2

3. Respondent No.2 thereafter adjudicated the stamp duty payable on the amalgamation order and directed the petitioner to pay a sum of Rs.1,07,800 towards the stamp duty on the order of amalgamation vide order dated 07.03.2020. Petitioner accordingly paid the stamp duty of Rs.1,07,800/-, through the demand draft dated 16.03.2020 drawn on Kotak Mahindra Bank Ltd., and amalgamation order was stamped accordingly on 08.06.2020. Things stood thus, petitioner received a notice dated 15.04.2021 from respondent No.2 calling upon the petitioner to pay a sum of Rs.1,77,28,070/-, purportedly found to be payable by the petitioner in view of the error in the calculation of the stamp duty made earlier.

4. Respondent No.2, thereafter by order dated 17.09.2021 called upon the petitioner to pay the aforesaid sum,



stating that the said calculation was arrived at based on the valuation reported dated 23.02.2018, which was placed before the NCLT. That the attempts of the petitioner to explain the respondent No.2's inaccuracy in the calculation did not yield any result. Petitioner had also submitted written response and also the basis of the calculation arrived at by the petitioner on the earlier occasion. According to petitioner, actual deficit was Rs.6,86,347/-, which it was ready and willing to pay. However, respondent No.2 has been insisting for payment of Rs.1,77,28,070/-. Being aggrieved, the present writ petition.

5. Ms. Niyathi M., learned counsel appearing on behalf of Sri. Uday Shankar R., learned counsel for the petitioner taking this Court through the records and the provisions of the Karnataka Stamp Act, more particularly, Sections 2(d)(iv), 7 and 17 submits that the basis for respondent-authorities to charge the stamp duty shall be the order passed by the NCLT on 06.05.2019, which is traceable to Section 2(d)(iv) and Section 2(j) of the Act. She submits in the instant case though the NCLT order did not indicate the valuation of the shares subject matter of the amalgamation scheme, the petitioners



had submitted a detailed report obtained by the Chartered Accountant who had taken into consideration the valuation of the shares prevalent during the period of amalgamation and the order passed by the NCLT, had submitted its valuation, which was initially accepted by the respondent-Authority without any demur.

6. She submits that once the valuation was accepted it was not open for the respondent-Authorities to reopen the same under the guise of review, which is impermissible. She refers to Annexure-D, the declaration and affidavit submitted by the petitioner and submits that the details of the valuation of the shares as disclosed in the affidavit are true and correct and the respondent-Authority in any event could not have relied upon the purported valuation of the shares as on 23.02.2018, which neither meets the factual requirement nor the requirement of law.

7. She however fairly submits, given an opportunity the petitioner would furnish the valuation of the shares done during the process of amalgamation and the order passed by the NCLT and a direction be issued to the respondent-Authority to



reconsider the matter, inasmuch as the respondent without consideration written response submitted by the petitioner have passed the impugned order.

8. Learned AGA on the other hand submits that normally the order of amalgamation shall contain the valuation of the assets of the transferee and transferor company, which is missing in the instant case. He submits that the report submitted by the petitioners did not relate to the date of the amalgamation. Therefore, the respondent-authorities have relied upon the report which was made available prior to the date of amalgamation, i.e., 23.02.2018, which was reasonable and plausible, cannot be found fault with. However, he submits that in the light of the submissions made by the counsel for the petitioner of they furnishing the further details, matter will be reconsidered.

9. Heard and perused the records.

10. There is no dispute of the fact that the scheme of amalgamation was approved and accorded by the NCLT, vide order dated 06.05.2019.



11. For the purpose of calculation of stamp duty under Sections 2(d)(iv) and Section 2(j) of the Act read as under:

" 2. Definitions.- (1) In this Act, unless the context otherwise requires,—

*(d) "**Conveyance**" includes.-*

(i) xxx

(ii) xxx

(iii) xxx

(iv) every order made by the High Court under Section 394 of the Companies Act, 1956 in respect of amalgamation of companies,

by which property, whether moveable, or immoveable or any estate is transferred to, or vested in, any other person, and which is not otherwise specifically provided for by the Schedule;] "

.....

*" (j) "**Instrument**" includes every document and record created or maintained in or by an electronic storage and retrieval device or media by which any right or liability is, or purports to be, created, transferred, limited, extended, extinguished or recorded; "*

12. It is also relevant to refer to Section 17 of the Stamp Act, which reads as under:

" 17. Instruments executed in the State of Karnataka.- All instruments chargeable with duty and executed by any person in the State of Karnataka shall be stamped before or at the time of execution.

[Provided that nothing in this section shall apply to an instrument in respect of which stamp duty has been paid under section 10-A.]"



13. Comprehensive readings of the aforesaid provisions indicate that the term "instrument" for the purpose of imposition of stamp duty in the instant case is the order of NCLT. Therefore, there is a considerable force in submission being made by the learned counsel for the petitioner, that the respondent-authorities could not have relied upon the valuation of shares made on 23.02.2018, which is prior to the date of order passed by the NCLT accepting the scheme of amalgamation which is 06.05.2019.

14. Equally forceful is the submission made by the learned AGA that the petitioner has not specifically given the valuation report during and or subsequent to the order of NCLT to the satisfaction of the respondent-authority.

15. It is submitted that, fiscal law has to be construed strictly as it involves public money. Therefore, the respondent-authorities cannot be found fault with for reopening the case and relying upon the valuation of 23.02.2018.

16. Be that as it is. There appears to be incompleteness on both the sides in arriving at the actual value of the shares,



subject matter of the amalgamation, inasmuch as the petitioner except submitting the affidavit and the report of the Chartered Accountant has not furnished the valuation, if any made at the time of submission of scheme of amalgamation to the NCLT or at the time of passing of the said order.

17. Since, learned counsel for the petitioner has submitted that given an opportunity they will submit the said report to the respondent, the following:

ORDER

(i) Petition is ***disposed of***.

(ii) The impugned order dated 17.09.2021 passed by the respondent No.2 as per Annexure-B is set-aside.

(iii). The interim deposit of Rs.10,00,000/- made by the petitioner shall continue to be deposited. The petitioner is at liberty to submit the valuation of the subject shares made at the time of submission of scheme of amalgamation and the order being passed thereon by the NCLT. The respondent No.2-authority shall take into consideration such material as well as the materials submitted by the petitioner at the time of submission of written response as noted above.



(iv) After giving an opportunity of personal hearing to the petitioner, respondent No.2-Authority shall pass appropriate order in accordance with law within an outer limit of three months from the date of receipt of certified copy of this order. The deposit made is subject to the order to be passed by the respondent-Authority as noted above.

SD/-
(M.G.S. KAMAL)
JUDGE