

Registration of Agreement OR filling of Notice of intimation in case of mortgage by way of Deposit of title deed

- The Registration Act 1908, in its application to the State of Maharashtra has been amended vide [Maharashtra Act No X of 2012](#).
- It is coming into force from 1st April 2013.
- **The amended provisions, relating to the banking sector are as follows-**

- 1) Section 17 of the Registration Act, provides the list of documents which are compulsory for registration. Through the above mentioned amendment, a new type of deed "The agreement relating to the Deposit of title deeds, where such deposit has been made by way of security for the repayment of a loan or existing or further debts." (which is generally known as 'Equitable Mortgage Deed') is added in this list.
- 2) A new Section 89 B is introduced in the said Act, which requires filling of notice of intimation of mortgage by way of Deposit of title deed (where the "agreement relating to the Deposit of title deeds" is not executed and registered)

- **Object of the Amendment:**

These amendments have been carried out with the intention of safeguarding the interests of banks and the society also. Till date, the agreement/intimation relating to mortgage by way of deposit of title deed was out of public domain. Due to this, there was scope for fraudulent practices like availing loans from multiple banks on same property or disposing of the property which is already mortgaged. Therefore these amendments have been brought with the objective of preventing such frauds.

- **Effect of the amendment:**

In case of Mortgage by way of Deposit of title deed done on 1st April 2013 and thereafter:

- 1) If an agreement is executed (signed) between the Mortgagor and the Mortgagee, it has to be compulsory registered. The usual time limit for registration is four months from the date of execution.
- 2) If such agreement is not executed, then the Mortgagor has to file a notice of intimation of such mortgage. This notice should be filed within 30 days from mortgage.
- 3) When an agreement is executed and registered as per clause (1), then no need of filing of notice of intimation.
- 4) The non registration of agreement/non filing of notice of intimation may defeat the legality of the mortgage and cause injury to the interests of

parties. Any person who fails to file such notice within the prescribed time limit shall be liable for punishment under section 89C of the Act.

- **Procedure for the Registration of agreement:** The agreement may be registered with the Sub Registrar office, within the local limits of who's the whole or part of the mortgaged property is situate. The procedure for the registration will be the same as for the other documents.

In addition to the regular registration system, as a facility to the citizens and Banks, the Department of Registration & Stamps is going to launch an online application called the "e-Registration Module" for online Registration of said agreements, soon. Both the parties can complete all the registration formalities from the branch of the bank i.e. without coming to the Office of the Sub Registrar .

- **Procedure for filing of the Notices :** As a facility to the citizens and Banks, the Department of Registration & Stamps is launching an online application called the "e-Registration Module" for online filing of the said notices.

It will be available on the Department's website www.igrmaharashtra.gov.in, using which, the notice of intimation can be prepared and submitted online i.e. without coming to the Office of the Sub Registrar . [The Maharashtra e-Registration and e-Filing Rules 2013](#) are prescribed for this purposes under section 69 of the Act.