



FACULTY OF JURIDICAL SCIENCES

COURSE: B.A.LL.B. 4th Semester

SUBJECT: ENGLISH-III

SUBJECT CODE: BAL. 403

NAME OF FACULTY: Mr. Rahul Singh

Lecture-4



Sale Deed

Sale deed is a legally binding document specifically made to transfer the right, title and ownership of immovable property from one person to another in exchange for a price. Sale deed is implemented by Registration Act of India. A sale deed is considered to be valid only when it is signed by both the seller and the buyer and both the parties has to comply with the terms and conditions mentioned in the sale deed.

A sale deed needs to be registered under The Registration Act, 1908 within four months from the date of execution. The registration is done by the Sub Registrar of Assurances of the jurisdiction, where the property is purchased

This deed is the third type of deed and is also known as bargain deed. It is one of the most valued legal documents in the sale or purchase of a property. The sale deed is governed by the **Registration Act** and should be considered important by both the buyer and the seller. ***A property without a signed sale deed is incomplete and cannot be sold or purchased by either the buyer or the seller.*** A sale deed is signed only after the satisfaction and cooperation of both the parties on various terms and conditions.

It states that the grantor has every right to convey title but cannot make any warranties against encumbrances. This kind of deed is implied by the court officials who hold the property by force of law rather than just the title.

HOW TO REGISTER A SALE DEED REGISTRATION

Following are the steps to register a proprietorship company in India

step1

Application: Fill simple sale deed form regarding your personal details on LegalDocs website to create a sale deed draft. Upload Documents online on our website.

step2

Stamp Duty Payment: Stamp Duty and registration fees to be paid towards register office. Stamp DUty and Registration fees varies state to state. LegalDocs help you calculate stamp duty as per current laws and regulation of jurisdiction of property

step3

Registration: Registration of sale deed is must as per registration act. Seller and Purchaser has to visit concern registrar office and get registration done for property. After satisfactory scrutiny of documents and entities involved, sale deed is registered with easily.

DOCUMENTS REQUIRED FOR SALE DEED REGISTRATION

- Draft of Sale Deed/Title deed/Conveyance Deed
- 7/12 extract or RTC (Records of Rights and Tenancy Corps) or
- Khata Certificate and Extracts

- Joint development agreement, GPA, & Sharing/supplementary Agreement, between land owner and builder
- Power of Attorney if any
- Building plan sanctioned by the Statutory Authority
- Allotment Letter from the Builder/Co-Operative Society/Housing Board/BDA.
- If any loan on the property (Current or past) / Original Property Documents with Bank
- Sale agreement with the Seller
- All title documents of land owner
- A Copy of all registered previous agreements (in case of resale property)
- NOC from Apartment Association (in case of resale property)

- Names of buyer, seller
- PAN numbers of buyer, seller
- Photographs of buyer, seller
- Full detail of the property
- Deal value and all other financial details, including TDS payment (if applicable)
- Receipt of registration charge payment (One per cent of the deal value plus Rs 100 pasting charges have to be paid as registration charge)
- Stamp duty amount
- Name of the person paying the stamp duty (as a standard practice, the buyer pays the stamp duty)
- Names and address of two witnesses

MEANING OF TERMS INVOLVED IN A SALE DEED

- **Seller/Transferor**
Seller is a person who has current ownership of the property and is willing to sell his property for a price.
- **Buyer/Purchaser/Transferee**
Buyer or purchaser or transferee is a person who is willing to buy the property.
- **Witness**
Witness is a person who signs on the sales deed acknowledging to the fact that the buyer and seller have signed the sale deed in front of him.
- **Stampduty**
A duty levied on the legal recognition of certain documents by the government. It is a kind of property tax which needs to be paid to the government while a property is being sold. It is calculated on the market value or the agreement value whichever is higher and stamp duty charges vary from state to state.
- **Registration Fee**
The registration fee is additional to the stamp duty charges. Registration fee needs to be paid to get the property transferred and registered in your name. The fee is either 1% of the market value or the agreement value, whichever is higher, however, subject to a maximum amount of Rs. 30,000. This fee is different in different states.
- **Title**
Title is the legal way of saying you own a right to something. Title refers to ownership of the property, meaning that you have the rights to use that property. It may be a partial interest in the property or it may be full. However, because you have title, you can access the land and potentially modify it as you see fit. Title also means that you can transfer that interest or portion that you own to others. However, you can never legally transfer more than you own.
- **Execution**
After the preparation of sale deed it is executed when all the parties involved like seller, buyer and witnesses sign or make thumb impressions on the document.

- **Registration**
To make a sale valid, a sale deed needs to be registered under Registration Act, 1908 and this can be done in the sub registrar's office in presence of both the parties.
- **Proof of Registration**
The certified copy of the registered lease deed with the name of the buyer can be obtained from the registrar's office which will act as a proof of registration.
- **Sale Price**
The price of the property agreed upon by both, the seller and the buyer.
- **Mode of Payment**
How the payment for the transaction is being made like through cash, cheque or online transfer etc.
- **Sale agreement**
It is an agreement between buyer and seller which clearly mentions details about the price agreed upon for the property and details of buyer and seller.

MCQ

1. Sale deed is implemented by

- a. Registration Act of India
- b. TPA
- c. stamp duty Act
- d. none of the above

2. Sale deed means

- a. a legally binding document specifically made to transfer the right
- b. a legally binding document specifically made to transfer the title
- c. a legally binding document specifically made to transfer ownership
- d. all the above

3. Subject matter of sale deed

- a. property
- b. moveable property
- c. immovable property
- d. all the above

4. sale deed is executed by

- a. only seller
- b. only buyer
- c. both seller and buyer
- d. seller, buyer and witness

5. minimum number required of witnesses for sale deed

- a. one
- b. two
- c. three
- d. four