BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT
DATED : 16.11.2017
CORAM :

THE HONOURABLE MR.JUSTICE G.R.SWAMINATHAN

C.M.A.(MD)Nos.748 to 753 of 2017
and
C.M.P.(MD).Nos.8050 to 8061 of 2017
and
C.M.P.(MD).Nos.9397 to 9402 of 2017

M/s.S & P New Age Promoters Private Limited,
Represented by its Managing Director S.Prabakar,
Door No.3,
Matley Road,
T.Nagar,
Chennai-600 017. ... Appellant in CMA(MD).Nos. 748,749 and 751 of 2017

M/s.S & P Real Estate Private Limited,
Represented by its Managing Director S.Prabhakar,
Door No.27V,
New Door No.38,
Madley Road,
T.Nagar,
Chennai-600 017. ... Appellant in CMA(MD).No.750/ 2017

M/s.S & P Land Base Private Limited,
Represented by its Managing Director S.Prabhakar,
Door No.27V,
New Door No.38,
Madley Road,
T.Nagar,
Chennai-600 017. ... Appellant in CMA(MD).No.752/ 2017

1.M/s.S & P Apartments and Villas Private Limited,
Represented by its Managing Director S.Prabakar,
Door No.27V,
New Door No.38,
Madley Road,
T.Nagar,
Chennai-600 017.

2.M/s.CCI Infrastructure Private Limited,
Represented by its Managing Director S.Prabakar,
Door No.27V,
New Door No.38,
Madley Road,
T.Nagar,Chennai-600 017.

3.M/s.S & P Real Estate and Infrastructure(Chennai) Private Ltd,
Represented by its Managing Director S.Prabakar,
Door No.27V,
New Door No.38,
Madley Road,
T.Nagar, Chennai-600 017.

4.M/s.S & P Housing Developers Private Limited,
Represented by its Managing Director S.Prabakar,
Door No.27V,
New Door No.38,
Madley Road,
T.Nagar,
Chennai-600 017. ... Appellants in CMA(MD).No.753/ 2017

Vs.

1. The Chief Controlling Revenue Authority,
Inspector General of Registration,
Santhom Road,
Chennai-28.

2. The Special Deputy Collector,
Virudhunagar.

3. The District Registrar (Administration),
Virudhunagar.

4. The Sub Registrar/Registering Authority,
Sathur Sub Register Office,
Sathur,
Virudhunagar District.

5. The Deputy Inspector General of Registration,
Madurai. ... Respondents in all cases

Common Prayer: Appeal filed under Section 47(10) The Indian Stamp Act, 1899 r/w Rule 9 (5) (a) of the Tamilnadu Stamp (Prevention of under Valuation of Instruments) Rules, 1968, to allow the appeal by setting aside the order Na.Ka.No.7662/N4/N3/2016, Na.Ka.No.7663/N4/N3/2016-1,Na.Ka.No.7663/N4/N3/2016-2, Na.Ka.No. 7663/N4/N3/2016-3,Na.Ka.No.7663/N4/N3/2016-4, Na.Ka.No.7663/N4/N3/2016-5 respectively dated 14.03.2017 passed by the first respondent.

For Appellant (in all cases) : Mr.V.Meenakshisundharam for Mr.K.S.Giri Prasath

For Respondents (in all cases) : Mr.D.Muruganantham Additional Government Pleader

COMMON JUDGMENT

These appeals have been filed by the purchasers of lands in Pothireddiapatti and Ovanayakanpatti villages. A number of documents were executed and registered in favour of the appellant company. It is admitted that the lands have been classified as Punja in the revenue records. The documents were presented for the registration before the Sub Registrar, Sattur, on different days. The documents were registered. But the Sub Registrar referred the documents under Section 47 (A) (5) on the ground that there has been under-valuation. The formalities prescribed under the said provision were of course followed. Necessary notices were sent to the appellants. The appellants replied that the correct market value has been shown in the documents and that there has been no under-valuation. The Special Deputy Collector (Stamps), Virudhunagar, however chose to go by the valuation set out in the market value guidelines register. The valuation was made on square foot basis and not on cent or an acreage basis. Accordingly orders were passed, calling upon the appellants to pay the deficit stamp duty.

2.Aggrieved by the same, the appellants preferred appeals under Section 47 (A) (5) of the Act, before the Chief Controlling Revenue Authority. The Chief Controlling Revenue Authority, however, confirmed the valuation made by the Special Deputy Collector (Stamps), Virudhunagar and dismissed the appeals by the orders impugned in these appeals. Aggrieved by the same, these batch of appeals have been filed.

3.Heard the learned counsel appearing for the appellants as well as the learned Additional Government Pleader appearing for the respondents.

4.Mr.Meenakshisundaram, learned counsel, appearing for the appellants, drew my attention to the fact that even in the impugned orders passed by the 1st respondent, it has been mentioned that the lands in question are situated at a distance of 3.5 kilometres from the Sathur Sub Registrar Office. The lands are purely agricultural in character. The road facilities are not good. The lands are surrounded by punja lands. There are no basic amenities. There is one village by name, Mullicheval, located at a distance of three kilometres. The nearest residential hamlet is also located at the distance of 8 kilometres from the land in question. It has also been stated in the report submitted by the department that there is a very little possibility of the lands getting converted into house sites in future. Even though, the report submitted by the District Registrar is squarely in favour of the appellants, the Chief Controlling Revenue Authority chose to discard the said report and come to the conclusion that the valuation fixed by the Special

Deputy Collector is correct.

5.All that, learned Additional Government Pleader appearing for the respondents would submit in support of the impugned order is that Mullicheval village residential hamlet is situated at a distance of three kilometres and that the transaction has a commercial motive and that a large extent of land has been purchased. Since there is no irrigation facility, there is no possibility of agricultural activities from being carried on. Still, there is a possibility of lands being plotted out in future for residential purpose.

6.This Court has in more than one decision held that the possibility of future development cannot be a ground to discard the valuation set forth in the document in question. There is absolutely no material for the first respondent to take the view that true value has not been set forth in the document.

7.The learned Additional Government Pleader appearing for the respondents would submit that following the statutory amendments made in the Stamp Act, the Valuation Committee was constituted and that the said Committee had finalised the market value guidelines Registrar. The Registering Authorities have merely gone by the said valuation. While the said valuation made by the Valuation Committee constituted under Section 47(A)(5) is binding on Registering Authorities, it is open to the appellants to assail the same. In the present case, the question is whether there was any material before the Registering Authority to show that the appellants have indulged in under valuation. I am of the view that there is absolutely no such material. On the other hand, there is internal evidence in the impugned orders itself but also to suggest that the appellants have correctly valued the transaction in question.

8.The orders impugned is these appeals are set aside. These Civil Miscellaneous Appeals are allowed accordingly. No costs. consequently, connected miscellaneous petitions are closed.

Sd/-
Assistant Registrar(CO)

/True Copy/

Sub Assistant Registrar

To

1. The Chief Controlling Revenue Authority,
   Inspector General of Registration,
   Santhom Road,
   Chennai-28.

2. The Special Deputy Collector,
   Virudhunagar.

3. The District Registrar (Administration),
   Virudhunagar.

4. The Sub Registrar/Registering Authority,
   Sathur Sub Register Office,
   Sathur,
   Virudhunagar District.

5. The Deputy Inspector General of Registration,
   Madurai.

6. The Record Keeper,
   Vernacular Section,
   Madurai Bench of Madras High Court,
   Madurai.

+ 1 cc TO Mr.K.S.Giri Prasath , Advocate in SR No. 87735
+ 1 cc TO The Special Government Pleader in SR No. 88232

tsg
AE/SKN RSK/SAR1/08.12.2017/5P/9C

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and
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