IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 16.03.2021

CORAM :

THE HONOURABLE MR. JUSTICE S.M. SUBRAMANIAM

C.M.A.No.2313 of 2019
and C.M.P.No.10373 of 2019

M/s.Unimech Industries Pvt. Ltd.,
Represented by its Director Arjun Mahesh,
"UR" House, No.1056-C, 2nd Floor,
Avinashi Road,
Coimbatore. ... Appellant

Vs.

1.The Chief Controlling Revenue Authority
and Inspector General of Registration,
Chennai - 600 028.

2.The District Revenue Officer (Stamps),
Coimbatore.

3.The Sub-Registrar,
Madukkarai, Coimbatore. ... Respondents

Prayer : Civil Miscellaneous Appeal filed under Section 47-A(10) of the Indian Stamp Act, 1899, to set aside the order dated 08.10.2018 passed by the 1st respondent in Na.Ka.No.2534/N2/2015 and the order passed by the 2nd respondent in his proceedings No.777/C/2014 dated 25.11.2014 and direct the 3rd respondent to return the document No.1956/2012 forthwith.

For Appellant : Mr.M.A.Mudi Mannan

For Respondents : Mr.T.M.Pappiah
Special Government Pleader

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J U D G M E N T

The order impugned dated 08.10.2018 passed by the Chief Controlling Revenue Authority under Section 47-A(5) of the Indian Stamp Act, 1899, is under challenge in the present Civil Miscellaneous Appeal.

2.The appellant raised an objection by stating that Rule 7 of the Tamil Nadu Stamp (Prevention of Undervaluation of Instruments) Rules, 1968, deals with final order determining

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market value. As per the above said Rule, the Collector shall, after considering the representations received in writing and those urged at the time of hearing or in the absence of any representation from the parties concerned or their failure to appear in person at the time of hearing in any case, after careful consideration of all the relevant factors and evidence available with him, pass an order within three months from the date of first notice. Relying on the said Rule 7, the learned counsel for the appellant reiterated that, in the present case, the period of three months was violated, and therefore, the order is liable to be set aside. It is contended that the issue is pending before the Hon'ble Division Bench of this Court and the appellant has got fair chance of success. In this regard, the Hon'ble Supreme Court of India in the case of *Inspector General of Registration, Tamil Nadu and others v. K.Baskaran* in *Civil Appeal No.2586 of 2020* delivered a judgment on 15.06.2020 and the said Rule was elaborately considered by the Hon'ble Supreme Court of India. The Hon'ble Mr. Justice Uday Umesh Lalit, speaking for the Bench, in unambiguous terms, has held as under :

> *"We, therefore, hold the fixation of timeline of three months in Rule 7 to be purely directory. In the premises, the conclusion by the High Court holding the said provision to be mandatory is set aside, and no benefit on that ground can accrue to the Respondents."*

3.In view of the judgment of the Hon'ble Supreme Court of India, the ground raised in this regard deserves no merit consideration. When the Hon'ble Supreme Court of India held that the time limit prescribed in the said Rule is directory and not mandatory, then the ground raised in this regard deserves no merit consideration, and accordingly, stands rejected.

4.The learned counsel for the appellant contended that the notice in Form-1 enabling the appellant to submit objections was not followed. The enquiry was not conducted with reference to the documents and materials available on record. No inspection was conducted after issuing notice to the appellant. Thus, the said grounds are to be considered.

5.The fact remains that the appellant registered the sale deed in Document No.1956 of 2012 dated 30.03.2012. Admittedly, the appellant is M/s.Unimech Industries Private Limited and running factory in the subject property. The District Revenue Officer (Stamps), Coimbatore, fixed the market value of the property as Rs.200/- per sq.ft. The District Registrar (Administration), Coimbatore, recommended a sum of Rs.115/- per sq.ft. With these documents, the Inspector General of Registration considered the factors and the materials available on record and finally arrived at a conclusion that the

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appropriate market value would be Rs.85/- per sq.ft. The 1st respondent has considered the classification of the property and further, the appellant is running a factory in the subject property. Thus, the procedures contemplated under Rule 5 of the Tamil Nadu Stamp (Prevention of Undervaluation of Instruments) Rules, 1968, regarding classification and other factors which influence the value of the land in question, value of the adjacent lands or the lands in the vicinity were considered by the 1st respondent for determining the market value of the subject property. Mainly, the 1st respondent considered the fact that the subject property is situated near Karpagam University which is 6 km from the Madukkarai Sub-Registrar's Office. It is in Seerapalayam-Malumichampatti Road and a factory is functioning in the subject property. Considering all these factors, the market value is determined.

6.The Court is not competent to determine the market value of the subject property as it is not an expert body. However, the Courts are bound to find out whether the process through which such determination was made is in accordance with the principles as well as under the provisions of the Statute and Rules. Thus, the scope of interference by the Courts in the matter of determination of market value is limited and to the extent of scrutinizing the process through which such determinations are made. In the present case, the guiding factors were considered and the prevailing situation as well as the nature of the property were also taken into consideration. A factory is functioning in the said property and the 1st respondent himself has granted concession by fixing the market value as Rs.85/- per sq.ft., which is lesser than the fixation done by the District Revenue Officer (Stamps) as well as the recommendation of the District Registrar (Administration).

7.This being the factum established, this Court do not find any acceptable ground for the purpose of interfering with the order impugned. Accordingly, the impugned order dated 08.10.2018 passed under Section 47-A(5) of the Indian Stamp Act stands confirmed. Consequently, the Civil Miscellaneous Appeal is dismissed. No costs. Connected miscellaneous petition is closed.

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Sd/-
Assistant Registrar(CS VII)

//True Copy//

Sub Assistant Registrar

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To

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and Inspector General of Registration,
Chennai - 600 028.

2.The District Revenue Officer (Stamps),
Coimbatore.

3.The Sub-Registrar,
Madukkarai, Coimbatore.

+1cc to the Government Pleader, S.R.No.17572

C.M.A.No.2313 of 2019

SS(CO)
KM(19/04/2021)

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