IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED: 10-07-2025

CORAM

THE HONOURABLE MRS.JUSTICE T.V.THAMILSELVI

CMA No. 1495 of 2023
AND
CMP NO. 15276 OF 2023

1. P.Premalatha
W/o.Mr.K.Srinivasan, Ground Floor,
Rear Building, 119/92, South West
Boag Road, T.Nagar, Chennai 600 017.

2. K.Srinivasan
S/o.Late Shri Krishnasamy, Ground
Floor, Rear Building, 119/92, South
West Boag Road, T.Nagar, Chennai 600
017.

Appellant(s)

Vs

1. The Chief Controlling Revenue
Authority Cum Inspector General Of
Registration
NO.100, Santhome High Road,
Chennai 600 028.

2.The District Revenue Officer(Stamps)
Office of the District Collectorate,
Singaravelar Maaligai, 5th Floor, 32,
Rajaji Salai, Chennai 600 001.

3.The Sub Registrar
T.Nagar, Anna Salai, Fanepet,
Nandanam, Chennai 600 035.

Respondent(s)

CMA No. 1495 of 2023

PRAYER

To set aside the impugned order Na.Ka.En.5237/N1/2016 dated 12.05.2023 passed by the 1st Respondent and consequently direct the 3rd Respondent to remove all the endorsements and charge entries pertaining to the proceedings Under Section 47A made in the encumbrance register and as well as in the Sale Deed dated 03.08.2015 registered as Document No.1964/2015.

CMA No. 1495 of 2023

For Appellant(s): Mr.Ar.Ramanathan For Mr.S.Nagarajan

For Respondent(s): Mr.C.Sathish Govt. Advocate

JUDGEMENT

This appeal has been filed to set aside the impugned order Na.Ka.En.5237/N1/2016 dated 12.05.2023 passed by the 1st Respondent and consequently direct the 3rd Respondent to remove all the endorsements and charge entries pertaining to the proceedings Under Section 47A made in the encumbrance register and as well as in the Sale Deed dated 03.08.2015 registered as Document No.1964/2015.

2. The brief facts of the case:

The appellants herein had jointly availed a housing loan with ICICI bank, Ltd., to purchase a 22 year old residential Flat measuring 609 square feet together with 600 square feet of undivided share of land with right of way in the 10 feet common passage leading from the South West Boag Road to the said flat, situated at 119/92 South West Boag Road, T.Nagar, Chennai – 600 017(for the sake of convenience hereinafter it referred to as Subject Flat) for a valid sale consideration of Rs.48,00,000/- and registered the same on 03.08.2015 as Document No. 1964/2015 in the office of Sub-Registrar, T. Nagar/third respondent herein, in their joint name. A Sum of Rs.3,36,000/- was paid as stamp duty and a sum of Rs.48,000/- was collected as registration fee by the Sub Registrar, T.Nagar, as per the guideline values revised with effect from 01.04.2012. Thereafter, on 03.08.2015, when the document for registration, the third respondent herein/SRO, T.Nagar has insisted to pay the stamp duty based on the purported revised guideline value but the second appellant herein refused to accept it as there was no news either from the Government or Newspapers and even in the registrations department's website about the revision of guideline value between 01.04.2012 and 08.06.2017. Subsequently, he requested the third respondent herein to refer the document under section 47A of the Indian Stamp Act, before the second respondent herein and based on the request, the third respondent forwarded the documents to the the second respondent herein as contemplated under Section 47A of the Indian Stamp Act, read with 1968 Rules. Thereafter, the second respondent issued a demand notice to the appellants in Form - I Na. Ka. En. 4/15/A1/2015 dated 13.08.2015 demanding a sum of Rs.1,26,000/- to be paid as deficit stamp duty. Upon receipt of the demand notice, the appellants filed the detailed objection, Consequently, on 17.08.2016, the second respondent provisionally fixed the land cost of Rs.9,000/- per square feet and thus has provisionally demanded a deficit stamp duty of Rs.94,500/- vide Form -II Ci. Pa. En. 4/15/A1 dated 17.08.2016 and thereafter final order was passed in Na. Ka. Aavana. En. 1964/15 dated 04.10.2016, by confirming the earlier provisional demand of Rs.94,500/-. Aggrieved by the final order in Na.Ka. Aavana. En. 1964/15 dated 04.10.2016 the appellants herein filed an appeal before the first respondent under Section 47(A) (5) of the Indian Stamp Act and Rules 11-A and 12 of the Tamil Nadu

Stamp (Prevention and Undervaluation of Instruments) Rules, 1968. In the said appeal, by an order dated 12.05.2023 in Na. Ka. En. 52737/N1/2016, the first respondent fixed land value of Rs.10,000/- per square feet. Challenging the impugned order dated 12.05.2023, the appellants preferred this appeal.

3. The learned counsel for the appellants submits that the Government has not made any policy decision to revise the guideline value throughout the State between the period 01.04.20122 and 07.06.2017 and has not appointed any Valuation committee and Valuation Sub Committee as required under Section 47-AA(1) and 47-AA(2) Of the Indian Stamp Act, during such period, In such absence of such committees, the so called purported revision order by the first respondent is perse illegal and vodi-ab-initio. Further, the guideline value ought to be published in the local newspapers and also on the notice board of important officer, which is mandate under Rule 4(2) of the Tamil Nadu Stamp Rules, 2010. But, in the present purported revision has not been followed any of the above and blindly increased the guideline value for the whims and fancies of the respondents. Even, to date, the public has not been properly informed about the revision which was said to have been implemented with effect from

01.07.2015. Further, there was no policy decision of the Government of Tamil Nadu for revision of the guideline values of the properties all over the State, after last revision effected from 01.04.2012. Still the Registration department's web portal shows that Guideline Values in respect of all areas in Tamil Nadu between the periods 01.04.2012 and 08.06.2017. No piece of evidence available to date about the purported revision with effect from 01.07.2015. So, in the absence of the Government's policy decision, the registration department has no power to increase the guideline values of the properties without adopting the procedures laid down under Section 47A of the Stamps Act. Hence, the fixation of land value of Rs.10,000/- per square feet and Rs.7,50,000/- towards building value by the first respondent is arbitrary erroneous and against the provisions of Stamp Act. Further, before fixing the building valuation there was no opportunity was given to the appellants. However, based on the inspection dated 09.02.2016, the respondent fixed the building value.

4. It is submitted that the subject flat is not situates on the road as it is 100 feet far away from the main road and moreover, the rear side there is a 70 years old building. Accessing the subject property only through the 10 feet common

passage, in which, the appellants having only right of way and there is no possibility either to park or to use the car on the common passage. The subject property is 22 years old building at the time of purchase and has no further resale value. Further, the subject property has no frontage and it as the rear end of the larger property. Guideline value for the property on the main road and the subject flat, which is at rear end without any frontage, cannot be one and the same. Therefore, the purported revision of guideline value of land with effect from 01.07.2015 and the building value assessed by the respondents are arbitrary, illegal and unsustainable in the eye of law. Hence, he prays to set aside the impugned order dated 12.05.2023 in Na. Ka. En. 52737/N1/2016, passed by the first respondent herein.

5. On the other side, the learned Government Pleader appeared for the respondents submit that after due inspection was made by the the second respondent in the subject property and also Guideline for the subject property was fixed Rs.10,000/- per square feet. Hence, as per the guideline value dated 30.06.2015, Rs.10,000/- was fixed per square feet, after that only the appellants purchased the subject property. Therefore, the appellants are bound by the

guideline value. Thereby, the first respondent passed the order on 12.05.2023 as such is well reasoned one. Hence, he prays to set aside this appeal as no merits.

6. On perusal of the records, it reveals that the appellants herein purchased the subject property, which is 22 years old for a value consideration of Rs.48,00,000/- and registered on 03.08.2012 in Document No. 1964/2015 in the third respondent officer in their joint name and sum of Rs.3,36,000/- was paid as stamp duty and Rs.48,000/- was collected as registration fee. When the document was presented for registration on 03.08.2015, the third respondent insisted to pay the stamp duty based on the revised guideline value but the appellants herein refused to accept it as there was no news either from the media or newspapers and even in the registration department's website about the revision of guideline value. The contention of the appellants is that they paid the stamp duty for the entire sale consideration and registration charges as per the guideline values revised with effect from 01.04.2012 and thereafter, the Government has not made any policy decision so far as to revise the guideline value throughout the State and also the Government has not appointed Valuation committee and Valuation sub committee as required under Section 47-AA(1)

and 47-AA(2) of the Indian Stamp Act. Therefore, the demand made by the respondents for the amount more than that of the actual sale consideration is wholly illegal and highly arbitrary and contrary to the established principles of law and to support his argument the learned counsel for the appellants submit that the Act alone prevail over the Rules, and Internal Circulars in Government Department. Therefore, the revision of guideline value without proper public notice as such is against the statute and liable to be set aside. Further, he contended that without constituting the valuation committe as required under Section 47-AA(1) and (2) of the Act, the revision made by the authorities concerned dated 24.07.2015 is unsustainable in law. Further, he contended that the revision of guideline value should be published in the local newspaper but in the present case the authorities has not followed any of the above procedures as required under Stamp Act blatantly increased the guideline value as such is illegal. Therefore, the order passed by the first respondent by fixing guide line value of the subject property as Rs.10,000/- per square feet is liable to be set aside. Further, the subject property is more than 22 years old situates on the road as it is 100 feet far away from the main road and moreover, on the rear side there is 70 years old building. Accessing the subject property only through the 10 feet common passage in which the appellants having only right of way and there is no possibility either to park or to use the car on the common passage. Further, it has no resale value, which has no frontage. Further, the appellants filed the RTI reply sent by the third respondent, wherein it is mentioned that Guideline value with effect from 01.07.2015, for the South West Boag Road, T. Nagar, for Resident Class II Type II is Rs.7,000/- square feet and for Residential Type Special I is Rs.10,000/-. Admittedly, the appellants purchased the property on 03.08.2015 after the alleged revision of the guideline valute but considering the fact that nature of the subject property is 22 years old Residential flat measuring 600 square feet altogether with 600 feet undivided share of land with 10 feet common passage, which is 100 feet far away from South West Boag Road and it has no car parking and building has no further resale value and it has no frontage. Certainly which comes under the category of Residential Class II Type II. Therefore, the guideline value for the subject property is Rs.7,000/- per square feet not Rs.10,000/- per square feet, since the subject property does not falls under the category of Residential Type Special I.

7. Even on perusal of the impugned order passed by the second respondent, wherein he admits that subject building was situated 1Km far from the main road, only 10 feet available for passage and there is no air circulation nor it is special type category. Therefore, the report of the second respondent proves that subject property would not come under the category of Residential Special Type I, which falls under Residential Class II Type II. Thereby, the first respondent passed the order without appreciating the above aspects as such is illegal and liable to be set aside. Accordingly, the impugned order dated 12.05.2023 in NA. Ka. En. 5237/N1/2016 is hereby set aside and 3rd Respondent is directed to remove all the endorsements and charge entries pertaining to the proceedings Under Section 47A made in the encumbrance register and as well as in the Sale Deed dated 03.08.2015 registered as Document No.1964/2015. Since, the appellants had already paid a Rs.7,000/- per square feet, there is no further amount required to be paid.

8. In the result, this Civil Miscellaneous appeal is allowed. No Costs. Pending petition(s), if any, is/are closed.

10-07-2025

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Index:Yes/No
Speaking/Non-speaking order
Internet:Yes
Neutral Citation:Yes/No

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To

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Authority Cum Inspector General Of
Registration
NO.100, Santhome High Road,
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2.The District Revenue Officer(Stamps)
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T.Nagar, Anna Salai, Fanepet,
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4. The Section Officer, V.R Section,
High Court, Madras.

T.V.THAMILSELVI J.

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