IN THE HIGH COURT OF JUDICATURE AT MADRAS

DATED : 06.02.2025

CORAM :

THE HONOURABLE **MR.JUSTICE N.ANAND VENKATESH**

Writ Petition No.31710 of 2024

K.Sridar Babu .... Petitioner
(Senior Citizen)

-Vs-

1.The District Collector
O/o.The District Collector
Tiruvallur District
First Floor, Collectorate
Tiruvallur-602001.

2.The Tahsildar
O/o.The Tahsildar Ponneri
Ponneri Taluk
TV Puram 601204.

3.The Inspector General Registration
Office of the Inspector General of Registration
100, Kamarajar Salai
Mylapore, Chennai 631501.

4.The Sub Registrar
Arani SRO, Periyapalayam Road
Arani-600 069
Tiruvallur District.

5. The District Registrar
Tiruvallur. ..Respondents

(R5 suo motu impleaded as the 5th respondent in this writ petition)

Prayer : Writ Petition under Article 226 of the Constitution of India praying for the issuance of a Writ of Mandamus, direction to the respondents to inspect and reassess the guideline value for the survey number 866/4A admeasuring an extent of Acres 0.50 cents, situated at Chinnambedu 2 Village, Ponneri Taluk, Tiruvallur District and consider the petitioner's representation made to the respondents dated 15.05.2024.

For Petitioner : Mr.P.M.Bakthavatsalam

For Respondents : Mr.B.Vijay
Additional Government Pleader
for R1 to R5

ORDER

This writ petition has been filed for the issue of a writ of mandamus, directing the respondents to reassess the guideline value for the subject property in Survey No.866/4A measuring an extent of 0.50 cents situated at Chinnambedu 2 Village, Ponneri Taluk, Tiruvallur District, based on the representation made by the petitioner on 15.05.2024.

2.Heard Mr.P.M.Bakthavatsalam, learned counsel for the petitioner, Mr.B.Vijay, learned Additional Government Pleader for R1 to R5.

3.The grievance of the petitioner is that except the subject property, the guideline value of all the other adjacent properties has been properly fixed and hence, the petitioner made a representation for reassessing the guideline value.

4.The issue that is involved in the present writ petition was dealt with by this Court in ***Mrs.Anita Thomas and Others .Vs. The Inspector General of Registration and Others*** reported in ***2024 (5) CTC 76.*** The relevant portions are extracted hereunder:

23. It is relevant to note here that as per the provisions under the Indian Stamp Act, 1899, guideline value of a property could be fixed only in accordance with law. By Act 13 of 2008, the State of Tamil Nadu inserted Section 47-AA to the Indian Stamp Act 1899. The said provision came into effect w.e.f. 01.06.2010 which reads as follows:-

"47-AA. Constitution of Valuation Committee.– (1) The State Government shall, by notification, constitute a Valuation Committee under the Chairmanship of Inspector-General of Registration and such other member as may be specified for estimation, publication and revision of market value guidelines of properties in any area in the State at such intervals and in such manner as maybe prescribed, for the purpose of Section 47-A.

(2) The Valuation Committee is the final authority for the formulation of policy, methodology and administration of the market value guidelines in the State and may, for the said purpose, constitute valuation sub-committee in each district comprising of such members as may be prescribed, for estimation and revision of the market value guidelines. (3) The sub-committee so constituted shall function under the Valuation Committee and shall follow such procedures as may be prescribed and shall be subject to reconstitution whenever found necessary."

24. The above provisions would make it clear that fixation of market value guidelines and revision of market value guidelines of properties shall be done only by the Valuation Committee. As provided under sub-section (2) of Section 47-AA, the Valuation Committee may constitute valuation subcommittee in each district comprising of such members as may be prescribed, for estimation and revision of the market value guidelines.

25. Rule 3 of The Tamil Nadu Stamp (Constitution of Valuation Committee For Estimation, Publication And Revision of Market Value Guidelines of Properties) Rules, 2010 deals with constitution of sub-committee which reads as under:- 3. Constitution of valuation sub-committee.—

(1) The Valuation Committee may constitute valuation sub-committee in each revenue district for the purpose of estimation and revision of the market value guidelines of the properties consisting of the following members.—

(i) District Collector - Chairman;

(ii) District Revenue Officer;

(iii) Deputy Inspector General of Registration;

(iv) District Registrars of the Concerned Registration district;

(v) District Registrar of the Head Quarters of the concerned revenue district-Secretary; (vi) Assistant Director of Town Panchayats;

(vii) Assistant Director of Panchayats;

(viii) Regional Director of Municipalities and

ix) Representatives of local bodies

(2) The office of the valuation sub-committee shall be located in the office of the District Collector and he is responsible to oversee the administration of the valuation sub-Committee. The District Registrar of the concerned revenue district shall deal with the correspondence and is also responsible for the compilation of the data relating to the market value of the properties, in accordance with the decision of the valuation sub-committee."

26. Rule 3 thus makes it mandatory that sub-committee shall consist of all nine members under the Chairmanship of the District Collector concerned.

27. Rule 5 provides guidelines for the estimation of the market value by Valuation Sub-Committee which reads as under:-

"5. Guidelines for the estimation of the market value by the valuation sub-committee.—Each valuation sub-committee shall prepare the statement showing average rates of agricultural and nonagricultural lands, residential, commercial and industrial sites in the sub-district and municipal or local body area, considering the following general guidelines: —

(1) (a) In the case of lands other than house sites–

(i) Classification of land as dry, garden, wet and the like;

(ii) Classification under various classes of soil in the survey records;

(iii) Other factors which influence the valuation of the land in question; (iv) Value of adjacent land or lands in the vicinity;

(v) As far as practicable the nature of crop and average annual yield from the land for five consecutive years till the

determination and nearness to road and market, distance from village site, its location in general, level of land, transport facilities, facilities available for irrigation such as tanks, well and pumpsets.

(b) In the case of house sites –

(i) The general value of house site in the locality;

(ii) Nearness to road, railway station, bus route;

(iii) Nearness to market, shops and the like;

(iv) Amenities available in the place like public offices, hospitals and educational institutions;

(v) Development activities, industrial improvements in the vicinity;

(vi) Land tax and valuation of sites with reference to taxation records of the local authorities concerned;

(vii) Any other features having a special bearing on the valuation of the site;

(viii) Any other special features like borewell in addition to public water supply, lawn, garden and swimming pool.

(c) Properties other than lands, house sites and buildings —

(i) The nature and conditions of the property;

(ii) Purpose for which property is being put to use; and

(iii) Any other special features having a bearing on the valuation of the property.

(2) (a) The value of agricultural lands may be classified as dry, wet or garden, generally and nearness to the village may be considered for fixing the rates to each class.

(b) The rate for the lands with coconut or arecanut

plantations may be estimated as garden lands instead of land plus number of trees.

(c) Data provided by the concerned Superintending Engineers of the Public Works Department shall be the norm for valuation of buildings.

(d) All the market value guidelines statements approved by the valuation sub-committee are public records and shall be preserved as permanent records in the Office of the concerned District Registrar."

28. The above rule would make it further clear that before fixing the market value guidelines various factors have to be taken note of. In the case of house sites, general value of house site in the locality; nearness to road, railways station, but route, nearness to market, shops and the like; amenities available in the place like public offices, hospitals and educational institutions; development activities, value of the adjacent lands or lands in the vicinity; and several other factors have to be considered and taken into account.

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38. Though there is no dispute regarding the settled position of law which the learned senior counsel has presented before the court , the facts remain that market value has to be fixed taking to consideration of various factors including documents and evidence and in terms of guidelines set out under rule 5 of the Tamil Nadu Stamp (Constitution of Valuation Committee For Estimation, Publication And Revision of Market Value Guidelines of Properties) Rules, 2010. In such view of the *aspect of the matter, this court is of the view that merely based on the documents filed before this court in the form of typed-set of papers, it may not be proper for this court to assume the role of the sub-committee or Collector to determine the market value of the properties.*

39. In view of the foregoing discussions, writ petitions succeed and the orders impugned in the writ petitions are liable to be set aside. Though a reference made under Section 47-A of the Indian Stamp Act, 1899 is found to be not valid in the eye of law, now directing the sub-committee to fix the new market value guideline for the properties which are subject matter in the deed of exchange in the considered opinion of this court would not serve any purpose at all as the market value guidelines are not the actual market value. The guideline value is only a guiding factor and it cannot be the real value or in other words, the guideline value fixed by the registration department is not final but only a prima facie rate prevailing in an area. The term "market value" has not been defined in the Indian Stamp Act, 1899. It is, however, settled law that 'market value' of the property shall be estimated to be the price which such property would have fetched or would fetch if sold in the open market on the date of execution of any instrument. The guideline value fixed by the registration department, as already stated, is not final it is only a prima facie rate prevailing in an area. It is always open to a person seeking registration of a instrument to prove actual value of the property in the particular area which is the subjectmatter of such instrument. The guideline values fixed and supplied to registration department were intended merely to *assist them to ascertain prima facie whether the market value has been truly set forth in the instrument. The guideline values of the properties cannot be taken as substitute for market value or the guideline values will not foreclose the enquiry of the Collector under Section 47-A of the Act. The guideline value are prepared based on data gathered broadly with reference to classification of lands, grouping of lands and the like. Therefore, the guideline value fixed by the authorities cannot be held to be the exact market value.*

5.It is clear from the above judgment that insofar as re-fixing of the guideline value, the same has to be done only in accordance with the Tamil Nadu Stamp (Constitution of Valuation Committee for Estimation, Publication and Revision of Market Value Guidelines of Properties) Rules 2010.

6.In view of the same, this Court is inclined to suo motu implead the District Registrar, Tiruvallur as the 5th respondent in this writ petition and Mr.B.Vijay learned Additional Government Pleader takes notice on behalf of the impleaded 5th respondent.

7.There shall be a direction to the 5th respondent to place the grievance expressed by the petitioner through representation dated 15.05.2024, before the Sub Committee constituted under Rule 3 which shall reassess the guideline value for the subject property and take a decision within a period of three months thereafter. The petitioner shall be put on notice and the petitioner will be permitted to furnish all the relevant documents relied upon by the petitioner.

8.This writ petition is disposed of with the directions. No costs.

06.02.2025

Index : Yes/No
NCS : Yes/No
KP

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N.ANAND VENKATESH, J.

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