BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

DATED: 25.08.2025

CORAM:

THE HONOURABLE MRS.JUSTICE S.SRIMATHY

W.P(MD)No.783 of 2025
and
W.M.P(MD)Nos.506 & 507 of 2025

Riddhi Siddhi Cotex Private Limited,
Rep. by its Director Mr.Gopal Trilokchand Agarwal,
No.T-27, STPI, Chikalthana MIDC, CIDCO,
Aurangabad-431 003. ... Petitioner

Vs.

1. The Inspector General of Registration,
No.100, Santhome High Road,
Mullima Nagar,
Mandavelipakkam,
Raja Annamalaipuram,
Chennai - 600 028.

2. The Sub Registrar,
Vadamadurai Sub Registrar Office,
Dindigul Main Road,
Vadamadurai,
Dindigul - 624 802.

3. The Special Deputy Collector (Stamps),
Panagal Salai,
Near Anna Bus Stand,
Madurai - 625 020. ...Respondents

PRAYER : Writ Petition filed under Article 226 of the Constitution of India praying for issuance of a Writ of Certiorarified Mandamus, to call for the records of the 2nd respondent in respect of the Impugned Order in No. 523/2024/SRO/Vdm dated 25.11.2024 and quash the same and consequently issue direction to the Respondents to return the registered Document No. 6610/2022 dated 15.11.2022.

For Petitioner	: Mr.S.Lakshmi Narayanan
For Respondents	: Mr.G.Suriya Ananth, Addl. Govt. Pleader

ORDER

The present Writ Petition has been filed for the issuance of a Writ of Certiorarified Mandamus, to quash the Impugned Order in No. 523/2024/SRO/Vdm dated 25.11.2024 passed by the 2nd respondent and consequently issue direction to the Respondents to return the registered Document No. 6610/2022 dated 15.11.2022.

2. The brief facts are that the petitioner has purchased the property under auction sale by paying Rs.10,38,32,845/-. The petitioner has submitted the document for registration by paying stamp duty at 7% and registration fee is 4% of the sale consideration amount. However, the

respondent has referred the matter under 47A by stating that the sale eventhough was conducted under public auction, the market value has to be taken while fixing the stamp duty and registration fee.

3. The learned counsel for the petitioner have relied on the judgment rendered by this Court in ***Dr.R.Thiyagarajan v. Inspector General of Registration and others*** wherein it is stated the public auction conducted under SARFAESI Act will be granted the benefits under Article 18 of the Stamp Act. The relevant portion is as under:

> *"17. As per Article 18 of the Stamp Act, the purchaser of any property sold by a public auction by a Civil or Revenue Officer or Collector or other Revenue Officer, is liable to pay the stamp duty on the consideration mentioned in the Sale Certificate."*

The said judgment was passed by following the judgment of the Hon'ble Supreme Court reported in **2007 (5) SCC 745 *[B.Arvind Kumar v. Government of India and others.]***

4. The learned Additional Government Pleader appearing for the respondents however submitted that the benefit under Article 18 was granted only to the public auction conducted by Civil Court or Revenue

Court or Collector or any other Revenue Authority. The auction conducted under SARFAESI Act as under the Insolvency and Bankruptcy Code, 2016, same cannot be considered under Article 18 of the Stamp Duty.

5. After considering the rival submissions, this Court is of the considered opinion that the sale once conducted by the authorities under SARFAESI Act was considered as a public auction since the authorized officer is conducting the sale under the power of public authority. In the present case, the authority under Bankruptcy Code has conducted the sale since Bankruptcy Code authority is NCLT who is also considered as a Tribunal / Court. Therefore, Article 18 of the Stamp duty will come into operation. Therefore, the petitioner is entitled to the benefits under Article 18 of the Stamp Act. Therefore, the demand made by the respondents to pay the market value is an erroneous interpretation. Hence, the impugned order is quashed. The respondents are directed to register the document under Article 18 of the Stamp Act.

6. With the above observations, this Writ Petition is stands allowed. There shall be no order as to costs. Consequently, connected miscellaneous petitions are closed.

25.08.2025

NCC : Yes / No
Index : Yes / No
Internet : Yes
PJL

To

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S.SRIMATHY, J.

PJL

ORDER MADE IN
W.P(MD)No.783 of 2025

DATED : 25.08.2025