BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

DATED: 29.04.2025

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THE HON'BLE MR.JUSTICE V.LAKSHMINARAYANAN

W.P.(MD).No.13274 of 2025
and
W.M.P.(MD).No.9509 of 2025

R.Ramanathan,
Represented by his Power Agent/
Father, RM.Ramanathan. .. Petitioner

Vs.

1.The District Registrar,
O/o. the District Registrar,
Dindigul District.

2.The Sub Registrar,
O/o. the Sub Registrar,
Natham,
Dindigul District. .. Respondents

PRAYER: Writ Petition filed under Article 226 of the Constitution of India to issue a writ of Certiorarified Mandamus, calling for the records pertaining to the impugned order of the second respondent in refusal check slip no.RFL/Natham/1/2024 dated 07.03.2024 and quash the same and subsequently directing the second respondent to register the document presented by the petitioner dated 07.03.2024.

For Petitioner : Mr.S.Ramsundarvijayraj

For Respondents : Mr.P.T.Thiraviyam
Government Advocate

ORDER

The Writ Petition is filed challenging the impugned order of the second respondent in refusal check slip no.RFL/Natham/1/2024 dated 07.03.2024 and to direct the second respondent to register the document presented by the petitioner dated 07.03.2024.

2. The case of the petitioner is that the property situated in Survey No.227/1B1 of Pudur Village, Natham Taluk, Dindigul District belonged to one Disc Assets Promoters India Limited. The said Company was thereafter re-named as 'Disc Assets Lead India Limited'. The said Company had received several funds from the public and had defaulted in repayment. Hence, a Writ Petition came to be filed in W.P.No.8084 of 2017 by the investors. This Court, by order dated 11.10.2017, had appointed a retired District Judge, by name, Mr.S.Vanangamudy as an Administrator for the Company. Pursuant to the orders of this Court, the property was sold by the Administrator in favour of the writ petitioner on 20.06.2022. The sale certificate, that was issued, was filed in terms of Section 89 of the Registration Act on 24.01.2023.

3. A portion of the property was acquired by the National Highways Authority of India for the purpose of construction of a highway. At the time of payment of compensation, the petitioner appeared before the NHAI and also received compensation for the said property.

4. The petitioner's son executed a settlement deed in favour of the petitioner's daughter on 07.03.2024. The document was presented for registration, but a refusal check slip was issued demanding enhanced stamp duty for the sale certificate. Hence, this Writ Petition.

5. The Honourable Mr.Justice N.Sathish Kumar in ***Sri Balaji Fibre Vs. the Inspector General of Registration and others, W.P.Nos.415 of 2023 etc., batch dated 23.07.2024,*** had held as follows:

> *"78. The above provision makes it clear that the penalty of five rupees, or, if he thinks fit, an amount not exceeding ten times the amount of the proper duty or of the deficient portion thereof, whether such amount exceeds or falls short of five rupees can be levied. Imposing penalty is the discretion of the authority, however, the discretion has to be exercised judicially, it should not be based on other consideration. Admittedly, the petitioner has filed several writ petitions challenging the orders of authorities and finally contempt petition is also filed, the petitioner has also presented the document for registration of sale certificate. The impugned order is passed immediately after the filing of the contempt petition. Considering the above facts and circumstances, this Court is of the view that the discretion in imposing 10 times of penalty suffers from malafides. Though this order is revisable, considering the fact that this writ petition is heard along with other writ petitions, in order to give quietus, this Court exercising its power under Article 226 of the Constitution of India is inclined to reduce the penalty from 10% to 1%. Further, with regard to the stamp duty, as already discussed, with regard to registering the sale certificate 5% stamp duty has to be paid on the purchase money apart from 1% registration fees.*

Accordingly, the impugned order is modified to the extent i.e., 1% registration fees, 5% stamp duty and 1% penalty, payable by the petitioner."

6. Respectfully following the said judgment, the impugned order is quashed. Despite the vehement objections of Mr.P.T.Thiraviyam, as I am following the settled position of law, there shall be a direction to the second respondent to register the settlement deed and release the same within a period of two (2) weeks from the date of receipt of a copy of this order.

7. In any event, the amendment to Section 4-A of the Stamp Act cannot be given retrospective effect. It had come into force on 23.03.2023, whereas, the sale certificate of the petitioner had been filed on 23.01.2023. Hence, even on that score, the impugned order cannot be sustained.

8. Accordingly, the Writ Petition stands ordered. There shall be no order as to costs. Consequently, connected miscellaneous petition stands closed.

29.04.2025

NCC : Yes / No
Index : Yes / No
Internet : Yes / No
Lm

To
1.The District Registrar,
O/o. the District Registrar,
Dindigul District.

2.The Sub Registrar,
O/o. the Sub Registrar,
Natham,
Dindigul District.

V.LAKSHMINARAYANAN,J.

Lm

W.P.(MD).No.13274 of 2025

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