BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

Dated : 01.08.2025

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THE HONOURABLE MR.JUSTICE G.R.SWAMINATHAN
AND
THE HONOURABLE MR.JUSTICE K.RAJASEKAR

W.A(MD) No.2132 of 2025
and
C.M.P.(MD)No.12271 of 2025

1.The Inspector General of Registration
cum Chief Revenue Controlling Authority,
No.100, Santhome High Road,
Chennai-28.

2.The Special Deputy Collector (Stamps),
District Collector Office, Complex,
Tiruchirappalli. ... Appellants / Respondents

Vs.

M/s.Sowma Educational & Social Welfare Trust,
Through its Secretary,
Having office at
Kovilpatti Road,
Escalation,
Manapparai,
Tiruchirappalli. ... Respondent / Writ Petitioner

PRAYER: Writ Appeal filed under Clause 15 of Letters Patent, praying this Court to allow the writ appeal setting aside the order dated 20.08.2024 in W.P.No.2547 of 2019.

For Appellants : Mr.S.Saji Bino
Special Government Pleader

For Respondents : Mr.H.Lakshmi Shankar

JUDGMENT

(Judgment of the Court was made by **G.R.SWAMINATHAN, J.)**

Heard both sides.

2. The writ petitioner herein had taken 99.5 cents of land by way of lease from the land owner in the year 1986. Thereafter, the writ petitioner put up the buildings thereon. On 26.03.2012, the land alone was purchased by the writ petitioner. The sale deed itself categorically states that except these two items, there is no conveyance of any other property. While so, reference was made under Section 47(A) of the Stamp Act on 17.04.2017. In other words, Form I notice was issued after a lapse of five years. Challenging the Form I notice, W.P.(MD)No.2547 of 2019

was filed. The learned single Judge allowed the writ petition on 20.08.2024 in the following terms:-

> "8.It is not in dispute that the document has been registered on 26.03.2012 and after registration of the document, the same has not been referred to the Collector, as contemplated under Section 47-A of Indian Stamp Act. It is relevant to note that whenever any document is presented for registration, if the Sub Registrar at the time of registration has any reason to believe that the document has been undervalued, he has to register the document and immediately thereafter, refer the document to the Collector for determination of the true market value of the property and proper stamp duty payable thereon. However, no such reference whatsoever had been made by the Sub Registrar, after registration of the document. He had retained the document for more than five years.
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> 9.When Rule 3(5) of the Tamil Nadu Stamp (Prevention of Undervaluation of Instruments) Rules, 1968, mandates that a reference has to be made within 15 days, though that amendment has been introduced in the year 2017, prior to that, reference ought to have been made within a reasonable period, which does not exceed six months, the document has been pending for more than six years without making any reference. On such reference, the Collector (Stamps) has to issue Form I notice within 15 days from the date of reference.
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> 10.In the present case, in the impugned notice, there was no reference, indicating that when such reference has been made, whereas for the first time, notice has been issued on 17.04.2017 beyond the period of five years.
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> 11.It is relevant to note that the suo motu power has to be

exercised by the Collector within a period of five years from the date of registration. In case, if such power has not been exercised within five years from the date of registration, it cannot be exercised by the Collector thereafter.

12.Admittedly, in this case within a reasonable time, the document has not been referred to for determination of the correct value. Therefore, Form I notice issued by the 2nd respondent, after five years cannot be sustained in the eye of law for the simple reason that the Collector (Stamps) has not applied his mind and has just copied the value arrived by the Sub Registrar, though there is a rule for determining the value by the Collector and the Sub Registrar has no authority whatsoever to determine the value after registration of the document. At any event, after the period of five years, Form I notice has been issued, therefore, the same is liable to be quashed, accordingly, it is quashed. Resultantly, this Writ Petition is allowed."

Assailing the same, the department has filed this writ appeal.

3. It is true that law does not prescribe any limitation for making reference under Section 47(A) of the Act. But Courts have held that reference should be made within a reasonable period. The learned single Judge by exercising discretion had held that making reference beyond a period of five years is not reasonable. The reasons given by the learned single Judge are sound.

4. Interference with the said order is not warranted. The writ appeal is dismissed. No costs. Consequently, connected miscellaneous petition is closed.

(G.R.S., J.) **(K.R.S., J.)**
01.08.2025

Index : Yes / No
Internet : Yes / No
NCC : Yes / No
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G.R.SWAMINATHAN, J.

AND
K.RAJASEKAR, J.

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