



WEB COPY



C.M.A.No.2839 of 2025

IN THE HIGH COURT OF JUDICATURE AT MADRAS

Reserved on: 06.01.2026

Pronounced on: 06.03.2026

CORAM

THE HONOURABLE MRS.JUSTICE K.GOVINDARAJAN THILAKAVADI,J.

C.M.A.No. 2839 of 2025 and C.M.P. No.24064 of 2025

M/s. Latif Estate Line India Limited,

Represented by its Director

Mr. Feroz Abdul Latif,

S/o. (Late) Haji Abdul Latif,

'Latif Centre' No.16, Millers Road,

Kilpauk, Chennai 600 010

...Appellant

Vs.

1. The Principal Secretary to Government,
Revenue Department,
Fort St. George, Chennai 600 009.
2. The Chief Revenue Controlling Officer (Stamps)
The Inspector General of Registration,
No.100, Santhome High Road,
Chennai 600 028.
3. The District Collector,
Chengalpattu District, Chengalpattu.
4. The District Registrar,
Chengalpattu District.



C.M.A.No.2839 of 2025

5. The Sub Registrar,
SRO, Thiruporur
Thiruporur.

6. The District Revenue Officer (Stamps)
No.32, Rajaji Salai,
Chennai 600 001.

...Respondents

Prayer: This Civil Miscellaneous Appeal is filed under Section 47A(10) of the Indian Stamp Act, against the orders passed in Na.Ka.No.25078/N1/2017 dated 11.01.2025 on the file of the Chief Controlling Revenue Authority-cum-Inspector General of Registration, Chennai.

For Appellant	: Mr.S. Mukunth, Senior Advocate for Mr.R.Gopinath
For Respondents	: Mr.P. Gurunathan, Additional Government Pleader.

JUDGMENT

This appeal is preferred against the orders passed Na.Ka.No.25078/N1/2017 dated 11.01.2025 on the file of the Chief Controlling Revenue Authority cum Inspector General of Registration, Chennai.



C.M.A.No.2839 of 2025

2. According to the appellant company, it has registered 12 sale deeds before the Office of Sub Registrar, Thiruporur, the 5th respondent herein, for registration of lands in S.Nos. 233/6, 238/5, 235/2, 233/1, 237/2, 235/11 situated at No.107/1 Sullerikadu Village, with stamp duty and registration value as per the guidelines notified at the time of registration. After the registration, the documents were assigned. While so, the 5th respondent, without any basis, authority, jurisdiction and reasons, referred the documents under Section 47A(1) of the Indian Stamps Act, 1899. In the corresponding year, the guideline value was revised to Rs.75,000/- per cent. Despite purchasing vacant land from the vendor based on this cent rate and presenting 12 sale deeds for registration across various survey numbers and dates, the 5th respondent incorrectly admitted the documents using square foot rate without visiting the land. It is further submitted that due to the illegal withholding of the registered documents, i.e, 12 sale deeds, the appellant lost genuine buyers and customers, joint venture project developers that made them lose several crores of rupees on their projects. Aggrieved against the inaction of the 5th respondent, namely, SRO, Thiruporur, a Writ Petition was filed in W.P.No.8930/2015, this Court issued directions to return the documents against which the Authorities preferred appeal in W.A. No.1317 of 2015 which



C.M.A.No.2839 of 2025

was also dismissed. The appellant submits that, in spite of the directions issued by this Court, the authorities failed to abide and so the appellant had no other option except to succumb to the illegal demands of the IG Stamps, DRO and District Collector to pay the difference excess amount of Rs.15,000/- per cent for immediate release of the documents, by paying the difference of the stamp duty and registration fees beyond the guideline value under protest and objections. The appeal preferred by the appellants before the 2nd respondent, namely, the Chief Revenue Controlling Officer (Stamps), the Inspector General of Registration, was dismissed after a lapse of 9 years. Hence, the present appeal is preferred.

3. Mr.S. Mukunth, learned Senior Advocate appearing for Mr.R.Gopinath, the learned counsel on record for the appellant would submit that, the representative of the appellant repeatedly explained to the 5th respondent that, the land purchased was not a lay out and should be calculated at the cent rate. However, due to the 5th respondent's apparent ego and alleged demand of money, the documents were mischievously sent under Section 47A(1) of the Act. No notice was issued for the proposed reference nor any hearing was conducted. Even without affording an opportunity of being heard,



C.M.A.No.2839 of 2025

on the action detrimental to the interest of appellant company, the documents were sent for computation of the value and recovery of the deficit stamp duty and registration charges. It is further submitted that, the dry lands in the above mentioned survey numbers have various extents, registered on different dates, showing the value of the consideration as per the guideline values fixed by virtue of G.O.Ms. No.75 dated 01.06.2010, which were based on the recommendations of the 2nd respondent herein by letters dated 15.12.2006 and 18.12.2006 vide letter No.26269/C2/05 and the same was published in the issue of Tamil Nadu Government Gazette dated 01.06.2010 by notifying the Rules in the Stamp Act, 1899 (Central II of 1899). Based on the estimation and revision of the market value and guidelines of the properties, the land in the above survey numbers was fixed at the rate of Rs.75,000/- per cent, which was accepted by the appellant. While so, the 5th respondent intentionally and deliberately applied square foot rate and referred the matter to Section 47(A)(1) without issuing any notice to the petitioner and failed to adhere to the instructions or guidelines provided by the Inspector of Registration in his reference letter RC.900/L2/2012 dated 19.06.2012. The appellant has paid the difference value under protest to get the documents released from the authorities after several months. In the above circumstances, the appellant is



C.M.A.No.2839 of 2025

entitled to refund of the excess payment of Rs.4,13,400/- being the difference of the rate illegally adopted by the DRO / 6th respondent. It is further submitted that, the appeal preferred by the appellant was dismissed by the 2nd respondent after lapse of 9 years. Hence, prayed quashing the impugned order in Na.Ka.No.25078/N1/2017 dated 11.01.2025 passed by the 2nd respondent and to direct the 2nd respondent to refund the excess payment of Rs.4,13,400/- along with interest.

4. *Per contra*, Mr.P.Gurunathan, the learned Additional Government Pleader, on instruction and communication dated 05.12.2025, would submit that, 14 documents presented by the appellant were registered on various dates. The appellant has adopted an uniform rate of Rs.75,00,000/- per acre for the entire lands. As per the guidelines register maintained by the 5th respondent, SRO, Thiruporur, the value was Rs.400/- per sq.ft. in respect of certain survey numbers and Rs.350/- per sq. ft. in respect of certain survey numbers. Hence, the 5th respondent has reason to believe that the market value has not been truly set forth in the documents. Consequently, the 5th respondent has referred all the 14 documents to the DRO (Stamp), Chennai, under Section 47A(1) of the Indian Stamp Act, 1899, for determination of market value. The



C.M.A.No.2839 of 2025

DRO(Stamp), Chennai, has determined the market value at Rs.90,00,000/- per acre under the proceeding No.162/14/A6 dated 18.07.2017. The appellant has paid the difference in stamp duty for all the 14 documents and got back 12 documents. Thereafter, the appellant preferred an appeal before the 2nd respondent under Section 47A(5) of the Stamp Act, against the order dated 18.07.2017 of the DRO (Stamp), Chennai. The 2nd respondent, by proceeding No.25078/N1/2017 dated 11.01.2025, has revised the order dated 18.07.2017 of the DRO (Stamp), Chennai, by determining the market value at Rs.350/- per sq. ft in respect of 10 documents and Rs.400/- per sq. ft in respect of 4 documents. The 2nd respondent has passed the impugned order in accordance with law. Hence, the Civil Miscellaneous Appeal is liable to be dismissed.

5. Heard on both sides. Records perused.

6. In the case on hand, the dispute started when the registering authority referred the documents of the appellant under Section 47 A of the Stamp Act, stating that the value of the properties were undervalued in the documents. This action of the Registering Authority was challenged by the appellant by



C.M.A.No.2839 of 2025

filing the Writ Petition praying to issue Writ of Mandamus, to direct the authority to forthwith release the original sale deeds, in W.P. No.8930 of 2015.

This Court, accordingly, issued directions for return of documents, against which the authority preferred an appeal in W.A. No.1317/2015, which was also dismissed. Admittedly, the appellant, after paying the difference excess amount of Rs.15,000/- per cent, which is the difference of the stamp duty and registration fees and released the documents. According to the appellant, the difference amount was paid under protest and objections.

6.1. The question that falls for consideration in this matter is “whether the Registering Authority (5th respondent) is right in referring the documents under Section 47 A of the Stamp Act”.

6.2. For better appreciation of the case, Section 47 A of the Stamp Act, as amended by Tamil Nadu is extracted hereunder :

47-A. Instruments undervalued how to be dealt with. —(1) If the registering officer appointed under section 6 of the 2[Registration Act, 1908 (16 of 1908)], while registering any instrument, on which stamp duty is chargeable on the market



C.M.A.No.2839 of 2025

value of the subject matter property, finds that the market value of the said property as set forth in such instrument is less than the market value guidelines referred to in section 27-A, he shall, before registering such instrument refer the same to the Collector for determination of market value of such property and the proper duty payable thereon.

On a perusal of the provisions of Section 47 of the Stamp Act, as amended by Tamil Nadu, it is manifested that these provisions empower the Registering Authority, while registering any instrument of conveyance to refer the matter to the Collector for determination of market value of the property and the proper duty payable on the instrument, if the Registering Authority has reason to believe that market value of the property which is the subject matter of such instrument has not been rightly set forth in the instrument. The object of the provision is only to neutralize the effect of under valuation of property with a view to evading payment of stamp duty. The condition precedent for making a reference is that, there must be reason for the Registering Authority to believe that the market value of the property has not been truly set forth in the documents presented for registration and hence it must follow that the reasons must be recorded, however short it may be. It is the duty of the



C.M.A.No.2839 of 2025

Registering Authority to record reasons for his belief that true market value has not been set out in the document, complete the registration and thereafter, refer the matter to the Collector to determine the market value of the property and the proper duty payable thereon. In the case on hand, it has to be seen whether all these procedures have been duly followed by the Registering Authority in referring the documents under Section 47A of the Stamp Act.

6.3. It cannot be disputed that, the duty is cast upon the Registering Authority, namely the 5th respondent, to record such reasons to arrive at a decision that the document is undervalued and the same is required to be referred to the authority concerned to determine the actual market value of the property. Admittedly, there is nothing on record to show that the 5th respondent / Registering Authority, on the basis of such material, arrived at the conclusion that the true value is not set forth in the document. It is also not substantiated that the market value of the properties situate around the subject properties is Rs.90,000/- per cent, without producing any documentary evidence. In the absence of such materials, the proceedings initiated under Section 47A is legally unsustainable, as such, the proceedings initiated for determination of market value and the outcome of such proceedings, fixing the value of the



C.M.A.No.2839 of 2025

subject properties at Rs.90,000/- per cent is arbitrary.

WEB COPY

6.4. Even on the perusal of records of the 2nd respondent / The Chief Revenue Controlling Officer (Stamps), IG of Registration, dated 11.01.2025, did indicate the basis on which the value mentioned in the document in question was enhanced. The reading of the same would reveal that, the market value of the subject properties is assessed, based on the market value of the surrounding properties in the vicinity, without producing any documentary evidence. It is simply stated that, based on local enquiry, the authorities found that the properties in the vicinity were sold for Rs.60,000/- to Rs.90,000/- per cent without producing any documents to that effect. Nothing on record to show that the appellant was given notice for spot inspection or for local enquiry as contemplated under the relevant rules and their failure to do so is contrary to the procedure lay down under law and is in violation of the principles of natural justice. Under Sections 47A(1) and 47A(3), if the Registering Authority has reason to believe that the instrument of conveyance did not reflect the correct market value of the subject properties, then the Registering Authority has the power to refer the same to the Collector for determination of market value of the properties and the Collector, on



C.M.A.No.2839 of 2025

reference, Section 47A(1) may determine the market value of such property in accordance with the procedure prescribed. Enquiry by the Registering Authority is a pre-condition for making reference to the Collector for determination of market value of the property. The determination of market value without notice of hearing to the parties is liable to be set aside.

6.5. In the present case, the authorities failed to provide personal hearings to the petitioner thereby violated the principles of natural justice. According to the appellant, he has paid the guideline value of the land as per the official website during the relevant point of time at Rs.75,000/- per cent. This fact is not rebutted by the respondents. The same was also confirmed by the 5th respondent / Sub Registrar, Thiruporur, and had also released certain documents at the said rate. Even in the impugned order, it is simply stated that the properties from Sl.No.1 to 10, the value is fixed as Rs.350/- per sq. ft. and for the properties from Sl.No.11 to 14, the value is fixed as Rs.400/- accepting the recommendations made by the District Registrar, namely the 4th respondent. The respondents failed to explain as to how the guideline value per cent at Rs.75,000/- was changed into square foot rate. Without following the procedures laid under the Act and without performing the statutory



C.M.A.No.2839 of 2025

obligations cast upon the Registering Authorities, the impugned order of the 2nd respondent in enhancing the market value and demanding the additional stamp duty are without any basis and it is only based on irrelevant consideration, assumption and presumption. Further, the onus to prove the instrument was undervalued, is on the department and the same has not been satisfactorily discharged by the respondents. The Hon'ble Supreme Court in the case of ***Chief Revenue Controlling Officer cum Inspector General of Registration and Ors. Vs. P. Babu*** reported in **2025 (1) CTC 759** held as follows:

“27. We are in complete agreement with the view taken by the Full Bench of the High Court. It is not permissible for the Registering Officer to undertake a roving enquiry for the purpose of ascertaining the correct market value of the property. If the Registering Officer is bona fide of the view that the sale consideration shown in the sale deed is not correct and the sale is undervalued, then it is obligatory on the part of the Registering Authority as well as the Special Deputy Collector (Stamps) to assign some reason for arriving at such a conclusion. In such circumstances, if the document in question is straightway referred to the Collector without recording any prima facie



C.M.A.No.2839 of 2025

reason, the same would vitiate the entire enquiry and the ultimate decision. In the case on hand, it is not in dispute that the Form I notices did not contain any reason. It also appears that the Collector (Stamps) in his order also failed to indicate the basis on which the sale consideration shown in the two sale deeds was undervalued.

29. It appears from the aforesaid that the second respondent i.e. the Special Deputy Collector (Stamps) failed to pass any provisional order as contemplated in Rule 4(4) of the Rules 1968. Rule 4(4) of the Rules 1968 reads as follows:

“4. Procedure On Receipt Of Reference Under Section 47-A:

x x x x x

(4) After considering the representations, if any, received from the person to whom notice under sub-rule (1) has been issued, and after examining the records and evidence before him, the Collector shall pass an order in writing provisionally determining the market value of the properties and the duty payable. The basis on which the provisional market value was arrived at shall be clearly indicated in the order.”

30. As per Rule 6 of the Rules 1968, after passing the



C.M.A.No.2839 of 2025

provisional order, it is obligatory on the part of the Collector to communicate the market value of the property and the duty payable by the parties concerned in Form II. On receipt of the Form II as contemplated under Rule 7 of the Rules 1968, the Collector shall have to pass the final order. It appears that in the case on hand, without following the Rules 4 and 6 respectively, the Collector (Stamps) directly passed the final order under Rule 7 of the Rules 1968.

31. The scheme of the Stamp Act and the relevant rules makes it abundantly clear that the Collector is obligated to communicate the provisional order to the parties concerned in respect of fixation of the correct value of the property and also the duty payable in Form II. In the case on hand, Form II was issued. To that extent, there is no dispute. However, after the issue of Form II, the parties concerned have to be given an opportunity to submit their representation in respect of determining the market value of the subject property. Thereafter, as contemplated in Rule 7 of the Rules 1968, the Collector, after considering the representation if received in writing and the submissions that might have been urged at the time of hearing or even in the absence of any representation from the parties concerned, proceed to pass the final order. It appears from the material on record that in the case on hand, the Collector (Stamps) directly issued the final order without complying with sub-



C.M.A.No.2839 of 2025

rules (2), (3) and (4) respectively of Rule 4 and also without following Rule 6 of the Rules 1968. This could be said to be in violation of the Rules 4 and 6 respectively of the Rules 1968.”

Therefore, without following the procedure laid down under the Act and without performing the statutory obligations cast upon the Registering Authority and the impugned orders of the respondents in enhancing the market value and demanding the additional stamp duty are without any basis and it is only based on irrelevant consideration, assumption and presumption, is unsustainable.

7. In view of the above discussion, the impugned orders of the respondents are liable to be set aside.

8. In the result,

- i. the Civil Miscellaneous Appeal is allowed. No costs. Consequently connected miscellaneous petition is closed.
- ii. The orders passed in Na.Ka.No.25078/N1/2017 dated 11.01.2025 on the file of the Chief Controlling Revenue Authority-cum-Inspector General



C.M.A.No.2839 of 2025

of Registration, Chennai, is set aside.

iii. The 2nd respondent is directed to refund the excess payment of Rs.4,13,400/- to the appellant within four weeks from the date of receipt of a copy of this order.

06.03.2026

bga

Internet: Yes/No

Index: Yes/No

Speaking/Non-speaking order

To

1. The Principal Secretary to Government,
Revenue Department,
Fort St. George, Chennai 600 009.
2. The Chief Revenue Controlling Officer (Stamps)
The Inspector General of Registration,
No.100, Santhome High Road,
Chennai 600 028.
3. The District Collector,
Chengalpattu District, Chengalpattu.

17/19



C.M.A.No.2839 of 2025

4. The District Registrar,
Chengalpattu District.

5. The Sub Registrar,
SRO, Thiruporur
Thiruporur.

6. The District Revenue Officer (Stamps)
No.32, Rajaji Salai,
Chennai 600 001.



WEB COPY



C.M.A.No.2839 of 2025

K.GOVINDARAJAN THILAKAVADI, J.

bga

**Pre-delivery judgment in
C.M.A.No. 2839 of 2025 and
C.M.P. No.24064 of 2025**

06.03.2026