IN THE HIGH COURT OF JUDICATURE AT MADRAS

Reserved on : 10.02.2026

Pronounced on: 27.03.2026

CORAM

THE HONOURABLE MRS.JUSTICE K.GOVINDARAJAN THILAKAVADI

C.M.A.No. 413 of 2023 and C.M.P. No.3512 of 2023

M.V. Praveen Kumar ... Appellant

vs.

1. The Chief Revenue Controlling Officer-cum-
Inspector General of Registration,
No.120, Santhome High Road,
Chennai 600 028.

2. District Revenue Officer (Stamps)
District Collector Office, 5th Floor,
M. Singaravelar Maaligai,
No.32,Rajaji Salai, Chennai 600 001.

3. The Sub Registrar,
Thiruvallur
Taluk Office Complex,
Thiruvallur Town & Taluk. …Respondents

Prayer: This Civil Miscellaneous Appeal is filed under Section 47A(10) of the Indian Stamp Act, to set aside the order dated 04.10.2016 passed in Pa.Mu.No.49226/NI/2015 on the file of the 1st respondent.

For Appellant	: Mr.P. Chandrasekar
For Respondents	: Mr.P. Gurunathan, Additional Government Pleader.

JUDGMENT

The appeal is directed against the order dated 04.10.2016 passed in Pa.Mu.No.49226/NI/2015 on the file of the 1st respondent / The Chief Revenue Controlling Officer-cum- Inspector General of Registration.

2. The facts leading to the filing of this appeal are as follows:

2.1. The appellant purchased an extent of 5 acres and 87.5 cents of land through a registered sale deed bearing Document No. 6708 of 2015 dated 11.06.2015. In the sale document, the property value was declared as Rs.2,20,36,250/-, adopting a rate of Rs.37,50,000/- per acre, and the appellant paid stamp duty of Rs.15,42,550/- based on that value. Since the registering authority believed that the value mentioned in the document did not reflect the true market value, the document was referred under Section 47-A of the Indian Stamp Act to the District Revenue Officer (Stamps) for determination of the correct market value. After issuing notice to the petitioner and considering his objections, the District Revenue Officer (Stamps) conducted an enquiry and determined the market value at Rs.45,000/- per cent (Rs.45 lakhs per acre). Accordingly, the total value of the property was fixed at Rs.2,64,42,500/- by proceedings dated 30.09.2015.

2.2. Aggrieved by the said order, the appellant preferred an appeal before the Chief Revenue Controlling Officer / Inspector General of Registration under Section 47-A(5). After calling for reports, including a spot inspection report from the District Registrar, Kancheepuram, and conducting an enquiry, the 1st respondent confirmed the order of the District Revenue Officer by proceedings dated 04.10.2016. Aggrieved over the same, the present Civil Miscellaneous Appeal has been preferred by the appellant.

3. The learned counsel for the appellant would submit as follows:

3.1. The authorities ignored the spot inspection report, public enquiry, and the V.A.O. appraisal report, which clearly indicated that the prevailing market value in the village ranged between Rs.20 lakhs and Rs.25 lakhs per acre. The property is situated about 1 km away from the village and 1.5 km from the main road, surrounded by agricultural lands with no other commercial or residential activity.

3.2. Despite the investigation confirming that the land is purely agricultural, the D.R.O. fixed the value at Rs.45 lakhs per acre without any supporting evidence or comparable sale instances, acting beyond the powers under Section 47A. The Inspector General of Registration also confirmed the order without proper consideration of the investigation reports, making the decision arbitrary and contrary to law.

4. On the other hand, the learned counsel appearing for the 3rd respondent/ Sub Registrar, Thiruvallur, would submit that the guideline value fixed by the Government with effect from 01.04.2012 was Rs.75,00,000/- per acre, according to which the total property value would be Rs.4,40,67,500/-. He would further submit that the appellant accepted the value fixed by

Authority and paid deficit stamp duty of Rs.3,08,425/- on 16.10.2015 and deficit Registration fee of Rs.44,010/- on 28.10.2015, in all totalling Rs.3,52,435/-. When the appellant paid the value fixed by the authorities and get the document, he cannot make further claim. The respondents have given reasonable opportunity to the appellant and also considering the nature of the property which is with mud road and situated within one kilometer from the village and rice mills and also within one kilometer from the village road, fixed the value. It is further submitted that the present land is classified as wet lake irrigation single crop type-I and the guideline value for the document land is Rs.75,00,000/- per acre. After verifying the above facts, the authorities fixed the market value of the property and hence there is no merits in the present appeal and the same is liable to be dismissed.

5. Heard on both sides. Records perused.

6. The main contention on the side of the learned counsel appearing for the 3rd respondent / Sub Registrar, Thiruvallur, is that the appellant having accepted the value fixed by the authority and paid the deficit stamp duty of Rs.3,08,425/- on 16.10.2015 and deficit Registration fee of Rs.44,010/- on

28.10.2015, in all totalling Rs.3,52,435/-, and got back the registered document, cannot make any further claim. The payment of deficit stamp duty is often paid to get the document released from the custody of the registering authority who impounds the document. Thus the payment is generally made under protest or simply to satisfy the preliminary order of the Collector / District Registrar. It does not mean that the petitioner accepts the higher valuation fixed by the authority. Any person aggrieved by an order of the Collector under Sections 47 A(2) or 47 A(3) of the Stamp Act, fixing the market value as a statutory right to claim against such fixation . Mere paying the demanded amount to retrieve the document, does not automatically imply waiver of the right to challenge the valuation. The appeal is preferred only to determine if the market value was correctly assessed. If the appeal succeeds, the excess amount paid can ordered to be refunded. Therefore, even after paying the deficit stamp duty and getting back the document, the appellant is entitled to file an appeal.

7. In the present appeal, the question arises for determination is whether the impugned order pertaining to determination of market value of subject property warrant any interference. The appellant purchased the property to an

extent of 5 acres and 87.5 cents and the same was registered as document number 6708 of 2015 on the file of the Sub Registrar Office, Thiruvallur. The value shown in the document is Rs.2,20,36,250/- and stamp duty of Rs.15,42,550/- was paid by the appellant. Since true market value has not been disclosed, the above document was referred to the 2nd respondent / The District Revenue Officer (Stamps) for determination of the market value of the property and stamp duty payable thereon. The 2nd respondent issued notices to the appellant as per Section 47A(1) and the appellant also filed his objections. After receiving objection from the appellant and giving reasonable opportunity to him, the 2nd respondent conducted an enquiry as per the prescribed Rules made under the Tamil Nadu Stamp Act and determined the market value of the property and fixed the value under Section 47A(2) of the Act at Rs.45,000/- per cent vide proceedings in Na.Ka.Si.Pa. No.104/15/A4 dated 30.09.2015. Challenging the same, the appellant preferred an appeal before the 1st respondent / The Chief Revenue Controlling Officer-cum-Inspector General of Registration, who in turn called for a report from District Registrar, Kancheepuram. As per the direction of the 1st respondent, the District Registrar conducted a spot enquiry and submitted his report. Based on the report, the 1st respondent passed an order dated 04.10.2016 confirming the order of the 2nd respondent. In such circumstances, the appellant is before this Court.

8. It cannot be disputed that the duty is cast upon the 3rd respondent / Registering Officer, to record such reasons to arrive at a decision that the document is under valued 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 3rd respondent / Registering Authority, on the basis of such material, arrived at the conclusion that the true value is not set forth in the document. He had simply stated in the Inspection Report that he had verified the market value of the property in the vicinity, for which there is no evidence on record. It is also not substantiated that the market value of the properties situate around the subject property is Rs.45,000/- per cent without producing any documentary evidence. The authority failed to substantiate his Report by producing expert opinion. 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 property covered under Doc. No.6708/2015 at Rs.45,000/- per cent and

demanding additional stamp duty, is arbitrary.

9. Even on a perusal of records, the order of the 2nd respondent / District Revenue Officer (Stamps) dated 30.09.2015 did indicate the basis on which the value mentioned in the document in question was enhanced. The reading of the same would reveal that his valuation was based on spot inspection and local enquiry. 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 laid down under law and is in violation of principles of natural justice. Under Section 47-A(1) and under Section 47-A(3), if the Registering Authority has reason to believe that the instrument of conveyance did not reflect the correct market value of the property, then the Registering Authority has the power to refer the same to the Collector for determination of market value of the property and the Collector, on reference, under Section 47-A(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 parties is liable to be set aside.

When the Registering Authority finds that the value set forth in an instrument was less than the minimum value determined in accordance with the Rules, in that event, the Registering Authority is empowered to refer the instrument to the Collector for determination of market value of such property and the Stamp Duty payable thereon.

9.1. Therefore, without following the procedure laid under the Act and without performing the statutory obligation cast upon the 3rd respondent / Registering Authority and the impugned orders of the 1st and 2nd 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. 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 ***MANU/SC/0042/2025*** 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 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.

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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 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-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."*

10. In view of the aforesaid discussions, the impugned orders of the respondents are liable to be set aside.

11. In the result,

i.The Civil Miscellaneous Appeal is allowed. No costs. Consequently connected miscellaneous petition is closed.

ii.The order dated 04.10.2016 passed in Pa.Mu.No.49226/NI/2015 on the file of the 1st respondent / the Chief Revenue Controlling Officer-cum- Inspector General of Registration , is set aside.

iii. A direction shall be issued by the 1st respondent to the 2nd respondent to refund the excess stamp duty paid by the appellant forthwith.

27.03.2026

bga

Internet:Yes/No
Index:Yes/No
Speaking/Non-speaking order

To

1. The Chief Revenue Controlling Officer-cum-
Inspector General of Registration,
No.120, Santhome High Road,
Chennai 600 028

2. District Revenue Officer (Stamps)
District Collector Office, 5th Floor,
M. Singaravelar Maaligai,
No.32,Rajaji Salai, Chennai 600 001

3. The Sub Registrar,
Thiruvallur
Taluk Office Complex,
Thiruvallur Town & Taluk

K.GOVINDARAJAN THILAKAVADI, J.

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Pre-delivery Judgment made in

C.M.A.No. 413 of 2023 and

C.M.P. No.3512 of 2023

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