BEFORE THE MADURAI BENCH OF MADRAS HIGH COURT

Dated: 09.06.2026

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THE HONOURABLE MR JUSTICE D.BHARATHA CHAKRAVARTHY

W.P(MD)No.15420 of 2026
and
W.M.P(MD)No.1157 of 2026

M/s.Macalloy India
No. 2
Mamta Apartments
5 Rajachar Street
T. Nagar
Chennai-600017
Through its Partner P. Krishnamurthy ... Petitioner

Vs.

1. The Inspector General of Registration,
   Santhome High Road,
   Chennai-28,
   Government of Tamil Nadu.

2. The Deputy Inspector General of Registration,
   Registration Department,
   Santhome High Road,
   Chennai-28,
   Government of Tamil Nadu.

3. The District Revenue Officer (Stamps),
   Tiruchirappalli District,
   Government of Tamil Nadu.

4. The Joint/Sub-Registrar,
   Thiruverumbur Sub-Registration Office,
   Thiruverumbur Taluk,
   Tiruchirappalli District.

5. The Sub-Registrar,
   Thiruverumbur,
   Sub-Registration Office,
   Thiruverumbur Taluk,
   Tiruchirappalli District. ...Respondents

Prayer: Writ Petition, filed under Article 226 of the Constitution of India, praying this court to issue a Writ of Certiorarified Mandamus to call for the records in and connected with the impugned note/reference contained in the Registration Receipt No. 4211/2026 dated 08.04.2026 issued by the 5th respondent, purportedly invoking Section 47A(1) of the Indian Stamp Act, 1899, in respect of the Sale Certificate registered as Document No.........R/Thiruverumbur/Book-1/3210/2026 dated 09.04.2026 in respect of Properties D-38 at SIDCO Industrial Estate, Thuvakudi, Tiruchirappalli, quash the same and to consequently direct the respondents to forthwith release and return the original registered document in Doc No. 3210/2026 to the petitioner without any further condition or demand besides passing such further or other orders as this Honble Court may deem fit and proper in the circumstances of the case and thus render justice.

For Petitioners : Mr.K.Rajeshwaran
For Respondents : Mr.S.Vashik Ali
Government Standing Counsel

ORDER

The present writ petition has been filed for the following relief:-

"Writ Petition, filed under Article 226 of the Constitution of India, praying this court to issue a Writ of Certiorarified Mandamus to call for the records in and connected with the impugned note/reference contained in the Registration Receipt No. 4213/2026 dated 09.04.2026 issued by the 5th respondent, purportedly invoking Section 47A(1) of the Indian Stamp Act, 1899, in respect of the Sale Certificate registered as Document No. R/Thiruverumbur/Book-1/3212/2026 dated 09.04.2026 in respect of Properties D-39 and D-40 situated at SIDCO Industrial Estate, Thuvakudi, Tiruchirappalli, quash the same and to consequently direct the respondents to forthwith release and return the original registered document in Doc No. 3212/2026 to the petitioner without any further condition or demand besides passing such further or other orders as this Honble Court may deem fit and proper in the circumstances of the case and thus render justice."

2. Heard Mr.K.Rajeshwaran, learned counsel appearing for the petitioner and Mr.S.Vasik Ali, learned Government Standing Counsel who takes notice on behalf of the respondents.

3. The short grievance of the petitioner is that the petitioner purchased the property through an open auction conducted under the SARFAESI Act. When the Sale Certificate was presented for filing

under Section 89 of the Registration Act, 1908, the same was referred under Section 47-A(1) of the Indian Stamp Act, 1899.

4. The learned counsel appearing for the petitioner would submit that the legal position is well settled that the respondents cannot entertain a reason to believe that there has been undervaluation of the property when it has been purchased through a public auction. The petitioner has paid the necessary stamp duty required for filing the document under Section 89(4) of the Registration Act, 1908 and the document was not even presented for registration as such.

5. The learned Government Standing Counsel appearing for the respondents would submit that when the property has the potential to fetch a higher value and it is found that the auction price is lower than the prevailing market value, the document is referred under Section 47A(1) of the Indian Stamp Act, 1899.

6. I have considered the rival submissions made on either side and perused the materials available on record.

7. It is now settled law that, in cases of statutory auctions, Court auctions, and similar public sales, the authorities cannot have any reason to believe that the parties have suppressed the actual sale consideration or that the document has been undervalued. Proceedings under Section 47-A can be initiated only when there is reason to believe that the parties have, in fact, transacted at a higher value but have deliberately disclosed a lesser value in the document. Such a situation cannot arise in a Sarfaesi sale.

8. When the Sale Certificate is presented only for filing under Section 89(4) of the Registration Act, 1908, the 4th respondent erred in referring the same under Section 47A(1) of the Indian Stamp Act, 1899.

9. In view thereof, the writ petition is allowed on the following terms:-

i. The impugned order of reference dated 08.04.2026 shall stand quashed.
ii. The 4th respondent shall verify about the adequacy of the fee and charges payable in respect of the sales certificate to be filed under

Section 89 of the Registration Act, 1908 and if there is no other impediment, the same shall be duly filed and the original shall be duly returned to the petitioner.

iii. No costs. Consequently, connected miscellaneous petition is closed.

09.06.2026

Neutral Citation: No
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To

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   Chennai-28,
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D.BHARATHA CHAKRAVARTHY, J.

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