BEFORE THE MADURAI BENGH OF MADRAS HIGH COURT

DATED: 16.02.2026

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THE HONOURABLE MR. JUSTICE KRISHNAN RAMASAMY

W.P.(MD)Nos.32789 and 7105 of 2025
and
W.M.P.(MD).No.25848 of 2025

W.P.(MD).No.32789 of 2025

M/s.Lambogreen Agro Private Limited,
Represented by its Authorized Signatory,
M.Dhanuskodiya Pillai ... Petitioner

Vs

1.The State Tax Officer,
Nagercoil Rural Assessment Circle,
Nagercoil,
Kanyakumari District.

2.The Sub Registrar,
Kottaram Sub Registrar Office,
Kanyakumari District. ... Respondents

Prayer: Writ Petition filed under Article 226 of the Constitution of India praying to issue a Writ of Certiorarified Mandamus, to call for the records relating to the impugned communication in Na.Ka.No.A3/1237/2015 dated 21.01.2025 on the file of the first respondent and and the impugned check slip in RFL/Kottaram/33/2025 dated 25.05.2025 on the file of the second respondent and quash the same as illegal as far as the petitioner's property is concerned and consequently direct the respondents to register the sale deed dated 25.02.2025 and to remove the entry relating of the impugned communication and register the same forthwith.

For Petitioner	: Mr.Cibi Vishnu, for Mr.S.Kumar
For R-1	: Mr.R.Suresh Kumar, Additional Government Pleader
For R-2	: Mr.M.Lingadurai, Special Government Pleader

W.P.(MD).No.7105 of 2025

Kappidurai ... Petitioner

Vs

The Sub Registrar,
Kottaram Sub Registrar Office,
Kanyakumari District. ... Respondent

Prayer: Writ Petition filed under Article 226 of the Constitution of India praying to issue a Writ of Certiorarified Mandamus, to call for the records in impugned check slip in RFL/Kottaram/33/2025 dated 25.05.2025 and quash the same as illegal as far as the petitioner's property is concerned and consequently direct the respondent to register the sale deed dated 25.02.2025 and register the same forthwith.

For Petitioner : Mr.Cibi Vishnu,
for Mr.S.Kumar

For Respondent : Mr.R.Suresh Kumar,
Additional Government Pleader

COMMON ORDER

These writ petitions are taken up together as the issue involved in both the cases is interconnected.

2. W.P.(MD).No.32789 of 2025 has been filed seeking to quash the impugned communication in Na.Ka.No.A3/1237/2015 dated 21.01.2025 on the file of the first respondent and the impugned check slip in RFL/Kottaram/33/2025 dated 25.05.2025 on the file of the second respondent, insofar as the petitioner's property is concerned, and consequently to direct the respondents to register the sale deed dated 25.02.2025 and remove the entry relating to the impugned communication.

3. W.P.(MD).No.7105 of 2025 has been filed to quash the impugned check slip in RFL/Kottaram/33/2025 dated 25.02.2025 and consequently direct the respondent to accept and register the sale deed dated 25.02.2025.

4. One Mr.M.Dhanuskodiya Pillai, Authorized Signatory of M/s. Lambogreen Agro Private Limited, purchased the subject properties situated at Mailadi Village and Azhagappapuram Village, Agastheeswaram Taluk, from one K.V.Brindha by a registered sale deed dated 20.02.2024. The said vendor had acquired the properties through Settlement Deed Document No.344/2018 from her father, Mr.Kittu @ Krishnapillai. After purchase, the revenue records were mutated in the name of the said Company. At the time of purchase on 20.02.2024, there was no encumbrance over the property. Subsequently, the property was sold to one Kappidurai (petitioner in W.P.(MD).No.7105 of 2025). When the sale deed dated 25.02.2025 was presented before the Sub Registrar, Kottaram Sub Registrar Officer, Kanyakumari District for registration, however, the Sub Registrar refused registration on the ground that the State Tax Officer, Nagercoil Rural Assessment Circle, Nagercoil, Kanyakumari District had issued a prohibitory order in Na.Ka.No.A3/1237/2015 dated 21.01.2025, which was entered in the Index Book, and directed the petitioner to produce a No Objection Certificate from the State Tax Officer.

5. The learned counsel for the petitioner submitted that the tax proceedings relate to Tvl. Cape Engineering Private Limited. The original owner, Mr.Kittu @ Krishnan Pillai, was a Director of the said Company. The VAT assessment order was passed on 17.10.2018, and GST assessment orders were passed only subsequent to February 2024. The attachment order dated 21.01.2025 was passed long after the property had already been settled in favour of K.V.Brindha and thereafter sold to Mr.M.Dhanuskodiya Pillai on 20.02.2024. At the time of settlement and subsequent sale, no attachment or crystallized liability existed over the property. Under Section 37 of the VAT Act, Directors become personally liable only when the Company is wound up and its assets are insufficient to discharge tax liability. The Company is still in existence and not wound up. Hence, personal liability of the Director does not arise. Therefore, the attachment order over the subject property is without legal basis.

5. The learned Additional Government Pleader submitted that the original owner was Mr.Kittu @ Krishnan Pillai, Director of the Company. Under Section 43 of the VAT Act, transfers made after initiation of proceedings may be treated as void if made to defeat

revenue. The issue of bona fide purchaser involves disputed questions of fact, which can be adjudicated only by a Civil Court.

6. This Court has carefully considered the rival submissions. Admittedly, the property originally belonged to Mr.Kittu @ Krishnan Pillai, Director of Tvl. Cape Engineering Private Limited. The property was settled in favour of his daughter under Document No.344/2018. Thereafter, it was sold to Mr.M.Dhanuskodiya Pillai on 20.02.2024. The attachment order was passed only on 21.01.2025. Under Section 37 of the VAT Act, the personal liability of Directors arises only if the Company is wound up and the tax dues cannot be recovered from the Company. In the present case, the Company is still in existence. Therefore, the question of joint and several liability of the Director does not arise at this stage.

7. As regards Section 43 of the VAT Act and Section 82 of the GST Act, those provisions would apply where a dealer transfers property to defraud revenue after tax dues have become payable and crystallized. In the present case, as on the date of settlement and subsequent sale in favour of Mr.M.Dhanuskodiya Pillai (20.02.2024), there was no

attachment order over the property. The attachment was made only on 21.01.2025, i.e., after the property had already been transferred. Therefore, on the date of attachment, the property was no longer owned by the Director or by the Company. In such circumstances, the attachment over the subject property cannot be sustained in law.

8. Unless statutory conditions are strictly satisfied, the property of a third party cannot be attached.

9. In view of the above, the impugned communication in Na.Ka.No.A3/1237/2015 dated 21.01.2025, passed by the State Tax Officer, Nagercoil Rural Assessment Circle, Nagercoil, Kanyakumari District, insofar as it relates to the subject property, is set aside. The impugned check slip issued by the Sub Registrar, Kottaram Sub Registrar Office, Kanyakumari District dated 25.02.2025 is quashed. The petitioner is directed to re-present the document, if not already done. The Sub Registrar is directed to register the sale deed dated 25.02.2025, if it is otherwise in order, without insisting upon a No Objection Certificate from the State Tax Officer.

10. Accordingly, the writ petitions are allowed. No costs.

Consequently, connected miscellaneous petition is closed.

16.02.2026

Index : Yes/No
Internet: Yes/No
Neutral Citation: Yes/No
TSG
To
1.The State Tax Officer,
Nagercoil Rural Assessment Circle,
Nagercoil,
Kanyakumari District.

2.The Sub Registrar,
Kottaram Sub Registrar Office,
Kanyakumari District.

KRISHNAN RAMASAMY, J.

TSG

W.P.(MD)Nos.32789 and 7105 of 2025

16.02.2026