(1995) 03 AP CK 0018

In the Andhra Pradesh High Court

Case No : Writ Petition No''s. 13885 and 13886 of 1994

Maddula Nagasiromani and Maddula Ramakrishna Rao — APPELLANT

Vs

Subordinate Judge and Others — RESPONDENT

Date of Decision : 31-03-1995

Acts Referred:
Stamp Act, 1899 — Section 47A

Citation : (1995) 3 ALD 60 : (1996) 1 ALT 335 : (1996) 1 ALT 33

Hon'ble Judges : T.N.C. Rangarajan, J

Bench : Single Bench

Advocate : H. Srinivasa Rao, for the Appellant; G.P. for Revenue, for the Respondent

Final Decision : Allowed

Judgement

T.N.C. Rangarajan, J.—These writ petitions are directed against the order of the learned Subordinate Judge, Kovvur in Civil Miscellaneous Appeal No. 7 and No. 6 of 1990.

2. The petitioners had purchased 2 (Two) Acres and 38 1/2 cents of agricultural land each for Rs. One Lakh under Sale deeds executed on 28-3-1992. They presented the documents on the same day for Registration. The Sub-Registrar referred the matter to the District Collector for valuation of the property u/s 47A of the Indian Stamp Act. In that form he mentioned that there was a possibility of the land being used as house sites fetching higher value and therefore the value could be easily estimated at Rs. 5,95,200/-. On receipt of this information, the petitioner also filed an explanation in August, 1992 enclosing an Adangal Extract to show that the lands were actually cultivated and also giving certified copies of the property of two adjacent lands where they have been valued as agricultural lands only. It is stated that the District Collector caused an enquiry and after verifying all the records, the Mandal Revenue Officer accepted the petitioner''s claim that the valuation of the land must be only as agricultural land. However the District Collector passed an Order on 8-3-1993 approving the

estimation made by the Sub-Registrar.

3. The petitioner then appealed to the learned Subordinate Judge, who confirmed the valuation made by the Collector.

4. The Learned Counsel for the petitioners states that the land is only agricultural land and therefore the valuation of the land as agricultural land must be accepted.

5. The learned Counsel for the petitioner submits that any valuation of the land u/s 47-A must be based on the market value of the property as much, and any potential value of the property will not be a relevant factor for the purpose of the Stamp Act.

6. The learned Government Pleader submitted that this was only a matter of valuation and did not require any interference. He also submitted that if at all the petitioner was aggrieved for lack of opportunity, the matter may be sent back for fresh consideration.

7. I am unable to accept these contentions of the Government Pleader. Even though it was a matter of valuation, the principle on which the valuation is made, is in question. The petitioner had pointed out that the property was only an agricultural land and the contiguous lands were also agricultural lands and the valuation made by him was in conformity with the valuation made of adjacent lands. Yet both the Sub-Registrar and Collector proceeded on the basis of the market value fixed by the Sub-Registrar, based on the potential development. A perusal of Section 47-A shows that it is only the market value which is to be determined and that the potential value based on nature of the land and the future possibilities, is irrelevant. How the purchaser may put it to use subsequent to the purchase or develop the land is of no consequence for valuing the land as on that date. Moreover the price at which the transaction was concluded between the petitioner and his vendor being at arms length generally denotes the market value by itself, unless there is evidence to show that the said value was either a fancy price or a concession granted because of certain relationship between the parties to the transaction. In the present case, there is no such allegation by the department.

8. In the circumstances, I accept the contention of the learned Counsel for the petitioner mat the value shown which was in conformity with the valuation of the adjacent lands in the same Registrar''s Office, represented the market value of the land as agricultural land on that date and does not require to be revalued u/s 47-A of the Stamp Act. The Sub-Registrar is therefore directed to register the documents without any further delay on the basis of the value shown in the documents. The writ petitions are allowed. No costs.

