IN THE SUPREME COURT OF INDIA
CIVIL APPELLATE JURISDICTION

CIVIL APPEAL NO. 325 OF 2025

THE INSPECTOR GENERAL OF REGISTRATION & ANR. ...APPELLANT (S)

VERSUS

KOVAI MEDICAL CENTER AND HOSPITAL LIMITED & ANR. ...RESPONDENT(S)

WITH

CIVIL APPEAL NOS. OF 2026
(@ SLP(C) NOS.38422-38423 OF 2025)

O R D E R

1. Leave granted in SLP(C) Nos.38422-38423 of 2025.
2. I.A. No.155944 of 2026, filed on behalf of respondent nos.1 & 3 seeking a direction for release of the registered sale certificates withheld by the appellants, is listed today for consideration.
3. A brief background leading to the present dispute is as follows:

3.1. Respondent no.2 – Bank initiated proceedings under the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (hereinafter, "SARFAESI Act") in respect of properties situated in S.F.Nos.1267/1, 1268/2 and 1268/1B, Meelavittan Village, Thoothukudi Taluk and District, State of Tamil Nadu.

3.2. Respondent nos.1 & 3 participated in the e-auction and emerged as the successful bidders. They paid consideration of Rs.6,22,00,000/- (Rupees Six Crore and Twenty-Two Lakhs only) and Rs.1,50,00,000/- (Rupees One Crore and Fifty Lakhs only) respectively.

3.3. On 1st October 2024, the Authorised Officer of respondent no.2 – Bank issued sale certificates in their favour and, by letters, forwarded the same to appellant no.3 – Sub Registrar, Thoothukudi Melur Sub Registrar Office, for registration.

3.4. On 3rd October 2024, respondent nos.1 & 3 paid stamp duty at the rate of 7% and registration charges at the rate of 4% on the auction price, and the sale certificates were registered by appellant no.3 – Sub Registrar as Document Nos.4411 and 4412 of 2024.

3.5. However, after registration stood completed, appellant no.3 – Sub Registrar vide letters dated 7th October 2024 referred the matter to appellant no.2 – Special Deputy Collector (Stamps) under Section 47A of the Indian Stamp Act, 1899 (hereinafter, "Stamp Act"), stating that the sale certificates were liable for stamp duty on the market value.

3.6. The reference was founded on Circular No.30437/E3/2019 dated 4th September 2019 issued by appellant no.1 – Inspector General of Registration, to the effect that a *"sale certificate issued by the Authorised Officer is liable for stamp duty on the market value".*

3.7. Appellant no.3 – Sub Registrar then addressed a communication dated 16th October 2024 to respondent nos.1 & 3 stating that the registered sale certificates were undervalued and that stamp duty was payable on the market value. Respondent nos.1 & 3 replied by letter dated 18th October 2024.

3.8. Aggrieved by the reference dated 7th October 2024, respondent nos.1 & 3 filed W.P.(MD) Nos.25561 and 25562 of 2024 challenging the proceedings so initiated, seeking release of the registered sale certificates bearing Document Nos.4411 and 4412 of 2024, and consequentially, a direction to the appellants to refund the excess amounts of Rs.31,10,000/- (Rupees Thirty One Lakh Ten Thousand only) and Rs.7,50,000/- (Rupees Seven Lakh Fifty Thousand only) paid by respondent nos.1 & 3 respectively towards stamp duty and registration charges.

3.9. The Single Judge of the High Court vide common order dated 29th October 2024 allowed the writ petitions, set aside the proceedings initiated by the appellants under Section 47A of the Stamp Act, and directed refund of the excess amounts collected from respondent nos.1 & 3.

3.10. Aggrieved, the appellants preferred W.A.(MD) Nos.2737 and 2738 of 2024.

3.11. The Division Bench of the High Court, by the impugned common judgment and final order dated 12th June 2025, upheld the order of the Single Judge and dismissed the writ appeals.

3.12. Aggrieved by the same, the appellants are before this Court.

4. By I.A. No.155944 of 2026, the applicants – respondent nos.1 & 3 seek a direction for release of the registered sale certificates bearing Document Nos.4411 and 4412 of 2024, which continue to be withheld by the appellants.

5. We have heard Mr. Amit Anand Tiwari, learned senior counsel appearing for the applicants – respondent nos.1 & 3, and Ms. Haripriya Padmanabhan, learned senior counsel appearing for the appellants, on the aforesaid application.

6. The applicants – respondent nos.1 & 3 have succeeded before the Single Judge as well as before the Division Bench. There are, therefore, two concurrent orders of the High Court holding that respondent nos.1 & 3 have paid stamp duty in excess of what was payable and directing the appellants to refund the excess.

7. This Court, by order dated 18th December 2025, condoned the delay and issued notice in the present matters, and directed that they be tagged with Civil Appeal No.325 of 2025. Admittedly, no stay of the impugned common judgment and final order dated 12th June 2025 has been

granted by this Court. The judgment of the Division Bench, affirming that of the learned Single Judge, therefore continues to operate and remains binding upon the appellants.

8. Notwithstanding the above, the registered sale certificates bearing Document Nos.4411 and 4412 of 2024 have not been released to the applicants, and the encumbrance certificate in respect of the subject properties continues to carry an endorsement that the documents are under enquiry under Section 47A(1) of the Stamp Act.

9. The applicants have paid stamp duty at 7% and registration charges at 4% on the auction price, which is in excess of what the High Court has held to be payable. The applicants have further undertaken to abide by such orders or directions as may ultimately be passed by this Court, including any direction as to payment of stamp duty, registration charges or any other amount.

10. In these circumstances, the continued withholding of the sale certificates cannot be sustained. An order of a competent court which has not been stayed cannot be permitted to be rendered ineffective. The balance of convenience lies clearly in favour of the applicants, who stand prejudiced in the enjoyment of properties lawfully purchased in a public auction, whereas the appellants suffer no corresponding prejudice.

11. We make it clear that nothing observed in this order shall be construed as an expression of any opinion on the merits of the questions of law arising for consideration in these appeals. The release of the sale certificates directed hereunder shall remain subject to the final outcome of these appeals.

12. Accordingly, I.A. No.155944 of 2026 is allowed. The appellants are directed to release the registered sale certificates bearing Document Nos.4411 and 4412 of 2024 in favour of respondent nos.1 & 3 within a period of four weeks from today.

13. Hearing is expedited. List for hearing in the month of January 2027.

……………………………….J.
[VIKRAM NATH]

……………………………….J.
[SANDEEP MEHTA]

NEW DELHI;
AUGUST 24, 2026