

Orders on IA.No.8

I.A. No.8 filed by the plaintiff praying to send the unregistered sale agreement dated 12.08.2002, affidavit dated

12.08.2002, GPA dated 12.08.2002 to the Deputy Commissioner, Bengaluru Urban District to impose and collect the deficit stamp duty and penalty on those documents.

The said application is supported with detailed affidavit of plaintiff.

The LRs of defendant No.8 filed detailed objections claiming that the said documents are created documents and need not be sent to the Deputy Commissioner for imposing penalty etc.

On that basis the point for consideration is as under:

“Whether the plaintiff made out sufficient grounds to allow the application ?”

Heard the arguments. Perused the materials on records. On that basis, my finding on the above point is in the affirmative, for the following:

REASONS

Point: The plaintiff filed this suit for specific performance of contract on the basis of the sale agreement dated 12.08.2002. The specific claim of the plaintiff is that the defendants agreed to sell the suit schedule property in his favour on

the basis of the sale agreement dated 12.08.2002. The said sale agreement is a primary document in support of the claim of plaintiff. Admittedly the said document is an unregistered document and the said document amounts to conveyance. Under such circumstances, the said document requires payment of proper stamp duty as per the Karnataka Court Fee and Suit Valuation Act.

The sale agreement is dated 12.08.2002 and as per the terms of the said sale agreement possession of the property was also delivered to the plaintiff. In support of the said sale agreement, there were another two documents such as affidavit and GPA executed in favour of the plaintiff. In the affidavit, the defendants claimed that they have received an amount and delivered possession of the property and accordingly they have executed a GPA in favour of plaintiff to manage and improve the property. Therefore, certainly as per Article 5(e)(i) R/W Section 20(i)(ii) of the Karnataka Stamp Act, the stamp duty to be paid on sale consideration amount of Rs.1,85,000/- and sale agreement was prepared in a stamp paper of Rs.110/-. As per the aforesaid provision of the

Karnataka Stamp Act, the required stamp duty for the aforesaid document is Rs. 16,650/- as per the prescribed stamp duties of the year 2000 (Karnataka Act No.7 of 2000). As such after deducting the stamp duty amount of Rs. 110/-, the balance stamp duty is Rs. 16,540/-. Therefore, there is deficit stamp duty of Rs. 16,540/-. As per provision of Stamp Act, 10 times of the deficit stamp duty to be imposed as penalty. Therefore, if the deficit stamp duty is calculated with 10 times of penalty, it comes to Rs. 1,81,940/- (Rs. 16,540/- as deficit stamp duty + 10 times of deficit stamp duty it comes to Rs. 1,65,400/-, total comes to Rs. 1,81,940/-).

It is relevant to note that the affidavit and GPA dated 12.08.2002 are continuation documents and executed to complete the aforesaid sale agreement dated 12.08.2002. Section 4 of the Stamp Act prescribes stamp duty for affidavit and GPA is Rs. 100/- each. The proper stamp duty is already paid on GPA. As such, there is no deficit stamp duty on GPA. However, the affidavit had been prepared in 20 rupees stamp paper. As such, there was deficit amount of Rs. 80/- on the affidavit and 10 times of the deficit amount

of Rs.80/- is calculated, it comes to Rs.880/- (80+800) in respect of the affidavit that is inclusive of stamp duty with penalty.

In view of settled principle of law, without paying the stamp duty and penalty the aforesaid sale agreement and documents cannot be marked in support of the claim of the plaintiff as the case of the plaintiff is totally on the aforesaid sale agreement. Accordingly, the above point is answered in the affirmative. In the result, I proceed to pass the following:

ORDER

IA No.VIII filed under Section 151 of CPC R/W Section 33 and 34 of the Karnataka Stamp Act by the plaintiff is hereby allowed.

Accordingly the plaintiff is directed to pay the balance stamp duty of Rs. 16,540/- and 10 times penalty of Rs. 1,65,400/-, in total the plaintiff has to pay Rs. 1,81,940/- in respect of sale agreement dated 12.08.2002 and shall pay Rs.880/- towards balance stamp duty on the affidavit.

The plaintiff is directed to make the said payment through K-challan and submit the said K-challan to the Court on the next date of hearing.

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For further evidence of PW.1 by
27.11.2025.

(PADMA PRASAD)
II Addl. City Civil and Sessions Judge,
& Spl. Judge, Bengaluru.