

30.5.2024.

### **Orders on Payment of Deficit Stamp Duty and Penalty**

The plaintiff has produced unregistered agreement of sale dated 29.5.2014 and supplementary agreement of sale dated 2.4.2020 and sought to admit in evidence.

**2.** The learned counsel for the defendant No.2 has raised objection stating that the agreement of sale is unregistered one and sufficient stamp duty is not paid on the said document. For that the learned counsel for the plaintiff has submitted that he is ready to pay deficit stamp duty and penalty and requested this court to assess the deficit stamp duty and penalty.

**3.** The learned counsel for the defendant No.2 has argued that stamp duty paid on both the documents i.e., unregistered agreement of sale dated 29.5.2014 and unregistered supplementary agreement of sale dated 2.4.2020 is not sufficient and the plaintiff is required to pay deficit stamp duty and penalty on both the documents. On perusal of both the documents it is found that the sale consideration amount of the said transaction under the agreement of sale dated 29.5.2014 is Rs.10,00,000/- and supplementary agreement of sale dated 2.4.2020 is in supplementary to agreement of sale dated 29.5.2014. Therefore, the unregistered supplementary agreement of sale dated 2.4.2020 does not attract any stamp duty.

**4.** In this case the unregistered agreement of sale dated 29.5.2014 shows that it was drafted on stamp paper of Rs.2/- and stamp duty of Rs.200/- is paid and

under the said agreement possession of the suit property was not handed over. Therefore as per Article 5 (e) (ii) Amending Act 16 of 2011 of Karnataka Stamp Act the minimum amount of stamp duty payable for unregistered agreement of sale, where, possession is not delivered will be Rs.0.10/- for every 100 rupees or part thereof on the market value equal to the amount of consideration. Earlier the maximum court fee for agreement of sale without possession was Rs.200/-. But by way of 2009 amendment it was enhanced to Rs.0.25 rupees for every 100 rupees and by way of 2011 Amendment it was reduced to Rs.0.10/-. In this case the total sale consideration amount is Rs.10,00,000/-. Accordingly the plaintiff is required to pay an amount of Rs.1,000/-. In this case the plaintiff has already paid stamp duty of Rs.200/- on the agreement of sale dated 20.5.2014 and Rs.100/- on the supplementary agreement of sale dated 2.4.2020. Accordingly the deficit stamp duty is Rs.700/-. Further as per the provisions of Section 34 of Karnataka Stamp Act the plaintiff is also liable to pay penalty of 10 times the deficit stamp duty i.e., 10 times of Rs.700/-. Therefore, the plaintiff is required to pay deficit stamp duty of Rs.700/- and its 10 times penalty of Rs.7,000/-. Hence, the following:

### **ORDER**

The unregistered Agreement of Sale dated 29.5.2014 and supplementary unregistered agreement of sale dated 2.4.2020 are hereby impounded.

The plaintiff is directed to pay deficit stamp duty of Rs.700/- and penalty of Rs.7,000/-, in total Rs.7,700/- on or before 20 days from today.

The unregistered agreement of sale dated 29.5.2014 and unregistered supplementary agreement of sale dated 2.4.2020 shall not be admitted in evidence

and it cannot be returned to the plaintiff unless and until deficit stamp duty and penalty is paid.

The CMO has to receive the deficit stamp duty and penalty of Rs.7,700/- and after receipt of the same make endorsement on the original agreement of sale dated 29.5.2014 and supplementary unregistered agreement of sale dated 2.4.2020 as to payment of deficit stamp duty and penalty and write a letter to the District Registrar intimating the receipt of stamp duty and penalty and annex photocopy of the agreement to the said letter.

For payment of duty and penalty call on 10.6.2024.

Senior Civil Judge & JMFC, Sedam.

