

**Order on payment of duty and penalty in respect
of the Sale agreement dated 03-04-2016**

The Plaintiff has produced the Agreement of Sale dated 03-04-2016. The plaintiff shall pay duty and penalty since the said document is an insufficiently stamped document.

2. Heard the counsel for the Plaintiff and perused the records.

3. As per the sale agreement dated 03-04-2016, it is specifically recited that the possession of the suit schedule property is not handed over to the purchaser by the Vendor. Such being the case, the Plaintiff shall pay duty and penalty as prescribed in **Article 5(e) (ii) of the Schedule to Karnataka Stamp Act.**

As per Article 5(e) (ii) if possession of the property is not delivered, then Ten paise for every one hundred rupees or part thereof on the market value equal to the amount of consideration subject to a maximum of rupees twenty thousand but not less than rupees Five hundred shall be paid as stamp duty.

4. As per the above said provision, the Plaintiff shall pay duty on the market value equal to the amount of consideration which as per the alleged sale agreement is Rs.32,00,000/-. If Ten paise for every hundred rupees has to be paid, then for Rs.32,00,000/- the following duty shall be paid:-

$$32,00,000 \times 0.10/100 = \text{Rs.}3,200/-$$

5. As the document was executed on the stamp paper of the value of Rs.100/- the said amount has to be deducted from Rs.3,200/- and penalty shall be paid on the deficit duty. Since proper duty has not been paid, the Plaintiff shall pay 10 times the deficit duty as penalty. In total, the Plaintiff shall pay the following duty and penalty:-

Rs.3,200 – 100= 3,100 towards deficit duty;

3,100 X 10 = 31,000 towards penalty;

Total duty and penalty payable = Rs. 3,100 + 31,000 = 34,100/-

Total Duty and Penalty is Rs.34,100/-

Prl.Senior Civil Judge & CJM.,
Ramanagara.