ORDERS ON STAMP DUTY

After allowing I.A.No.XXXVII and upon perusal of the documents produced therein, the matter was posted for hearing on stamp duty.

2. Heard both sides.

3. Along with IA.No.XXXVII the learned counsel for defendant no.1(a) had produced the following documents.

(i) Original partition agreement dated 10.12.1975.

(ii) Original sale agreement dated 15.01.1981 entered into between plaintiff no.2 and defendant no.1(a).

(iii) Original Power of Attorney dated 15.01.1981 entered into between the plaintiff no.2 and the defendant no.1(a).

(iv) Original sale agreement dated 15.01.1981 entered between the plaintiff no.2 and the defendant no.1.

(v) Original Power of attorney dated 15.01.1981 entered into between the plaintiff no.2 and defendant no.1.

4. As far as the original partition agreement dated 10.12.1975 which is not a partition in-presenti and as such the stamp value of Rs.3/- is sufficient as per Article 39 of Karnataka Stamp

(Amendment) Act of 1975. Further the Power of Attorney's dated 15.01.1981 are also written on stamp value of Rs.20/- each and it is sufficient as per Article 41 of the then Karnataka Stamp Act.

5. Thus only original agreements for sale which is written on stamp value of Rs.3/- each are insufficient.

6. Learned counsel for plaintiff has agreed to pay the deficit stamp duty as per the direction of this Court.

7. Under proviso to Section 34 of Karnataka Stamp Act it is necessary for this Court to recover stamp duty and 10 times penalty on the instrument so as to allow it to be admitted in evidence. As per Article 5(d) of Karnataka Stamp Act as applicable on the date of said sale agreements, the proper stamp duty payable is Rs.5/-. The said provision as applicable to the sale agreements in hand is as per Karnataka Taxation and certain other laws (Amendment) Act, 1975 which introduced amendment to the Karnataka Stamp Act, 1975 with effect from 31.03.1979.

8. The original agreements for sale dated 15.01.1981 executed by plaintiff no.2 in favour of defendant no.1(a) and defendant no.1, are written on stamp value of Rs.3/- only. Therefore the deficit duty is Rs.2/- only (Rs.5-Rs.3). Hence the defendant no.1(a) who wants to get the said sale agreements to be admitted in evidence must pay deficit stamp duty and penalty amounting to Rs.22/- each towards

the sale agreements. For the observations made herein above, this Court deems fit to pass the pass the following:

ORDER

It is held that original sale agreement dated 15.01.1981 (two in numbers) are held to be deficiently stamped.

The defendant no.1(a) is required to pay Rs.22/- each i.e. Rs.44/- on or before next date of hearing for permitting to admit them in evidence.

If the defendant no.1(a) fails to pay the deficit stamp duty and penalty, then the said instruments will be impounded and the consequences under Section 37(2) of Karnataka Stamp Act would follow.

(Vignesh Kumar)
Prl. Sr. Civil Judge and CJM.,
Udupi.