

The Indian Stamp Act, 1899

No.2 of 1899

(As amended in its application to the State of Madhya Pradesh)

An act to consolidate and amend the law relating to Stamps.

Notes

The object of the Act is to collect proper stamp duty on an instrument or conveyance on which such stamp duty is payable. On sale deeds stamp duty is imposed on actual market value of such property and not on the value described in the conveyance. Thus, there is an obligation cast on the Authority to properly ascertain its true value for which he is not bound by the apparent tenor of the instrument. AIR 1999 SC

2126= 1999 (5) SCC 62.

Whereas it is expedient to consolidate and amend the law relating to Stamps; it is hereby enacted as follows:-

CHAPTER I Preliminary

Short title, extent and commencement. – (1) This Act may be called the Indian Stamp Act 1899.

(2) it extends to the whole of India except the State of Jammu and Kashmir: provided that it shall not apply to the territories which, immediately before the 1st November, 1956 were comprised in part b State (excluding the State of Jammu and Kashmir) except to the extent to which the provision of this Act relates to stamp-duty in respect of the document specified in entry 91 of List I in the Seventh Schedule to the constitution:

1[Provided further that the provision of this Act shall in so far as they relate to the instruments specified in schedule I-A apply to the Madhya Bharat, Vindhya Pradesh, Bhopal and Sironj regions with effect from the appointed day.]

(3) it shall come into force on the first day of July, 1899.

Notes

The Act levies Stamp duty on the instruments which mostly and practically and not on transaction. Shanker-

Lal saoni v. smt. Shanta bai, 1975 MPLJ s.n. 67 .The Act has nothing to do with the jurisdiction of plants, appeals or applications. It is a fiscal enactment and has been amended several times. Recently it has been amended by the Registration and other Registration and other Related laws (Amendment) Act, 2001 (central Act no.48 of 2001)

(c). Definitions. – in this Act, unless there is something repugnant in the subject or context,

“banker” includes a bank and any person acting as a banker;

1[(1-a) “appointed day” means the date appointed under sub-section (3) of section 1 of the Madhya Pradesh

Taxation Laws (Extension) Act, 1957 (18 of 1957);]

“Bill of exchange” means a bill of exchange as defined by the Negotiable Instrument Act,1881 (26 of1881) and includes also a hundi, and any other document entitling or purporting to entitle any person, whether named therein or not , to payment by any other person of, or to draw upon any other person for, any sum of money.;

(3)“Bill of exchange payable on demand” includes-

an order for the payment of any sum of money by bill of exchange or promissory note, or for the delivery of any bill of exchange or promissory note in satisfaction of any sum of money, or for the payment of any sum of money out of any particular fund which may or may not be performed or happen.

An order for the payment of any sum of money weekly, monthly, or at any other stated period; and

a letter of credit ,that is to say , any instrument by which one person authorizes another to give credit

to the person in whose favor it is drawn;

(4) “Bill of lading” includes a “through bill of lading, “ but does not include a mate receipt;

(5) “Bond” includes-

any instrument whereby a person obliges himself to pay money to another, on condition that the obligation shall be void if a specified act is performed, or is not performed, as the case may be;

any instrument attested by a witness and not payable to order or bearer, whereby a person obliges himself to pay money to another; and

any instrument so attested, whereby a person obliges himself to deliver grain or other agriculture produce to another

(6) “Chargeable” means, as applied to an instrument execute or first executed after the commencement of this

Act, chargeable under this act, and as, applied to any other instrument, chargeable under the law in force

In India when such instrument was executed or, where several persons executed the isnstrument at

Different. Times, first executed;

(7) “Cheque” means a bill of exchange drawn on specified banker and not expressed to be payable otherwise than on demand;

(8) Omitted by A.O.1937.

(9) “Collector”-

Means, within the limits of the towns of Calcutta, madras and Bombay, the Collector of Calcutta,

Madras and Bombay, respectively and without those limits, the collector of a district; and

Includes a Deputy Commissioner and any officer whom the State Government may, by notification in the official Gazatte, appoint in this behalf;

NOTIFICATION

Notification No.B-7- (A)-98-94-CTD-V dated the 8th September, 1994. - In exercise of the powers conferred by sub-clause (b) of clause 9 of Indian Stamp Act,1899(II of 1899), the state Government hereby

Appoints all Deputy Inspector General of registration as the Collector for the purpose of the said Act within the limits of their respective jurisdiction.

[published in M.P. Rajpatra (Asadharan)

dated 12-9-94 page 1565.]

(10) “Conveyance” includes a conveyance on sale and every instrument by which proper, whether movable or immovable, is transferred inter vivos and which is not otherwise specifically provided for by schedule I[or by schedule 1-A, as the case may be;]

(11) “Duly Stamped”, as applied to an instrument, means that the instrument bears an adhesive or impressed stamp of not less than the proper amount and that such stamp has been affixed or used in accordance with the law for the time being in force in India;

(12) “Executed” and “execution” used with reference to instrument, means “signed’ and “signature”;

(12-A) omitted by A.O 1950.

(13) “ Impressed Stamp” includes

labels affixed and impressed by the proper officer; and

Stamps embossed or engraved on stamped paper;

2[(13-A)” India” means the territory of India excluding the State of Jammu and Kashmir;]

(14) “ Instrument” includes every document by which any right or liability is, or purports to be, created, transferred, limited, extended, extinguished or recorded;

3[(15) “ Instrument of Partition” means any instrument whereby co-owners of any property divide pr agree to divide such property in severalty, and also includes-

a final order for effecting a partition passed by any revenue authority or any civil court;

an award by an arbitrator directing a partition; and

When any partition is effected without executing any such instrument, any instrument or instrument, signed by the co-owners and recording, whether by way of declaration of such partition or otherwise , the terms of such partition amongst the co-owners;]

(16) “ Lease” means a lease of immovable property and includes also-
a patta;

a kabuliyat or other undertaking in writing, not being a counterpart of lease, to cultivate, occupy or pay or deliver rent for, immovable property;
any instrument by which tolls of any description are let;
any writing on an application for a lease intended to signify that the application is granted;

NOTES

Instrument of agreement for toll tax is lease deed under section 2 (16) (c) of the act
Hence Stamped duty is leviable accordingly. A.I.R.1992 ALLD.181.

(16-A) “Marketable security” means a security of such a description as to be capable of being sold in any stock market in India or in the United kingdom;

(17) “ Mortgage- deed” includes every instrument whereby, for the purpose of securing money advanced, or to be advanced, by way of loan, or an existing or future debt, or the performance of an engagement. One person transfers, or creates, to, or in favor of, another, a right over or in respect of specified property;

(18) “Paper” includes vellum, parchment or any other material on which an instrument may be written;

(19) “Policy of insurance” includes-

(a) any instrument by which one person, in consideration of a premium engages to identify another against loss, damage or liability arising from an unknown or contingent event;
a life policy, and any policy insuring any person against accident or sickness, and any other personal insurance;

1[(19-A) “ Policy of group insurance” means any instrument covering not less than fifty or such smaller number as the Central Government may approve, either generally or with reference to any particular case, by which an insurer, in consideration of premium paid by an employer or by an employer and his employees jointly, engages to cover, with or without medical examination and for the sole benefits of person other than the employer, the lives of all the employees or of any class of them, determined based upon a plan which precludes individual selection;]

(20) ‘Policy of sea-insurance” or “sea policy”-

means any insurance made upon any ship or vessel (whether for marine or inland navigation), or upon the machinery, tackle or furniture of any ship or vessel, or upon any goods, merchandise or property of any description whatever on board of any ship or vessel or upon the freight of , or any other interest which may be lawfully or upon the freight of or any other interest which may be lawfully insured in or relating to any ship or vessel ;and

includes any insurance of goods, merchandise or property for any transit which includes, not only a sea risk within the meaning of clause(a), but also any other risk incidental to the transit insured from the commencement of the transit to the ultimate destination covered by the insurance;

Where any person, in consideration of any sum of money paid or to be paid for additional freight or otherwise, agrees to take upon himself any risk attending goods, merchandise or property of any description whatever while on board of any ship or vessel, or engages to indemnify the owner of any such goods, merchandise or property from any risk, loss or damages, such agreement or engagement shall be deemed to be a contract for sea-insurance;

(21) “Power-of-attorney” Includes any instrument (not chargeable with a fee under the law relating to court-fees for the time being in force) empowering a specified person to act for and in the name of the person executing it;

(22) “Promissory note” means a promissory note as define by the Negotiable Instrument Act, 1881(26 of 1881);

It also include a note promising the payment of any sum of money out of any particular fund which may or may not be available, or upon any condition or contingency which may or may not be performed or happen;

Notes

Acknowledgment of loan, which is accompanied by promise to pay. It is not a promissory note.1961 jlJ 851=1961 MPLJ 169.

(23) “Receipt” includes any note, memorandum or writing-

where by any money ,or any bill of exchange, cheque or promissory note is acknowledged to have been recived, or

where by any other movable property is acknowledge to have been recived in satisfaction of a debt, or

where by any debt or demand or any part of debt or demand is acknowledge to have been satisfied or discharge, or

Which signifies or imports any such acknowledgement, and whether the same is or is not signed with the name of any person;

(24) “Settlement” means any non-testamentary disposition, in writing of movable or immovable property made-

In consideration of marriage;

For the purpose of distributing property of the settlor among his family or those for whom he provide, or for the purpose of providing for some person dependent on him; or

For any religious or charitable purpose;

And includes an agreement in writing to make such a disposition and, where any such disposition has been made in writing, any instrument recording, where by way of declaration of trust or otherwise, the terms of any such disposition;

(25) “Soldier’ includes any person below the rank of non-commissioned officer who is enrolled under the Indian Army Act, 1911(no.8 of 1911).

(26) Omitted by Central Act 43 of 1955

CHAPTER II

Stamp-duties

A- of the liability of instrument to duty

3.Instrument chargeable with duty.- Subject to the provision of this Act and the exemptions contained in Schedule I, the following instrument shall be chargeable with duty of the amount indicated in the schedule as the proper duty therefore, respectively, that is to say-

- (a) Every instrument mentioned in that schedule which, not having been previously executed by any person, is executed in India on or after the first day of July 1899;
- (b) Every person bill of exchange payable otherwise than on demand or promissory note drawn or made out of on or after that day and accepted or paid, or presented for acceptance or payment, or endorsed, transferred or otherwise negotiable in India; and (c) every instrument (other than a bill of exchange or promissory note) mentioned in that schedule, which not having been previously executed by any property situate, or to any matter or thing done, or to be done, in India and is received in India:

1[Provided that, except as otherwise expressly provided in this Act, and notwithstanding anything contained in clause (a), clause(c) of this section or in schedule I, the amount indicated in schedule, be the duty chargeable on the instruments mentioned in clauses (aa) and (bb) of this proviso, as the proper duty thereof, respectively, -

(aa) every instrument, mentioned in schedule I-A as chargeable with duty under that schedule, which not having been previously executed by any person, is executed in Madhya Pradesh on or after the commencement of the Central Provinces and Berar Indian stamp (Amendment) Act, 1939; and (bb) every instrument mentioned in Schedule I-A as chargeable with duty under that schedule, which not having been previously executed by any person, is executed out of Madhya Pradesh on or after the commencement of the Central Provinces and Berar Indian Stamp (Amendment) Act, 1939 and relates to any property situated or to any matter or thing done or to be done, in Madhya Pradesh and is received in Madhya Pradesh :

Provided 1[further] that no duty shall be chargeable in respect of-

(1) any instrument executed by, or on behalf of, or in favour of, the Government in cases where, but for this exemption, the Government would be liable to pay the duty chargeable in respect of such instrument;

(2) any instrument for the sale, transfer or other disposition, either absolutely, or by way of mortgage or otherwise, of any ship or vessel, or any part, interest, share or property of or in any ship or vessel registered

under the Merchant Shipping Act, 1894 or under Act 19 of 1838, or the Indian Registration of Ships Act, 1841 as amended by subsequent Acts.

2[3-A. Instrument chargeable with addition duty- (1) Every instrument chargeable with duty under section 3, read with schedule I-A shall in addition to such duty, be chargeable with a duty of ten paise (2) the additional duty with.

(2) The additional duty with which any instrument is chargeable under subsection (1) shall be paid and such payment shall be indicated on such instrument by means of adhesive stamps bearing the words [additional duty] whether with or without any other design, picture or inscription.

(3) Except as otherwise provided in sub-section (2), the provisions of this Act shall, so far as may be, apply in relation to the additional duties chargeable under sub-section (1) in respect of the instruments referred to therein as they apply in relation to the duty chargeable under section 3 in respect of those instruments.

4. Several instruments used in single transaction of sale, mortgage or settlement. – [(1) Where, in the case of any sale, mortgage or settlement, several instruments are employed for completing the transaction, the principal instrument only shall be chargeable with the duty prescribed in Schedule I-a for the conveyance, mortgage or settlement, and each of the other instruments shall be chargeable with a duty of [six rupees] instead of the duty (if any) prescribed for it in that Schedule.]

(2) The parties may determine for themselves which of the instruments so employed shall, for the purposes of sub-section (1), be deemed to be the principal instrument:

Provided that the duty chargeable on the instrument so determined shall be the highest duty which would be chargeable in respect of any of the said instruments employed.

5. Instruments relating to several distinct matters. – Any instrument comprising or relating to several distinct matters shall be chargeable with the

aggregate amount of the duties with which separate instruments, each comprising or relating to one of such matters, would separate instruments, each comprising or relating to one of such matters, would be chargeable under this Act.

6. Instruments coming within several descriptions in Schedule I – Subject to the provisions of the last preceding section, an instrument so framed as to come within two or more of the descriptions in Schedule I, or in Schedule 1-A, as the case may be, shall where the duties chargeable thereunder are different, be chargeable only with the highest of such duties :

Provided that nothing in this Act contained shall render chargeable with duty exceeding a counterpart or duplicate of any instrument chargeable with duty and in respect of which the proper duty has been paid, unless it falls within the provisions of section 6-A.

6-A. Payment of duty on copies, counterparts or duplicates when that duty has not been paid on the principal original instrument – (1) Notwithstanding anything contained in section 4 or section 6 or in any other enactment for the time being in force the duty chargeable on an instrument of sale, mortgage or settlement other than a principal instrument or on a counterpart, duplicate or copy of any instrument shall, if the principal or original would, when received in Madhya Pradesh have been chargeable under this Act, as amended by the Central Provinces and Berar Indian Stamp (Amendment) Act, 1939, with a higher rate of duty, be the duty with which the principal or original instrument would have been chargeable under section 19-A, unless it is proved that the duty chargeable under this Act, as amended by the Central Provinces and Berar Indian Stamp (Amendment) Act, 1939, has been paid –

- (a) on the principal or original instrument, as the case may be, or
- (b) in accordance with the provisions of the section.

(2) Notwithstanding anything constrained in any enactment for the time being in force, on instrument, counterpart, duplicate or copy chargeable with duty under this section shall be received in evidence as properly stamped unless the duty chargeable under this section has been paid thereon:

Provided that a court before which any such instrument, counterpart, duplicate or copy is produced may permit the duty chargeable under this section to be paid thereon, and may then receive it in evidence.

7. Policies of sea insurance.

(4) Where any sea-insurance is made for or upon a voyage and also for time, or to extend to or cover any time beyond thirty days after the ship shall have arrived at her destination and been there moored at anchor, the policy shall be charged with duty as policy for or upon a voyage, and also with duty as a policy for time.

8. Bonds, debentures or other securities issued on loans under Act 11 of 1879. – (1) Notwithstanding anything in this Act, any local authority raising a loan under the provisions of the Local Authorities Loan Act, 1879, or of any other law for the time being in force, by the issue of bonds, debentures or other securities, shall, in respect of such loan, be chargeable with a duty of one per centum on the total amount of the bonds, debentures or other securities issued by it, and such bonds, debentures or other securities need not be stamped, and shall not be chargeable with any further duty on renewal, consolidation, subdivision or otherwise.

(2) The provision of sub-section (1) exempting certain bonds, debentures or other securities from being stamped and from being chargeable with certain further duty shall apply to the bonds, debentures or other securities of all outstanding loans of the kind mentioned therein, and all such bonds, debentures or other securities shall be valid, whether the same are stamped or not:

Provided that nothing herein contained shall exempt the local authority which has issued such bonds, debentures or other securities from the duty chargeable in respect thereof prior to the twenty-sixth day of March, 1897, when such duty has not already been paid or remitted by order issued by the Central Government.

(3) In the case of willful neglect to pay the duty required by this section, the local authority shall be liable to forfeit to the Government a sum equal to ten per centum upon the amount of duty payable, and a like penalty for every month after the first month during which the neglect continues.

8A. Securities dealt in depositor not liable to stamp duty :- Notwithstanding anything contained in this Act or another law for the time being in force –

- (a) an issuer, by the issue of securities to one or more depositories shall, in respect of such issue, be chargeable with duty on the total amount of security issued by it and such securities need not be stamped;
- (b) where an issuer issues certificate of security under sub-section (3) of section 14 of the Depositories Act, 1996 (22 of 1996), on such certificate duty shall be payable on the issue of duplicate certificate under this Act;

- (c) the transfer of –
 - (i) registered ownership of securities from a person to a depository or from a depository to a beneficial owner;
 - (ii) beneficial ownership of securities, dealt with by a depository;
 - (iii) beneficial ownership of units, such units being units of a Mutual Fund including units of the Unit Trust of India established under sub-section (1) of section 3 of the Unit Trust of India Act, 1963 (52 of 1963), dealt with by a depository,

shall not be liable to duty under this Act or any other law for the time being in force.

Explanation 1- For the purposes of this section, the expressions “beneficial ownership”, “depository” and “issuer” shall have the meanings respectively assigned to them in clauses (a), (e) and (f) of sub-section (1) of section 2 of the Depositories Act, 1996 (22 of 1996).

Explanation 2 – For the purposes of this section, the expression “securities” shall have the meaning assigned to it in clause (h) of section 2 of the Securities contracts (Regulation) Act, 1956 (1956).

9. Power to reduce, reduce, remit or compound duties. – (1) The Government may, by rule or order published in the Official Gazette, -

- (a) reduce or remit, whether prospectively or retrospectively, in the whole or any part of the territories under its administration, the duties with which any instruments or any particular class of instruments, or any of the instruments belonging to such class, or any instruments when executed or in favour of any particular class of persons, or by or in favour of any members of such class, are chargeable, and
- (b) provide for the composition or consolidation of duties in the case of issues by any incorporated company or other body corporate [or of transfers (where there is single transferee, whether incorporated or not)] of debentures, bonds or other marketable securities.

(2) In this section the expression “the Government” means –

- (a) in relation to stamp duty in respect of bills of exchange, cheques, promissory notes, bills of lading, letters of credit, policies of insurance, transfer of shares, debentures, proxies and receipts, and in relation to any other stamp-duty chargeable under this Act and falling within entry 96 in List I in the Seventh Schedule to the Constitution, the Central Government;
- (b) save as aforesaid, the State Government.

NOTIFICATIONS

Notification No. F. B-6-23-V-SR-85 (1) dated the 1st September, 1989. – In exercise of the powers conferred by clause (a) of sub-section (1) of Section 9 of the Indian Stamp Act, 1899 (II of 1899) the State Government hereby remit stamp duty chargeable on instruments of sale deed / lease deeds executed to acquire land in favour of the members of a family displaced on account of the Narmada Valley Project subject to the following conditions namely :-

- [(a) A certificate bearing the name of the displaced person, area of the land acquired and the amount of compensation from the Land Acquisition Officer or the Rehabilitation Officer of the Project area is given to the concerned displaced person;
- (b) The land is purchased by the displaced person anywhere in the state of Madhya Pradesh during the process of rehabilitation;]
- (c) The position in (a) and (b) above is expressed in the instrument of transfer itself; and
- [(d) The eligibility of exemption from the Stamp duty shall be limited to the amount of duty payable on the value of land purchased equal in area of his land acquired or the amount of compensation, whichever is higher;
- (e) The Stamp duty due on such instrument in accordance with the provisions of the Indian Stamp Act, 1899 shall be re-imbursed by the Narmada valley Development Authority to the Commercial Taxes Department in the same financial year in which the registration of sale deed/lease deed takes place.]

Notification No. F.B.-4-28-V-C-Tax-89 (15) dated the 27th June, 1990. – In exercise of the powers conferred by clause (a) of sub-section (1) of Section 9 of the Indian Stamp Act, 1899 (II of 1899) the State Government hereby remit in

whole the stamp duty chargeable of Affidavits submitted under Bhopal Gas Leak Disaster (Processing of Claims) Act, 1985 (No. 21 of 1985).

Notification No. (33) B-4-23-95-CTD-5 dated the 21st December, 1995. – In exercise of the powers conferred by clause (a) of sub-section (1) of Section 9 of the Indian Stamp Act, 1899 (No. II of 1899) and in supersession of this Department Notification No. F-2592-B-6-23-V-SR-86, dated 15-5-87 and F-3148-B-4-3-VSR-88 the State Government hereby remits the stamp duty, with effect from 1st January 1996 in the whole of the State of Madhya Pradesh, chargeable on instruments of sale/lease executed by Madhya Pradesh Housing Board, Nagar Vikas Pradhikarans and Madhya Pradesh Housing Federation Ltd, in favour of persons of Economically Weaker Sections and Lower income Group subject to the conditions that :-

- (A) Where the purchase/lessee belongs to economical weaker section -
- (i) If he produces a certificate from the seller/lessor to the effect that he belongs to the economically weaker section;
 - (ii) If the cost of plot together with building thereon does not exceed Rs. 50,000 and in case of plot only the cost thereof not exceed Rs. 15,000 on the date of allotment of the building/plot;
 - (iii) If the area of the plot with or without building is not more than 60 square meters.
- (B) Where the purchaser/lessee belongs to Lower Income Group-
- (i) If he produces a certificate from the seller/lessor to the effect that he belongs to lower income group;
 - (ii) If the cost of plot together with building thereon does not exceed Rs. 75,000 and in case of plot only the cost thereof does not exceed Rs. 25,000 on the date of allotment of the building/plot;
 - (iii) If the area of the plot with or without building is not more than 96 sq. meters.

Explanation – For the purpose of this order-

- (i) Purchaser/Lessee belonging to economically weaker section means a person whose family's monthly income from all sources does not exceed Rs. 1,250/- on the date of allotment of the building/plot.

- (ii) Purchaser/Lessee belonging to lower income group means a person whose family income from all sources exceed RS. 1,250/- but does not exceed Rs. 2,650/- on date of allotment of the building/plot.

Notification No. (39)-R-4-2-96-CTD-V dated the 23rd August, 1996 – In exercise of the powers conferred by clause (a) of sub-section (1) of Section 9 of the Indian Stamp Act, 1899 (No. II of 1899), the State Government hereby remits the stamp duty chargeable under Article 45 of Schedule I-A of the said Act in respect of deeds of partition of agricultural land between joint Khatedars, under following conditions :-

1. there is neither any dispute nor any case pending in any Court regarding the land to be partitioned;
2. the land being partitioned is not within the provisions of ceiling.

Notification No.(51) B-4-12-96-CTD-V dated the 8th November, 1996-In exercise of the powers conferred by clause (a) of sub-section (i) of Section 9 of the Indian Stamp Act, 1899 (No. II of 1899), the State Government hereby remits the stamp duty chargeable under Article 31 of Schedule 1-A of the said Act in respect of deeds of exchange of agricultural land upto 5 acres under following conditions, namely :-

- (1) The lands being exchanged are agricultural;
- (2) The lands being exchanged are adjacent to the land owners land, i.e., there is chakbandi;
- (3) The lands being exchanged are approximately of equal market value;
- (4) The lands being exchanged should not be Nazul or extra-Nazul agricultural lands;
- (5) The lands being exchanged are situated within the same Revenue inspector circle;
- (6) Provision should not be misused for evading Ceiling on agricultural land.

Notification No. (13) B-4-18-98-CT-V dated the 19th May, 1998. – In exercise of the powers conferred by clause (a) of sub-section (1) of Section 9 of the Indian Stamp Act, 1899 (No. II 1899), the State Government hereby reduces the stamp duty with which an instrument of securitization of loans or of

Assignment of Debt with underlying securities is chargeable under Schedule 1-A of the said Act, to 0.1 per cent. Of the loan securitized or debt assigned with underlying securities, if the securities are movable properties and to 2 percent. Of the loan securitized or debt assigned with underlying securities, if the securities are immovable properties.

Notification No. B-4-17-94-C.T.-5(22) dated the 22nd June, 1998 – In exercise of powers conferred by clause (a) of sub-section (1) of Section 9 of the Indian Stamp Act, 1899 (No. II of 1899), and in supersession of this Department Notification No. 2851-B-6-17-C.T.-V87, dated the 30th May, 1922, the State Government hereby reduces/ remits the rates of stamp duty chargeable on the instruments of sale executed by Madhya Pradesh Housing Board, Vikas Pradhikaran, Primary Co-operative Housing Societies and Madhy Pradesh Co-operative Housing Federation Ltd., in relation to the houses/apartments constructed under Self Financing Scheme, subject to the following conditions, namely :-

- (a) the chargeable stamp duty shall be exempted/reduced to the extent of 100 percent, 50 percent and 25 percent for the categories of houses/apartments of Economically Weaker Section, Low Income Group and Middle Income Group respectively. No exemption/reduction shall be granted in cases, of High Income Group Houses/apartments.
- (b) this exemption/reduction shall be limited only to original allottees under the Self Financing Scheme;
- (c) For purpose of clause (a), except the Primary Co-operative Housing Societies a necessary certificate shall be given by the said executing institutions, and in relation to the Primary Co-operative Housing Societies an affidavit shall be given by the concerning Co-operative Society.

Explanation – For the purpose of this notification, the words “Houses/apartments of economically weaker sections, Low Income Group and Middle Income Group mean such houses/apartments whose maximum plinth area and plot area shall not exceed,”-

Category of housing	Maximum Plinth area (sq. M.)	Maximum Plot area (sq. M.)
(1)	(2)	(3)
Economically Weaker Section	30	60

Low Income Group	48	96
Middle Income Group	85	190

Notification No. (22) –B-4-22-98-C.T.V. dated the 20th August, 1998 – In exercise of the powers conferred by clause (a) of sub-section (1) of Section 9 of the Indian Stamp Act, 1899 (No. II of 1899) the State Government hereby remits the Stamp duty chargeable on all kinds of deeds of transfers of Agricultural land executed by a person belonging to Scheduled Tribe in favour of his legal heir/heirs during his life time.

Notification No. (39) B-4-1-97-C.T.V. dated the 19th May, 1999 – In exercise of the powers conferred by clause (a) of sub-section (1) of Section 9 of the Indian Stamp Act, 1899 (No. II of 1899), the State Government is pleased –

- (1) to remit the whole of stamp duty on the instruments of Charter Party (No. 20), Mortgage of crops (No. 41), Note of protest by Master of a ship (No. 44), protest by Master of ship (No. 51) and shipping order (No. 60).
- (2) to reduce the duty chargeable under clause (f-1) of Article 48 of Schedule 1-A to one hundred rupees on a power of attorney in the following cases :-
 - (a) when such power of attorney is given by a principal to his or her real brother/brothers or sister/sisters.
 - (b) when such power of attorney belongs to any immovable property situated outside the State of Madhya Pradesh.

Notification No. (48) B-4-45-98-CTD-5 dated the 13th October, 1999 – In exercise of the powers conferred by clause (a) of sub-section (1) of Section 9 of the Indian Stamp Act, 1899 (No. II of 1899), the State Government hereby reduces the Stamp duty chargeable on a mortgage deed executed by a “New Industry” to be set up in the field of energy generation and mineral oil refining, for raising capital to set up the industry, to rupees five lacs where the duty payable on such deed exceeds that amount.

Explanation – For this purpose, “New Industry” means an industrial unit which has not gone into production before 19-8-1999 and is so certified by the Commissioner of Industries or any Officer appointed by him in this behalf.

Notification No. (35) B-4-20-99-CTD-V dated the 12th July, 2000. – In exercise of the powers conferred by clause (a) of sub-section (1) of Section 9 of the Indian Stamp Act, 1899 (No. II of 1899), the State Government hereby remits

the stamp duty chargeable on instruments of lease executed by the Government in favour of Madhya Pradesh State Tourism Corporation in relation to the land on which the units of the said corporation are situated.

Notification No. (51) B-4-21-99-CTD.-V. dated the 10th November, 2000. – In exercise of the powers conferred by clause (a) of sub-section 1 of Section 9 of the Indian Stamp Act, 1899 (No. II of 1899), the State Government hereby remits the Stamp duty of Rs. 2,06,190/- (Rs. Two Lac Six thousand one hundred ninety only) on the sale deed of 2,0378 hectares of agricultural land being purchased by the Kshipra Power Loom Bunkar Maryadit Sahkari Samiti, Ujjain for of its members.

Notification No. (15)-B-4-6-2000-CTD-V dated the 4th April, 2001. – In exercise of the powers conferred by clause (a) of sub-section (1) of Section 9 of the Indian Stamp Act, 1899 (No. II of 1899), the state Government hereby remits the stamp duty chargeable on the instruments of Sale/Lease relating to plot or built up space executed by or on behalf of the State Government or any Semi Government Organisation or any Government Undertaking, in favour of the Information Technology Industries to be established in the State of Madhya Pradesh.

Notification No. No. F.B.-4-46-97-CTD-V. dated the 18th May, 2001 – In exercise of the powers conferred by clause (a) of sub-section (1) of Section 9 of the Indian Stamp Act, 1899 (No. II of 1899), the State Government hereby remits the Stamp duty chargeable in respect of the following instrument, namely :-

- (1) The lease deed executed in favour of a Fisherman Cooperative society registered or deemed to be registered under the Madhya Pradesh, Cooperative Societies Act, 1960 (No. 17 of 1961) relating to catch fish from a reservoir admeasuring not more than two thousand hectares in area;
- (2) The Stamp duty of Rs. 29522/- chargeable on the lease to catch fish from Hirsra and Tigra reservoirs for the year 1981-82.

Notification No. (1)-F.B.-4.6-2001-CTD-V dated the 5th January, 2002. – In exercise of the powers conferred by clause (a) of sub-section (1) of Section 9 of the Indian Stamp Act 1899 (No. II of 1899), the State Government hereby reduces with effect from 15th January, 2002 and upto 15th March, 2002 (both days inclusive) the Stamp duty chargeable on instruments produced under the “Amnesty Scheme” and specified in column 1 of Schedule below to the extent specified in column (2) thereof :-

Schedule

	Date of execution	Duty reduced by
1	When the execution of the transaction of instrument is before the year;	The amount of duty chargeable on 75 percent of the present guide line value.
2	When the execution of the transaction of the instrument is between the year 1975 to year 1985;	The amount of duty chargeable on 50 percent of the present guide line value.
3	When the execution of the transaction of the instrument is between the year 1986 to year 1990;	The amount of duty chargeable on 40 percent of the present guide line value.
4	When the execution of the transaction of the instrument is between the year 1986 of year 1995;	The amount of duty chargeable on 30 percent of the present guide line value.
5	When the execution of the transaction of the instrument is between the year 1996 to year 2000;	The amount of duty chargeable on 20 percent of the percent guide line value.

Explanation – The aforesaid reduction in duty shall be applicable only in cases in which duty is chargeable as per the guide line values.

Notification No. (1) F.B. 4-6-2001-CTD-V dated the 5th January, 2002 – In exercise of the power conferred by clause (a) of sub-section (1) of Section 9 of the Indian Stamp Act, 1899 (No. II of 1899), State Government hereby reduces with effect from 15th January, 2002 and upto 15th March, 2002 (both days inclusive), the maximum penalty of an amount not exceeding ten times the amount of proper duty or the deficient portion thereof payable on an instrument under the provision of clause (b) of sub-section (1) of Section 40 in respect of an instrument produced under the ‘Amnesty Scheme’ of five hundred rupees, when it exceeds five hundred rupees.

B-On stamp and the mode of using them

10. Duties how to be paid – (1) Except as otherwise expressly provided in this Act, all duties with which any instruments are chargeable shall be paid, and such payment shall be indicated on such instruments, by means of stamps –

- (a) according to the provisions herein contained; of

- (b) when no such provision is applicable thereto – as the State Government may by rule direct.
- (2) The rules made under sub-section (1) may, among other matters, regulate,-
- (a) in the case of each kind of instrument – the description of stamps which may be used;
 - (b) in the case of instruments stamped with impressed stamps – the number of stamps which may be used;
 - (c) in the case of bill of exchange or promissory notes [* * *] the size of the paper on which they are written.

[10-A. Payment of duty in cash – (1) Notwithstanding anything contained in section 10, where the Collector is satisfied that there is temporary shortage of stamps in the district or that stamps of required denominations are not available, he may permit duty to be paid in cash and authorise the Treasury Officer or Sub-Treasure Officer, as the case may be, on production of a challan evidencing payment of duty in the Government Treasury or Sub-Treasury, as the case may be, to certify in such manner as may be prescribed by endorsement on the instrument or instruments the amount of duty so paid in cash.

- (2) An endorsement made on any instrument under sub-section (1) shall have the same effect as if the duty of an amount equal to the amount stated in the endorsement has been paid in respect thereof and such payment has been indicated on such instrument by means of stamps in accordance with the requirement of section 10.]

11. Use of adhesive stamps – The following instruments may be stamped with adhesive stamps, namely :-

- (a) instruments chargeable [with a duty not exceeding ten naye paise,] except parts of bill of exchange payable otherwise than on demand and drawn in sets;
- (b) bills of exchange, and promissory notes drawn or made out of India;
- (c) entry as an advocate, vakil or attorney on the role of a High Court;
- (d) notarial acts; and

- (e) transfers by endorsement of shares in any incorporated company or other body corporate.

12. Cancellation of adhesive stamps - (1) (a) Whoever affixes any adhesive stamp to any instrument chargeable with duty which has been executed by any person shall, when affixing such stamp, cancel the same so that it cannot be used again; and

- (b) whoever executes any instrument on any paper bearing an adhesive stamp shall, at the time of execution, unless such stamp has been already cancelled in manner aforesaid, cancel the same so that it cannot be used again.
- (2) Any instrument bearing an adhesive stamp which has not been cancelled so that it cannot be used again, shall, so far as such stamp is concerned, be deemed to be unstamped.
- (3) The person required by sub-section (1) to cancel an adhesive stamp may cancel it by writing on or across the stamp his name or initials or the name or initials of his firm with the true date of his so writing, or in any other effectual manner.

13. Instruments stamped with impressed stamps how to be written – Every instrument written upon paper stamped with an impressed stamp shall be written in such manner that the stamp may appear on the face of the instrument and cannot be used for or applied to any other instrument.

14. Only one instrument to be on same stamp – No second instrument chargeable with duty shall be written upon a piece of stamped paper upon which an instrument chargeable with duty has already been written :

Provided that nothing in this section shall prevent any endorsement which is duly stamped or is not chargeable with duty being made upon any instrument for the purpose of transferring any right created or evidenced thereby, or of acknowledging the receipt of any money or goods the payment or delivery of which is secured thereby.

15. Instrument written contrary to section 13 or 14 deemed unstamped – Every instrument written in contravention of section 13 or section 14 shall be deemed to be unstamped.

16. Denoting duty – Where the duty with which an instrument is chargeable, or its exemption from duty, depends in any manner upon the duty actually paid in