



Proceedings of the Government of Karnataka

Subject: Agreement for issuance of E-Stamping certificate to the public through internet in Stamps and Registration Department.

Reference: Letter of the Inspector General of Registration and Commissioner of Stamps vide No.STP/54/2019-20, dated: 25-09-2019 and 22-05-2020.

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Preamble:

In the preamble read above, Inspector General of Registration and Commissioner of Stamps Stater that the Government has declared in the budget of the year 2020-21 that, through National e-Governance Services Limited (NeSL) Portal for the mortgage articles registered by the bank through online by the Bank and Non Banking Financing Companies (NBFCs), the only payment system will be introduced. In this regard NeSL and Stock Holding Corporation of India Ltd (SHCIL) before declaring in the budget regarding payment of stamp duties in digital method for the articles related to non registered documents in Karnataka State, the NeSL and SHCIL, while obtaining of the loans from the Bank and non banking financial companies by the public / customers, the under articles mentioned in the below statement are the articles to be executed to the Banking/non banking financial companies. Out of these articles, the Mortgage with Possession and Mortgage without Possession are the compulsory registered documents in accordance with the Registration Act Sec.17, other documents are the optional documents. The stamp duty payable to the said documents under the Karnataka Stamp Duty Act, and the documents registered in the sub-registrar's office and non registered documents, by paying the stamp duty at Authorized Collection centres to obtaining physical possession, the statistics has detailed below.

Articles relating to Bank Document:

Sl. No.	Description of Documents	Article	Stamp Duty Payable	Registered in SR office	No. of certificates/ documents issued through ACC's offline)
1	Affidavit	4	20/-	615	8198134
2	Agreement	5(1)	Rs.200/-	171081	215405

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Sl. No.	Description of Documents	Article	Stamp Duty Payable	Registered in SR office	No. of certificates/ documents issued through ACC's offline)
3	D.T.D.	6(1)	0.1% 0.2% Max 10 Lakhs	171081	215405
4	Pawn or Pledge	6(2)	0.1% 0.2% Max 10 Lakhs	2	
5	Indemnity Bond	29	200/-	201	574141
6	Mortgage with Possession	34(a)	5%	1175	
7	Mortgage without possession	34(b)	0.5%	500895	64979
8	Deed of hypothecation	34(b)	0.1% 0.2% Max 10 Lakhs	8	
9	Power of Attorney	41(c)	200/-	34001	263067
			Total	698512	9557922
			%	6.8%	93.2%

On observing of the numbers mentioned in the said statement, for 7% of compulsory registration articles the public should appear before the Sub-Registrar office and pay the registration fees and will get registration of the documents. Remaining 93% of the documents which are non compulsory for registration i.e. Bank Guarantee, Loan Agreement, Indemnity Bond, Deed of Hypothecation, Pawn and Pledge, Declaration, Promissory Notes and other documents instead of purchasing the E-stamp papers by visiting to the Authorized Collection Centers, for payment of the stamp duty online through NeSL in digital manner, by using the Payment Gateway of SHCIL, by receiving the stamp duty through Swift Messaging System, providing facility to receive in digital manner through NeSL and Swift Messaging.

Presently, through online the e-stamping paper is obtaining as per Karnataka Stamps Act 1957, Annexure (4), Affidavits and Annexure (5j) (for other purpose) Rs.20/- and Rs.200/- respectively in physical format, and the same has been implemented as per the order of the Govt. dated: 31.08.2018.

For adopting of this system, SHCIL has developed Software, already in Delhi the Digital e-stamping system has been adopted and allowed to get certificates.

For the documents register in the office of the Sub-Registrar of Karnataka State, as per the Karnataka Stamps Act, 1957, Sec.10 and 11 and Karnataka Stamp (Franking Impression of Stamp) Rules, 2000 and Karnataka Stamp (Payment of Duty by means of e-Stamping) Rules, 2009 collecting the stamp duty.

Therefore, in Karnataka Stamp (Payment of Duty by means of e-stamping) Rules, 2009, Rule 14 there is a provision to adopt Digital e-stamping for non compulsory bank loan agreements in Karnataka State by using the Payment Gateway and Swift Messaging of NeSL and SHCIL, and regarding amendment of Karnataka Stamps Act, 1957, Sec.10 declared in Budget 2020-21, hence, Inspector General of Registration and Commissioner of Stamps submitted proposal requesting for approval.

after verifying the proposal of the Inspector General of Registration and Commissioner of Stamps, ordered as below.

Government Order No. RD/MNMU/19/2019

Bangalore, dated: 21.08.2020

In view of the points explained in the preamble, in Karnataka Stamp (Payment of Duty by means of e-stamping) Rules, 2009, Rule 14 there is a provision to adopt Digital e-stamping, subject to the condition of suitable amendment for the concerned rules, given approval for adopting of the Digital e-stamping system of Stock Holding Corporation of India Ltd., (SHCIL) through National e-Governance Service Limited.

Stock Holding Corporation of India should deposit the stamp duty recovered for Digital e-Stamping for Government head of account no: "0030-02-103-0-01".

This order has been issued accordance with the consent of the Finance Department Note No.FD 222 Exp-7/2020, dated: 12.08.2020.

By order and in the name of the
Governor of Karnataka,


(K.Fakesh Babu)

Under Secretary to Government,
Revenue Department
(Stamps and Registration)

To:

1. The Secretary to the Principal Accountant General (A&E), Karnataka, Park House Road, P.B.No.5329, Bangalore-560001.
2. Inspector General of Registration and Commissioner of Stamps, Kandaya Bhavana, 8th Floor, K.G. Road, Bangalore.
3. National e-Governance Service Limited, No.3, Ground Floor, the Estate, Diconson Road, Bangalore-560041.
4. M/s. Stock Holding Corporation of India, Branch Office, N.51, 1st Cross, BGSE Building, J.C.Road, Bangalore-560027.
5. All District Registrar Office – By IGR.
6. All Senior Sub Registrar/ Sub Registrars – By IGR.

Copy:

1. Principle Secretary to Government, Revenue Department (D.M., Bhoomi & UPOR) to Personal Secretary, M.S. Building, Bangalore.
2. Secretary to Government, Finance Department (Exp) to Personal Secretary, Vidhana Soudha, Bangalore.
3. Joint Secretary to Government, Revenue Department (D.M., Stamps & Registration) to Personal Assistant, M.S. Building, Bangalore.
4. Office copies.