

CIRCULAR LETTER TO ALL OFFICES IN CHENNAI CIRCLE

STATE BANK OF INDIA  
CDO DEPARTMENT  
CHENNAI

AGM/CM/BM  
STATE BANK OF INDIA

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CIRCULAR LETTER No. LAW/CDO/01/2024-25  
15.05.2024

Dear Sir/Madam,

**REVISION OF STAMP DUTY CHARGES  
INDIAN STAMP ACT (TAMIL NADU AMENDMENT) ACT, 2023**

The Government of Tamil Nadu with an objective to revise the extant rate of Stamp duty for instruments in its application to State of Tamil Nadu has introduced a Bill (L.A Bill No. 10 of 2023) in the Legislative Assembly on 17<sup>th</sup> April 2023 and accordingly, the Indian Stamp (Tamil Nadu Amendment) Act, 2023 (TN Act 13 of 2024) has been enacted with effect from 3<sup>rd</sup> May 2024. The Act stipulates revision of rate of stamp duty in State of Tamil Nadu for various instruments specified under Schedule-I of the Central Act II of 1899 and entails a wider consequence over interpersonal contracts, conveyancing and documentation of various businesses including the banking sector, primarily in Loan Documentation and execution of Agreements, Indemnity, Power of Attorney etc.

2. The Inspector General of Registration, Chennai has vide letter dated 08.05.2024 apprised the Lead Bank and other stakeholders about the enactment of amended legislation and revised rate of Stamp duty in the State of Tamil Nadu with effect from 03.05.2024. The copy of communication from the Inspector General of Registration, Chennai is contained in **Annexure- I** to this Circular.

3. Accordingly the revised rate of stamp duty applicable to loan documentation in SME, C&I, AGRI and SSI segments is reviewed in terms of Indian Stamp Act (Tamil Nadu Amendment) Act, 2023 and contained in **Annexure- II**.

4. For the sake of convenience, the revised stamp duty for instruments/documents generally employed in Banking transactions are tabulated as under:

<b>DESCRIPTION OF INSTRUMENT</b>	<b>ARTICLE NO.</b>	<b>EXISTING STAMP DUTY (Rs.)</b>	<b>REVISED STAMP DUTY (Rs.)</b>
Affidavit	4	20	200
Agreement (Not otherwise provided for)	5(j)	20	200
Power of Attorney (when authorising not more than five persons to act jointly and severally in more than one transaction or generally.	48 (c)	100	1000
Indemnity	57 (b)	80	500
Declaration of Trust	64 (a)	180	1000

4. All loan and legal documentation to be executed within the State of Tamil Nadu with effect from 03.05.2024 have to be drawn on a Non-Judicial Stamp paper or subjected to e-stamping, in accordance with the revised rate of stamp duty, as specified in the table above and the Annexures. Any instrument executed in deviance from revised rate of stamp duty would be considered as improperly stamped and shall not be admitted in evidence before the Court of Law for any purposes unless the deficiency is cured with payment of proper duty and penalty.

5. Please arrange to bring the contents of this Circular to the knowledge of all concerned.

Yours faithfully,

Sd/-

(Shri. Sanjeev Kumar)

Deputy General Manager & CDO

**ANNEXURE-I**

/Registration Department/  
To

From  
The Inspector General of  
Registration,  
100, Santhome High Road,  
Chennai - 600 028.

1. Lead Bank,  
2. State Industries Promotion  
Corporation of Tamil Nadu  
3. Small Industries Development  
Corporation of Tamil Nadu  
4. Tamil Nadu Electricity Board  
5. Chennai Metropolitan Water  
Supply and Sewerage Board  
6. Public Works Department  
7. Chennai Metropolitan  
Development Authority  
8. The Registrar, High Court of  
Madras  
9. Electronics Corporation of Tamil  
Nadu  
10. Registrar of Co-operative  
Societies  
11. Director of Treasuries  
12. Assistant Superintendent of  
stamps  
13. Directorate of Town and  
Country Planning

28442/C1/2018, Dated 08.05.2024.

Sir/Madam,

Sub: Indian Stamp Act, 1899 - Tamil Nadu Act 13 of 2024 amending stamp duty rates for certain instruments in Indian Stamp Act, 1899 - applicable to the state of Tamil Nadu - request to adopt new stamp duty structure- reg.

Ref: Government letter No. 4458 / J1/2022-6 dated 6-5-2024 accompanying Law department Memorandum No.8707/CT & RE/PFg/2023-1 dated:03.05.2024 with LA Bill No:10 of 2023

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The rate of stamp duty prescribed in Indian Stamp Act, 1899 for some of the Instruments are amended vide Tamil Nadu Act 13 of 2024 by getting assent from the Hon'ble President of India. The rates are applicable to the

state of Tamil Nadu. The amendment act has been notified on 3-5-2024. So, the amended rate of stamp duty is applicable from 3-5-2024.

Sl.No	Article Number in Indian Stamp Act, 1899	Description of Instrument	Rate of Stamp Duty before amendment	New rate of Stamp Duty after amendment
1	3	Adoption	100	1000
2	4	Affidavit	20	200
3	5(j)	Agreement (all agreement will fall under the category except construction agreement, purchase of shares, Government securities etc)	20	200
4	10	Articles of Association	300	500 for every 10 Lakhs on authorized capital Max.Rs. 5 Lakhs
5	17	Cancellation	50	1000
6	24	Copy or Extract	20	100
7	25	Counterpart or Duplicate	20	500
8	34	Indemnity Bond	80	500
9	35	Lease		The term Security deposit whether repayable or not Included In addition to already existing rent, fine, premium or advance.
10	39 (a)	Memorandum of Association - If accompanied by Articles of Association	Rs. 200/-	Rs. 200/-
11	39 (b)	Memorandum of Association - If not accompanied	Rs. 500/-	The same duty as is leviable on Articles of

				Association under Article 10
12	42	Notarial Act	Rs.10/-	Rs.20/-
13	45(b)	Partition Non family	4% on value of Separated shares	4% on market value of Separated shares
14	46A	Partnership	300	1000
15	48 (a) 48 (b)	Special Power of attorney	5 15	500
16	48 (C) 48(d)	General Power of attorney other than selling a property	100 175	1000
17	48(e)	Power of Attorney to sell immovable property for consideration	4% on consideration	5% on market value
18	48 (f)	Power of Attorney to sell Immovable property in favour of family member	--	2000
19	48(g)	Power of Attorney to sell immovable property in favour of person who is not a family member	--	1% on market value of property
20	54	Reconveyance of Mortgaged Property	80	1000
21	57	Security Bond	80	500
22	58(b)	Revocation of Settlement	80	1000
23	61	Surrender of lease	40	1000
24	62 (e)	Transfer between Trustee to Trustee or Beneficiary of same Trust	30	1000
25	64 (a)	Declaration of Trust	180	1000
26	64(b) 120	Revocation of Trust	120	1000

Some of the Instruments above mentioned are not compulsorily registrable as Section 18 of Registration Act,1908. But they have to be written in sufficient Stamp Paper or the instrument shall bear the required stamp duty.

So it is instructed to check / collect stamp duty for the instruments comes for execution of your work at the new rate structure mentioned above.

The stamp duty can be paid by the following ways

1. Purchasing non-judicial stamp paper from treasury or any stamp vendor
2. Purchasing non-judicial e-stamp paper from Stock Holding Corporation of India
3. Paying the stamp duty in any District Registrar under section 41 of Indian Stamp Act, 1899 and getting certificate under section 42 of Indian Stamp Act, 1899. (The address of 56 District Registrar is available in <https://tnreginet.gov.in>)

Section of 35 of Indian Stamp Act, 1899 is extracted for your convenience here

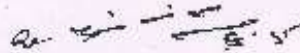
*35. Instruments not duly stamped inadmissible in evidence, etc.— No instrument chargeable with duty shall be admitted in evidence for any purpose by any person having by law or consent of parties authority to receive evidence, or shall be acted upon, registered or authenticated by any such person or by any public officer, unless such instrument is duly stamped or if the instrument is written on sheet of paper with impressed stamp, such stamp paper is purchased in the name of one of the parties to the instrument*

Hence, if any instrument is filed or comes to your notice, it is requested that the stamp duty paid for the instrument shall be verified to confirm its admissibility status by the public officer before filing the documents. The letter shall be communicated to your field offices also to check whether any instruments presented for the execution of work is bearing the required stamp duty.

Sd/-08.05.2024

Inspector General of Registration

/By Order/



Additional Inspector General of Registration  
(Stamps and Registration)



**Enclosure:**

Copy to:

All Deputy Inspector General of Registration,

All District Registrar (It is instructed to handover the copy to all the public office to check the stamp duty paid to an instrument by a public officer, banks etc)

**ANNEXURE-II****STAMP DUTY FOR SME DOCUMENTS W.E.F 03.05.2024**

<b>SL. NO.</b>	<b>DOCUMENT</b>	<b>STAMP DUTY (AMOUNT IN ₹)</b>	<b>REVISED STAMP DUTY (AMOUNT IN ₹)</b>
1.	SME-1 (LETTER OF ARRANGEMENT) (To be stamped as an Agreement)	₹20	<b>₹200</b> Agreement (₹200)
2.	SME-2 (AGREEMENT OF LOAN-CUM-HYPOTHECATION) (To be stamped as an Agreement, Hypothecation, Indemnity and General Power of Attorney)	₹220	<b>₹1900</b> Agreement (₹200) + Hypothecation (₹200) + Indemnity (₹500) + General Power of Attorney (₹1000)
3.	SME-3 (GUARANTEE AGREEMENT) (To be stamped as an Agreement and Power of Attorney)	₹120	<b>₹1200</b> Agreement (₹200) + Power of Attorney (₹1000)
4.	SME-4 (SUPPLEMENTAL AGREEMENT OF LOAN-CUM-HYPOTHECATION) (To be stamped as an Agreement and Hypothecation)	₹40	<b>₹400</b> Agreement (₹200) + Hypothecation (₹200)
5.	SME-5 (MEMORANDUM FOR RECORDING OF CREATION OF MORTGAGE BY DEPOSIT OF TITLE DEEDS)	₹5 for every ₹1000/- on the amount secured subject to a maximum of ₹40,000/-	Unrevised
6.	SME-6 (LETTER OF CONFIRMATION FOR CREATION OF MORTGAGE BY DEPOSIT OF TITLE-	NIL	Unrevised

<b>SL. NO.</b>	<b>DOCUMENT</b>	<b>STAMP DUTY (AMOUNT IN ₹)</b>	<b>REVISED STAMP DUTY (AMOUNT IN ₹)</b>
	DEEDS)		
7.	SME-7 (MEMORANDUM FOR RECORDING EXTENSION OF MORTGAGE BY DEPOSIT OF TITLE DEEDS COVERING ENHANCED LIMITS AND/OR CREATION OF EQUITABLE MORTGAGE ON ADDITIONAL PROPERTIES FOR EXISTING LIMITS AND ENHANCED LIMITS AND ADDITIONAL FACILITIES)	₹5 for every ₹1000/- on the amount secured subject to a maximum of ₹40,000/-	Unrevised
8.	SME-8 (LETTER OF CONFIRMATION FOR EXTENSION OF MORTGAGE BY DEPOSIT OF TITLE DEEDS COVERING ENHANCED LIMITS AND / OR CREATION OF EQUITABLE MORTGAGE ON ADDITIONAL PROPERTIES FOR SECURING THE EXISTING LIMITS AND / OR ENHANCED LIMITS AND ADDITIONAL FACILITIES)	NIL	Unrevised
9.	SME-9 (DEED OF MORTGAGE (SIMPLE MORTGAGE))	1% on amount secured subject to a maximum of ₹50,000/-	Unrevised
10.	SME-10 (DEED OF FURTHER CHARGE)	To be adjudicated	Unrevised
11.	SME-11 (REVIVAL LETTER)	₹1 (Revenue Stamp)	Unrevised
12.	SME-12 (LINK LETTER)	NIL	Unrevised

**STAMP DUTY FOR C&I DOCUMENTS W.E.F 03.05.2024**

<b>SL. NO.</b>	<b>DOCUMENT</b>	<b>STAMP DUTY (AMOUNT IN ₹)</b>	<b>REVISED STAMP DUTY (AMOUNT IN ₹)</b>
1.	FORM C1 (AGREEMENT OF LOAN FOR OVERALL LIMIT) (To be stamped as an Agreement, General Power of Attorney and Declaration of Trust)	₹300	<b>₹2200</b> Agreement (₹200) + General Power of Attorney (₹1000) + Declaration of Trust (₹1000)
2.	FORM C2 (AGREEMENT OF HYPOTHECATION OF GOODS AND ASSETS) (To be stamped as an Agreement and General Power of Attorney)	₹120	<b>₹1200</b> Agreement (₹200) + General Power of Attorney (₹1000)
3.	FORM C3 (AGREEMENT OF PLEDGE OF GOODS AND ASSETS) (To be stamped as an Agreement and General Power of Attorney)	₹120	<b>₹1200</b> Agreement (₹200) + General Power of Attorney (₹1000)
4.	FORM C4 (DEED OF GUARANTEE FOR OVERALL LIMIT) (To be stamped as an Agreement)	₹20	<b>₹200</b> Agreement (₹200)
5.	FORM C5 (LETTER REGARDING THE GRANT OF INDIVIDUAL LIMITS WITHIN THE OVERALL LIMIT) (To be stamped as an Agreement)	₹20	<b>₹200</b> Agreement (₹200)
6.	FORM C6 (REVIVAL LETTER)	₹1 (Revenue Stamp)	Unrevised
7.	FORM C7 DEED OF ENGLISH MORTGAGE FOR TERM LOAN	To be adjudicated	Unrevised
8.	FORM C8	To be adjudicated	Unrevised

<b>SL. NO.</b>	<b>DOCUMENT</b>	<b>STAMP DUTY (AMOUNT IN ₹)</b>	<b>REVISED STAMP DUTY (AMOUNT IN ₹)</b>
	(DEED OF FURTHER CHARGE FOR INCREASE IN TERM LOAN)		
9.	FORM C9 (MEMORANDUM OF DEPOSIT FOR CREATION OF CHARGE FOR TERM LOAN/OVERALL LIMIT)	₹5 for every ₹1000/- on the amount secured subject to a maximum of ₹40,000/-	Unrevised
10.	FORM C10 (MEMORANDUM OF DEPOSIT FOR CREATION OF FURTHER CHARGE FOR TERM LOAN OVERALL LIMIT WHERE THE INITIAL CHARGE IS CREATED BY WAY OF MORTGAGE BY DEPOSIT OF TITLE DEEDS)	₹5 for every ₹1000/- on the amount secured subject to a maximum of ₹40,000/-	Unrevised
11.	FORM C11 (MEMORANDUM OF DEPOSIT FOR CREATION OF FURTHER CHARGE FOR TERM LOAN/OVERALL LIMIT WHERE THE INITIAL CHARGE IS CREATED BY A DEED OF MORTGAGE)	₹5 for every ₹1000/- on the amount secured subject to a maximum of ₹40,000/-	Unrevised
12.	FORM C1A (SUPPLEMENTAL AGREEMENT OF LOAN FOR INCREASE IN THE OVERALL LIMIT) (To be stamped as an Agreement)	₹20	<b>₹200</b> Agreement (₹200)
13.	FORM C2A (SUPPLEMENTAL AGREEMENT OF HYPOTHECATION OF GOODS AND ASSETS FOR INCREASE IN THE OVERALL LIMIT) (To be stamped as an Agreement)	₹20	<b>₹200</b> Agreement (₹200)

SL. NO.	DOCUMENT	STAMP DUTY (AMOUNT IN ₹)	REVISED STAMP DUTY (AMOUNT IN ₹)
14.	FORM C3A (SUPPLEMENTAL AGREEMENT OF PLEDGE OF GOODS AND ASSETS FOR INCREASE IN THE OVERALL LIMIT) (To be stamped as an Agreement)	₹20	<b>₹200</b> Agreement (₹200)
15.	FORM C4A (SUPPLEMENTAL DEED OF GUARANTEE FOR INCREASE IN OVERALL LIMIT) (To be stamped as an Agreement)	₹20	<b>₹200</b> Agreement (₹200)

**STAMP DUTY FOR AGRI DOCUMENTS W.E.F 03.05.2024**

<b>SL. NO.</b>	<b>DOCUMENT</b>	<b>STAMP DUTY (AMOUNT IN ₹)</b>	<b>REVISED STAMP DUTY (AMOUNT IN ₹)</b>
1.	AB-1 (HYPOTHECATION AGREEMENT) (To be Stamped as Agreement)	₹20	<b>₹200</b> Agreement (₹200)
2.	AB-1-A (SUPPLEMENTAL HYPOTHECATION AGREEMENT) (To be Stamped as Agreement)	₹20	<b>₹200</b> Agreement (₹200)
3.	AB-2 (DEED OF GUARANTEE) (To be stamped as an Agreement, not to be attested)	₹20	<b>₹200</b> Agreement (₹200)
4.	AB-2-A (SUPPLEMENTAL DEED OF GUARANTEE) (To be stamped as an Agreement, not to be attested)	₹20	<b>₹200</b> Agreement (₹200)
5.	AB-3 (MORTGAGE DEED)	Stamp Duty exemption granted for farmers vide Notification No. G.O.Ms. NO.73/CT dated 22.07.2006	Unrevised
6.	AB-3-A (DEED OF EXTENSION OF MORTGAGE) (To be stamped as Mortgage Deed with the stamp duty eligible in the State where it is executed for the enhanced additional portion of loans)	Stamp Duty exemption granted for farmers vide Notification No. G.O.Ms. NO.73/CT dated 22.07.2006	Unrevised
7.	AB-4 (REVIVAL LETTER [FROM BORROWER])	₹1 (Revenue Stamp)	Unrevised
8.	AB-4-A (REVIVAL LETTER [FROM BORROWER])	₹1 (Revenue Stamp)	Unrevised
9.	AB-5	₹1 (Revenue Stamp)	Unrevised

<b>SL. NO.</b>	<b>DOCUMENT</b>	<b>STAMP DUTY (AMOUNT IN ₹)</b>	<b>REVISED STAMP DUTY (AMOUNT IN ₹)</b>
	(REVIVAL LETTER [FROM GUARANTOR])		
10.	AB-5-A (REVIVAL LETTER [FROM GUARANTOR])	₹1 (Revenue Stamp)	Unrevised
11.	AB-6 (LETTER TO THE BORROWER)	NIL	Unrevised
12.	AB-7 (INSTALMENT LETTER FROM THE BORROWERS/GUARANTORS)	NIL	Unrevised

**STAMP DUTY FOR SSI DOCUMENTS W.E.F 03.05.2024**

<b>SL. NO.</b>	<b>DOCUMENT</b>	<b>STAMP DUTY (AMOUNT IN ₹)</b>	<b>REVISED STAMP DUTY (AMOUNT IN ₹)</b>
1.	ALL GENERAL AGREEMENTS (To be stamped as an Agreement and General Power of Attorney)	₹120	<b>₹1200</b> Agreement (₹200) + General Power of Attorney (₹1000)
2.	ALL ANCILLARY AGREEMENTS	₹20	<b>₹200</b> Agreement (₹200)
3.	GUARANTEE AGREEMENT	₹20	<b>₹200</b> Agreement (₹200)
4.	SUPPLEMENTAL GENERAL AGREEMENT	₹20	<b>₹200</b> Agreement (₹200)
5.	COMPOSITE LOAN AGREEMENT	₹20	<b>₹200</b> Agreement (₹200)
6.	ANY OTHER AGREEMENT	₹20	<b>₹200</b> Agreement (₹200)