

Sindh e-Stamp Rules, 2020

Corporate and Secretarial Function
Publication Date: 22 October 2020

A good initiative towards digitization and a step forward in ease of doing business. This would bring convenience to a person who earlier had to go to “stamp office” for payment of stamp duty. Now, stamping may be done through ex-officio vendors.

Introduction

Government of Sindh vide CIS/R&T-13-II(2019)/BOR/2020- 892 dated 29 September 2020 notified Sindh e-Stamp Rules, 2020 [“Rules”]. These rules are applicable to a local area as may be notified by the competent authority.

Duties of agency prescribed

Rule 3 states that the agency (specified by competent authority) will perform following functions to:

- develop and maintain software infrastructure for keeping record and data of e-stamping;
- permit public to generate challans meant for deposit of money in the Bank for purposes of purchase of e-stamp;
- train manpower;
- liaise between central server and the Bank and the offices of registration authority and branch of the Bank authorized to issue e-stamps [“ex-officio vendors (branch of the Bank authorized to issue e-stamps)”], or any other office ;
- bolster system of internal control re use of e-stamp;
- provide access of the system to Bank, ex-officio vendor, sub-registrar and others;
- protect integrity and reliability of the system which is able to maintain the entire historical record of all users’ actions;
- arrange independent warehousing of data of the system;
- provide an alternate contingency plan in case of prolonged system’s unavailability to avoid disruption;
- generate requisite reports;
- details of issued e-stamp to be
 - made available on the e-stamping server maintained by the agency; and
 - accessible to a person authorized by the competent authority.

Printing of certain information on e-stamp made mandatory

Rule 4 states that e-stamp shall have, amongst other, following major information on the e-stamp:-

- unique identification number [“UIN”] referred to as e-stamp id;
- bar-code;
- date and time of issuance of the e-stamp;
- amount of stamp duty paid in the Bank for the purchase of the e-stamp both in words and figures;
- name, number of CNIC and address of the purchaser/depositor;
- parties names to the instrument;
- instrument description;
- user-id of the official issuing the e-stamp; and
- code and location of the ex-officio vendor.

Mode of payment prescribed

Rule 5 states that payment for purchase of e-stamp to be on a system generated challan either by acceptable payment methods or online payment through payment service identification number [“PS id”].

Issuance of e-stamp made mandatory

Rule 6 states that ex-officio vendor is to issue e-stamp upon submission of original paid challan or PS id.

Usage of e-stamp prescribed

Rule 7 states that statement or writing on the e-stamp is to be printed either on or below e-stamp so that it may not be used for any other instrument.

Particulars of parties, description of transaction and consideration thereof is to be written on the instrument.

E-stamp once written/used cannot be re-utilised.

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Number of sheets prescribed

Rule 8 states that ex-officio vendor is to issue a non-judicial e-stamp carrying security features, along with two continuation sheets or such number of additional sheets as may be notified.

Rule 9 states that issuance of judicial e-stamp is to be on a single sheet, however, if single sheet is inadequate to cover the pleadings, the judicial e-stamp may be subjoined by one or more plain papers.

Verification of e-stamp made mandatory

Rule 10 states that the registering authority shall before registration of a document, verify the information printed on e-stamp. The verification will be based on information retrieved through e-stamping system by entering unique e-stamp ID and the challan ID.

In case if data from the system could not be verified, the e-stamp would be considered as a fake and tampered document.

The registering authority, attesting or transferring authority, Collector or any person authorized on behalf of a Court is empowered to disable stamp ID and lock it to prevent its re-use.

Audit and Inspection requirement

Rule 11 states that competent authority is allowed to carry-out regular or surprise audit and inspection of the agency, registering authorities or others related to the use of e-stamp and may take such action as it may deem necessary.

Refund or cancellation

Rule 12 states that Chief Inspector of Stamps or Collector, on an application, accompanied with the original spoiled, misused, unused or not required for use e-stamp may make allowance for such e-stamp under the provisions of the Stamps (Non-Judicial) Refund, Renewal and Disposal Rules, 1954.

The Treasury Officer or Sub-Treasury Officer before finalization of a case of refund is to confirm and ensure that e-stamp has not been previously utilized.

Deficiency in stamp duty

Rule 14 states that if parties to the instrument want to deposit the deficiency in stamp duty of the unexecuted instrument, only first page of e-stamp containing the unique identification number of the original e-stamp shall be issued by the ex-officio vendor upon receipt of deficient amount

The deposited amount to be re-reflected in deficiency box.

In case penalty has been imposed due to deficiency in the stamp duty on the executed instrument, in such case, the above provision will apply for issuance of e-stamp on deposit of deficient amount and penalty in the bank.

Consequence of unreadable UIN

Rule 15 states that in case UIN is not legible or not available on the system or otherwise e-stamp is damaged and not readable, e-stamp would be deemed to be invalid and instrument shall be considered as unstamped.

Responsibility in case of pecuniary loss to the Government

Rule 16 states that public officer shall be personally liable for the loss to the public exchequer owing to non-compliance with the provisions of the Act or rules and shall make good the loss, however, he is allowed to recover the duty from whom it is to be collected.

Consequence of tampered document

Rule 17 states that if an instrument or e-stamp is found tampered, it shall be considered as unstamped. In case of a tampered instrument, the Chief Inspector of Stamps or Collector shall impose a penalty upto **10 times** of the chargeable duty under section 40 of the Act.

Responsibility of password secrecy

Rule 18 states that the agency provides password to person who is responsible for password secrecy and any financial loss to the Government exchequer due to breach of the password secrecy. The ex-officio vendor is required to change the password immediately after it is allotted to maintain the password secrecy.

Maintenance of record made mandatory

Rule 19 states that agency is required to record all details of stamp duty collected and remitted to Government account and provide the following:

- payment reports;
 - deficiency stamp duty certificate reports;
 - locked e-stamp certificate reports;
 - remittance reports;
 - cancelled e-stamp certificate report; and
 - any other information required by the competent authority.
- The agency is wholly responsible for securing the system from hacking and security of data.



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Affixation of Challan on the e-stamp made mandatory in certain cases

Rule 20 states that challan to be affixed on the e-stamp in case of a registered deed or transfer made by a Cooperative Housing Society or Housing Authority.

Prohibition on issuance of a duplicate e-stamp

Rule 21 states that duplicate copy of an e-stamp is not to be issued in any case.

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