

Government of Andhra Pradesh
ABSTRACT

Audit under Section 74 of Indian Stamp act, 1899 insistance by the Inspector General of Registration and Stamps to execute the agreements on stamp paper-Collection of deficit stamp duty on the agreements executed by P.W.D. Contractors – Write Off- Orders – Issued.

Irrigation and C.A.D (Projects Wing – COD) Department

G.O. Ms. No. 74

Dt. 12-5-98.

Read the following.

1. Govt. Memo. No. 3421/FAC/81-1, dt. 24-11-1981 of irrigation and Power Department.
2. From the Engineer-in-Chief, Irrgn & Power, Lr. No. ENC/A1/18941/89, dt. 15-12-1981.
3. From the Commissioner & Inspector General, Registration and Stamps, Lr. No. SAI/21318/96, dt. 27-9-1996.

ORDER:-

As per para 153 of A.P.W.D. Code all agreements entered into with the Departments of Government in P.W.D. (Irrgn & R&B) Department by contractors for execution of Government works were exempted from Stamp Duty prior to June, 1974. This exemption was withdrawn with effect from 1-6-1974 under G.O. Ms. No. 525, Revenue Department, dated. 31-5-1974.

2. It has been pointed out by Accountant General, Andhra Pradesh, Hyderabad that even after withdrawal of exemption, agreements executed by contractors continued to be unstamped and the officers of P.W.D. Department continued to act on them violating the provisions of the Indian Stamp Act. Subsequently the Inspector General of Registration and Stamps informed that deficit stamped documents were detected during the course of audit by his Department. The Inspector General of Stamps and Registration requested the Chief Engineer (General) and Chief Engineer (R&B) to issue suitable instructions to their subordinate Officers for accepting the documents (work agreements) on prescribed stamp duty of Rs. 5/- each under Article 6 of the Schedule. I-A of Indian Stamp Act.

3. But the Transport, Roads and Buildings Department has issued consequential amendment orders under G.O. Ms. No. 2, dt. 2-1-1979 to the sub-para 3 of. 153 of A.P.W.D. code by substituting the following.

“All agreements entered into with the Department by Contractors for execution of works, supply of materials etc., are subject to stamp duty as prescribed from time to time under the Indian stamp Act, 1899 and this duty would be borne by the Contractors executing the agreement”.

4. The Chief Engineer, Irrigation and Power (General) Department has stated that a decision was taken during the board of Chief Engineers meeting that all the past cases cannot be reopened now and requested to drop the objections in respect of old cases and the advise of registration and stamps department may be followed in future cases for execution of agreements on stamped papers. The inspector General, Registration and Stamps informed that there are 1,10,708 such documents involving Rs. 5,53,840/- towards stamp duty by the end of final year 1981-82 and insisted for collection of deficit stamp duties and penalties.

5. But in view of the inability expressed by the irrigation (PW) Department in obtaining the original agreements executed by PWD Contractors and for collection of the amount in the absence of original records, the Commissioner and Inspector General, Registration and Stamps Departments has observed that the deficit stamp duty relating to agreements which are not in vogue and it is difficult and impossible to trace the parties

and raise demand at this distance of time and agreed to write off the amounts of deficit stamp duty in those departments whose period is more than 10 years.

6. In these circumstances stated above, Government after careful examination in consultation with Revenue Department and Finance and Planning (FW) Department hereby instruct all the Chief Engineers in irrigation and Command Area Development (PW) Department including Transport, Roads and Buildings Department to write off the amount of deficit stamp duty in those agreements to collect the stamp duty in the remaining agreements without delay and to take necessary stamps to curb leakage of stamp duty in future. And if any violation for collecting the stamp duty is noticed, action may be taken on the officers responsible for the loss of stamp duty and report to Government.

7. This order issues with the concurrence of Finance and Planning Department vide their U.O. no. 45681/632/A2/EB5-Rev./96, dated. 19-12-1996 and Revenue Department vide their U.O. No. 6442/Regn.I (2)/98-1, dt. 29-4-1998.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

P.K. AGARWAL,
PRINCIPAL SECRETARY TO GOVERNMENT.

To

The Engineer-in-Chief, Irrigation Wing, Erramunzil, Hyderabad.
The Engineer-in-Chief, Admn Wing, Erramunzil, Hyderabad.
The Chief Engineer, Major, Irrigation, Hyderabad.
The Chief Engineer, Minor, Irrigation, Hyderabad.
The Chief Engineer, Medium, Irrigation, Hyderabad.
The Chief Engineer, Nagarjunasagar Project, Hill Colony.
The Chief Engineer, Neelam Sanjeeve Reddy Sagar Project, Hyderabad.
The Chief Engineer, Telugu Ganga Project, Srikalahasthi.
The Chief Engineer, Sriramsagar Project, Hyderabad.
The Chief Engineer, VYPP Unit, Dowlaiswaram.
The Chief Engineer, Central Designs Organisation, Hyderabad.
The Chief Engineer, Mechanical, Hyderabad.
The Chief Engineer, Investigation, Hyderabad.
The Chief Engineer, APSIDC Ltd., Hyderabad.
The Admn-Cum-Chief Engineer, SRSP, CADA, Jagtial.
The Admn-Cum-Chief Engineer, NSRC, CADA, Guntur.
The Commissioner, CADA, Himayathnagar, Hyderabad.
The Commissioners of Tenders, BRK Complex, Hyderabad.
The Accountant General, Andhra Pradesh, Hyderabad.
The Deputy Accountant General, (P), Andhra Pradesh.
Vijaypuri North.
All Director of Accounts of Major Projects.

Copy to:

TR&B/MA&UD/PR/Revenue Departments.
The Finance and Planning (PW) Department.
P.A.C.
SF/SCs.

//Forwarded by Order//

Sd/-
Section Officer.

Office of the Administrator-Cum-Chief Engineer
SriRamasaga Project: M.J. Road: Hyderabad – 01.

Endt. No. SRSP-I/H2/4571/Stamp Duty/80 (Vol.III) Dt. 2-6-1998.

Copy is for warded to all the Superintending Engineers and Director of Accounts,
Sriramasagar Project Organistaion for information and necessary action.

Sd/-
for Admn-Cum-Chief Engineer,
Sriramasagar Project, Hyderabad.

//Forwarded By Order//

Sd/-
Superintendent.

//True Copy//

O/o The Superintending Engineer, ID.,
GVC. IV. LMD. Colony.

Endt. No. TS/D4/113/Vol.IX/4238-47,

Dated. 24-6-1998.

1. Copy to all the Executive Engineers of this Circle for information and necessary action.
2. Copy circulated to all case Workers in drawing branch
3. Copy to S2 Section.

Sd/-
for Superintending Engineer,
GVC.IV.LMD. Colony.

//Attested//
Sd/-
Deputy Executive Engineer, Techn.
GVC.IV.LMD.Colony.