

No.K-12017(33)/2/2020-UPA-I
Government of India
Ministry of Housing & Urban Affairs
NULM Division

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Nirman Bhavan, New Delhi-110 011

Dated the 16th July, 2020

To

The Principal Secretaries/Secretaries
Of Urban Development/Local Self Government/Municipal Corporations
Of All States/UTs

Subject: PM-SVANidhi - Revising the rate of Stamp Duty from Loan applicants –
Regarding

Sir,

I am directed to say that the PM-SVANidhi, facilitates a working capital loan up to Rs.10,000/- to the eligible Street Vendors to restart their businesses affected due to lockdowns. It has come to the notice of this Ministry that in some of the States/UTs the stamp duty, being charged from vendors, for processing the loan applications is exorbitantly high and not commensurate with the loan amount. As per the information available with this Ministry, the Stamp Duty being charged in some of the States, for executing Loan Agreement, Hypothecation Agreement and/or DP Note are as under:

Madhya Pradesh	-	Rs.500/- to Rs.1,000/-
Kerala	-	Rs.200/-
Uttar Pradesh	-	Rs.100/- to Rs.300/-
Rajasthan	-	Rs.1,000/-

2. It may be noted that PM-SVANidhi caters to street vendors who belong to vulnerable segment of the society. At times it may not be possible for them to afford high stamp duty. Any stamp duty beyond the limit of Rs.50/- does not seem to be justified.

3. I am, therefore, directed to request you to kindly review the existing rate of Stamp Duty for loans under PM-SVANidhi and either waive it completely or restrict it to an amount not exceeding an aggregate value of Rs.50/- both for Loan Agreement and Hypothecation Agreement executed either separately or combined. Further, it is requested that DP Note, if undertaken, be stamped with Re.1/- revenue stamp. The action taken on this may kindly be intimated to this Ministry to enable us to inform all stakeholders.

Yours faithfully,



(Yogendra Singh Awana)

Deputy Secretary to the Government of India

Copy to: All Mission Directors of DAY-NULM.