

IN THE SUPREME COURT OF INDIA
CIVIL APPELLATE JURISDICTION
CIVIL APPEAL NOS.1397-1398 OF 2010

ZONAL MANAGER LIFE INSURANCE
CORPORATION OF INDIA ETC.

APPELLANTS

VERSUS

DEPUTY INSPECTOR GENERAL
REGISTRATION/DEPUTY COMMISSIONER,
STAMPS ETC.

RESPONDENTS

O R D E R

1. Mr. N. Venkataraman, learned Additional Solicitor General, at the outset, has drawn the attention of this Court towards the judgment delivered in the case of *Life Insurance Corporation of India vs. The State of Rajasthan and Ors. (Civil Appeal No.3391 of 2011) 2024 INSC 358* involving the same controversy.

2. The record of the case reveals that the judgment rendered in the aforesaid case was related to State of Rajasthan whereas the present case pertains to the State of Uttar Pradesh. This Court in the aforesaid case in paragraphs 37 and 38 has held as under:

37. Therefore, having considered the matter in detail, we finally hold that:

I. The preliminary issue relating to the applicability of the relevant state law, i.e., the 1952 Act or the 1998 Act, is answered by holding that the Rajasthan Stamp Law (Adaption) Act, 1952 applies to the present case.

II. We hold that the state legislature has the legislative competence to impose and collect stamp duty on policies of insurance under Entry 44 of List III, as per the rate prescribed by the Parliament under Entry 91 of List I.

III. We hold that for the execution of insurance policies within the state of Rajasthan, the appellant is bound to purchase India Insurance Stamps and pay the stamp duty to the state of Rajasthan.

IV. While we have upheld the power and jurisdiction of the state to levy and collect stamp duty on insurance policies, in the facts and circumstances of the case as indicated hereinabove, we direct that the state government shall not demand and collect the stamp duty as per the orders dated 16.09.2004, 16.10.2004, 11.10.2004, 01.11.2004, and 28.10.2004.

38. In conclusion, we dismiss the appeals and affirm the judgment of the High Court dated 21.02.2011 in D.B. Civil Special Appeal (Writ) No. 670 of 2004, D.B. Civil Writ Petition No. 3418 of 2006, D.B. Civil Writ Petition No.3419 of 2006, D.B. Civil Writ Petition No.3420 of 2006 and D.B. Civil Writ Petition No.8187 of 2004. We also set aside certain findings of the High Court to the extent indicated in issue no. IV and direct the State Government not to demand and collect stamp duty as per the orders dated 16.09.2004, 16.10.2004, 11.10.2004, 01.11.2004, and 28.10.2004."

3. In the considered opinion of this Court and in the light of the aforesaid judgment, the order passed by the High Court deserves to be upheld and is accordingly upheld. However, it needs to be modified to the extent that the stamp duty which is being demanded and collected by the State Government shall not be collected as per the demand from the Life Insurance Corporation of India in respect of the period in question. The learned Additional Solicitor General of India has also pointed out that a Bank Guarantee has been furnished by the Life Insurance Corporation of India and the same be returned to the Life Insurance Corporation of India. It is ordered accordingly.

4. The Civil Appeals stand dispose of.

5. Pending application(s), if any, shall stand disposed of.

.....J.
[SATISH CHANDRA SHARMA]

.....J.
[NONGMEIKAPAM KOTISWAR SINGH]

NEW DELHI;
30th July, 2026

ITEM NO.102

COURT NO.17

SECTION III-A

S U P R E M E C O U R T O F I N D I A
R E C O R D O F P R O C E E D I N G S

CIVIL APPEAL NO(S). 1397-1398/2010

ZONAL MANAGER LIFE INSURANCE
CORPORATION OF INDIA ETC.

APPELLANTS

VERSUS

DEPUTY INSPECTOR GENERAL
REGISTRATION/DEPUTY COMMISSIONER,
STAMPS ETC.

RESPONDENTS

Date : 30-07-2026 These appeals were called on for hearing today.

CORAM : HON'BLE MR. JUSTICE SATISH CHANDRA SHARMA
HON'BLE MR. JUSTICE NONGMEIKAPAM KOTISWAR SINGH

For Appellant(s) : Mr. N. Venkataraman, A.S.G.
Mr. C. Paramasivam, Adv.
Ms. Adviteeya, Adv.
Mr. Rakesh K. Sharma, AOR

For Respondent(s) : Mr. S.R. Singh, Sr. Adv.
Mr. Shaurya Sahay, AOR
Ms. Sharvi Sharma, Adv.
Mr. Aman Jaiswal, Adv.

Mr. Bhakti Vardhan Singh, AOR

UPON hearing the counsel the Court made the following
O R D E R

1. The Civil Appeals stand disposed of in terms of the signed order which is placed on the file.
2. Pending application(s), if any, shall stand disposed of.

(JAGDISH KUMAR)
ASTT. REGISTRAR-cum-PS

(KOMAL)
COURT MASTER (NSH)