



THE INSTITUTE OF Company Secretaries of India

भारतीय कम्पनी सचिव संस्थान

IN PURSUIT OF PROFESSIONAL EXCELLENCE

Statutory body under an Act of Parliament

(Under the jurisdiction of Ministry of Corporate Affairs)

G&PD: DoR/FM: 01/ 2025-26

16th March 2026

Shri Arvind Shrivastava
Secretary (Revenue)
Department of Revenue
Room No. 14102
Kartavya Bhawan – I
New Delhi

Ministry of Corporate Affairs
Dy. No. /R & IMCA
Date:

18 MAR 2026

Subject: Representation seeking clarification and intervention regarding jurisdiction for levy and collection of Stamp Duty

Respected Sir/Madam,

Greetings from the Institute of Company Secretaries of India (ICSI)

We wish draw your kind attention towards circular dated 29th September 2025 issued by the office of the Divisional Commissioner, Stamp and Registration Branch, Revenue Department, NCT of Delhi, whereby it informed that *all companies having their registered office situated in the National Capital Territory (NCT) of Delhi, in accordance with Article 19 of Schedule 1A of the Indian Stamp Act, 1899, stamp duty is required to be paid on the issuance of shares at the rate of 0.1% of the value of shares as applicable to the NCT of Delhi.*

Further, the Finance Act, 2019 amended the Indian Stamp Act, 1899 and inserted section 9A, which deals with 'Instruments chargeable with duty for transactions in stock exchange and depositories', and section 9B, which relates to instruments 'chargeable with duty for transactions otherwise than in stock exchange and depositories.

Section 9A reads as follows:

(a) *when the sale of any securities, whether delivery based or otherwise, is made through a stock exchange, the stamp-duty on each such sale in the clearance list shall be collected on behalf of the State Government by the stock exchange or a clearing corporation authorised by it, from its buyer on the market value of such securities at the time of settlement of transactions in securities of such buyer, in such manner as the Central Government may, by rules, provide;*

(b) *when any transfer of securities for a consideration, whether delivery based or otherwise, is made by a depository otherwise than on the basis of any transaction referred to in clause (a), the stamp-duty on such transfer shall be collected on behalf of the State Government by the depository from the transferor of such securities on the consideration amount specified therein, in such manner as the Central Government may, by rules, provide;*

(c) *when pursuant to issue of securities, any creation or change in the records of a depository is made, the stamp-duty on the allotment list shall be collected on behalf of the State Government by the depository from the issuer of securities on the total market value of the securities as contained in such list, in such manner as the Central Government may, by rules, provide*

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The provisions of Section 9A of the Stamp Act provides that stamp duty shall be payable at the rate specified under Article 56A of Schedule I which is 0.005% on issuance of securities other than debentures, where the shares are issued in dematerialised form through Depository.

Here it is pertinent to submit that the Office of the Divisional Commissioner (Stamp & Registration), under the Revenue Department, Government of NCT of Delhi, vide its communication dated 29.09.2025, has directed National Securities Depository Limited and Central Depository Services Limited not to collect stamp duty under Article 19 of Schedule I-A in respect of certificates or other documents evidencing title to shares pertaining to companies having their registered office in NCT of Delhi, stating that the authority to levy and collect such stamp duty rests with the Government of NCT of Delhi. (Copy of letter enclosed as **Annexure I**).

This ambiguity in the provisions of Indian Stamp Act, 1899, has resulted in practical and legal difficulties for companies, depositories, and professionals, particularly in cases of issuance of shares and other securities. The absence of a harmonized and clarification from the competent authority has resulted in:

- Duplication of Stamp Duty: In many cases, stakeholders has ended up in paying double stamp duty i.e 0.05% to NSDL/CDSL and 0.1% to Revenue Department, Government of NCT of Delhi, Delhi.
- Confusion amongst the Depositories and State w.r.t authority to collect Stamp duty under Section 9A vis-à-vis State-specific provisions under Article 19 of Schedule I-A;
- lack of clarity is resulting in non-compliance with applicable State stamp laws, as stakeholders struggle to reconcile centralised collection mechanisms with State-mandated requirements'
- Exposure of stakeholders to regulatory disputes, compliance risks, and avoidable litigation.

In view of the above and in order to ensure uniform implementation of the statutory framework, we respectfully request the Department of Revenue to kindly intervene and provide the clarity on the scope of Depositories to collect stamp duty in line with section 9A and legal position regarding applicability of Article 19 of Schedule I-A in cases of issuance of securities by companies having their registered office in NCT of Delhi;

It is requested to issue suitable directions to ensure uniform compliance across all collecting agents, intermediaries, and stakeholders, thereby preventing jurisdictional overlap and ensuring that stamp duty is collected and remitted in accordance with the statutory scheme.

This will ensure legal certainty, protect stakeholder interests, uphold cooperative federalism, and facilitate smooth functioning of the securities market ecosystem in alignment with the intent of the Finance Act, 2019.

We shall be pleased to provide any further information in this regard on hearing from your good self.

Thanking You,

Yours faithfully


(CS Pawan G Chandak)

President

The Institute of Company Secretaries of India