



THE INSTITUTE OF  
Company Secretaries of India

भारतीय कम्पनी सचिव संस्थान

IN PURSUIT OF PROFESSIONAL EXCELLENCE  
Statutory body under an Act of Parliament

WESTERN  
INDIA  
REGIONAL  
COUNCIL

Date: April 29, 2026

To,  
CS Pawan G Chandak  
The President  
The Institute of Company Secretaries of India (ICSI)

**Subject: Representation for enabling collection of stamp duty on issue and transfer of shares through MCA portal for ensuring uniformity and ease of compliance**

Respected Sir,

We, the Western India Regional Council (WIRC) of the Institute of Company Secretaries of India (ICSI), respectfully submit this representation to highlight the practical challenges faced by companies in payment of stamp duty on issue of share certificates and transfer of shares, and to propose a unified mechanism for facilitation of such payments through the MCA portal.

At present, stamp duty on incorporation of companies is collected in a centralised and seamless manner through the MCA portal, ensuring uniformity, ease of compliance, and timely collection of revenue. However, no such uniform mechanism exists for payment of stamp duty on subsequent transactions such as issue of share certificates and transfer of shares.

### Background

The levy and collection of stamp duty in India is primarily governed by the Indian Stamp Act, 1899, as amended from time to time. In addition, various State Governments have enacted their own stamp laws and prescribed separate procedures, rates, and mechanisms for collection of stamp duty within their respective jurisdictions.

While the power to levy and adjudicate stamp duty appropriately rests with the State Governments, the procedures prescribed under different State laws are often time-consuming, lengthy, and administratively cumbersome, particularly for companies operating across multiple jurisdictions.

Although the Central Government has successfully implemented an integrated system for collection of stamp duty on incorporation-related documents through the MCA portal, a similar facilitation mechanism has not been extended to transactions relating to:

- issue of share certificates; and
- transfer of shares (particularly in physical form).

### Vision

"To be a global leader in promoting good corporate governance"

### Motto

सत्यं वद धर्मं चर। इष्टकारे त्रेह तन्पुत्रे, पुत्रावपुष्ट लोकेऽहोपकारदहइ

### Mission

"To develop high calibre professionals facilitating good corporate governance"

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**Issues Faced**

1. Lack of uniformity across States
2. Time-consuming and lengthy procedures
3. Operational challenges
4. Delay in compliance and risk of non-compliance

**Justification**

The justification for introducing a centralised facilitation mechanism through the MCA portal lies in the need for uniformity, efficiency, and transparency, while continuing to respect the jurisdiction of State Governments in matters of levy and adjudication of stamp duty.

The existing system for collection of stamp duty at the time of incorporation demonstrates that integration with the MCA portal ensures ease of compliance, accuracy and timeliness in payment, and administrative efficiency.

Extending a similar framework for issue and transfer of shares—wherein the payment of stamp duty is facilitated through the MCA portal, while adjudication and assessment continue to remain with the respective State authorities—would strike an appropriate balance between centralised facilitation and State-level control.

Such a mechanism would ensure uniform practices across the country, facilitate timely and seamless payment of stamp duty, reduce procedural complexity and compliance burden, and enhance traceability and transparency of transactions.

Further, it would strengthen corporate governance by ensuring proper and timely stamping of instruments and enhance revenue collection for State Governments through improved compliance.

**Request**

In view of the above, it is respectfully requested that:

1. A centralised mechanism be introduced through the MCA portal to facilitate payment of stamp duty on:
  - issue of share certificates; and
  - transfer of shares;
2. The system may be designed to:
  - enable seamless online payment of stamp duty;
  - compute applicable duty based on State-specific rates; and
  - generate digitally verifiable proof of payment;



3. Adjudication, assessment, and regulatory control may continue to remain with the respective State Government authorities;
4. Necessary coordination be undertaken with State Governments to ensure smooth integration and appropriate allocation of collected revenue;
5. Suitable amendments or notifications be issued under the Indian Stamp Act, 1899 and relevant State laws to operationalise such a framework.

We remain available for any discussions or clarifications in this regard and look forward to a favourable consideration of this representation.

Thanking you,

Yours sincerely,



**CS Yogesh Choudhary**  
**Chairman**  
**Western India Regional Council**