



2026:DHC:8991



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* **IN THE HIGH COURT OF DELHI AT NEW DELHI**% ***Date of Decision: October 8th, 2026***# **CNR No. DLHC010305832022**+ **W.P.(C) 11910/2022, CM APPL. 35548/2022 & CM APPL. 1927/2025****FREECHARGE PAYMENT TECHNOLOGIES
PRIVATE LIMITED**

.....Petitioner

Through: **Mr. Vijayendra Pratap Singh,
Ms. Sayobani Basu &
Ms. Dhriti Batra, Advs.**

versus

**COLLECTOR OF STAMPS
GOVERNMENT OF NCT OF DELHI**

.....Respondent

Through: **Mr. Raghvendra Upadhyay,
Panel Counsel with Ms.
Purnima Jain, Mr. Kshitij &
Mr. Yash Singh, Advs. for
GNCTD.****CORAM:****HON'BLE MR. JUSTICE AMIT MAHAJAN****AMIT MAHAJAN, J. (Oral)**

1. By the present petition, the petitioner seeks quashing of the impugned order dated 26.05.2022, whereby the learned SDM imposed stamp duty of Rs. 35,47,94,349/- under Article 23 of Schedule IA of the Indian Stamp Act, 1899 (as applicable to Delhi), along with a penalty of Rs. 35,47,94,349/- on the petitioner under Section 40 of the Indian Stamp Act, 1899, and directed the petitioner to pay total duty of Rs. 70,95,88,698/-.

2. Briefly stated, the petitioner is a private limited company incorporated under the Companies Act, 2013 and is a wholly owned subsidiary of Axis Bank Limited (**'Axis Bank'**). Accelyst Solutions

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2026:DHC:8991



Private Limited (**'ASPL'**) was also a wholly owned subsidiary of Axis Bank. A scheme of amalgamation under Sections 230 to 232 of the Companies Act, 2013 was proposed between ASPL and the petitioner, whereby ASPL was to be amalgamated with the petitioner. The said scheme was sanctioned by the National Company Law Tribunal, New Delhi (**'NCLT, Delhi'**) by an order dated 22.10.2019, and by the National Company Law Tribunal, Mumbai by an order dated 28.02.2020, as modified by the judgment dated 24.03.2021 of the National Company Law Appellate Tribunal in respect of the appointed date.

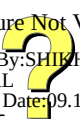
3. Upon the scheme coming into effect, the petitioner cancelled the equity shares of ASPL and issued fresh equity shares to Axis Bank.

4. On 04.05.2021, the petitioner applied to the Collector of Stamps under Section 31 of the Indian Stamp Act, 1899 for adjudication of the stamp duty payable on the said order and claimed exemption under ***Notification No. 13 dated 25.12.1937***. The learned SDM held the scheme to be a conveyance chargeable under Article 23 of Schedule IA, and levied duty at 3% on a consideration of Rs. 11,82,64,78,290/-, along with an equal amount as penalty, without recording any finding on the applicability of the said Notification.

5. The learned counsel for the petitioner submits that the petitioner is exempted via *Notification No. 13 dated 25.12.1937*, issued by the Central Government (**'the Notification'**), as the petitioner is a wholly owned subsidiary of Axis Bank, which also holds the entire share capital of the transferor company, ASPL. He further submits that the

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Notification exempts from payment of stamp duty instruments evidencing transfer of property between two subsidiary companies, of each of which not less than 90% of the share capital is in the beneficial ownership of a common parent company, and that the exemption was specifically pleaded before the learned SDM but has not been dealt with in the impugned order.

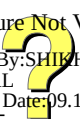
6. He further contended that the petitioner is entitled to the benefit of the judgment of ***Ambuja Cement Ltd. vs. Collector of Stamps: 2024 SCC OnLine Del 7710***, as the facts are identical. He submits that, as in the said case, the transferor and the transferee companies are both wholly owned *subsidiaries of a common parent company*, the shares of the transferor company stood cancelled upon the amalgamation, and stamp duty and penalty were demanded without considering the Notification.

7. The learned counsel for the respondent vehemently opposes the submissions made by the petitioner. He submits that the department has taken the stand that the earlier stamp laws stood repealed and that the notifications issued under the erstwhile regime, including the Notification dated 25.12.1937, did not continue to operate in Delhi thereafter. He submits that this question is under consideration before the Division Bench of this Court, where a batch of similar matters, including W.P.(C) 6613/2014, is pending, and is next listed on 15.10.2026.

8. He submits that the petitioner is not exempted as the Notification dated 25.12.1937 did not continue to operate in Delhi. He further submits that the case of the petitioner is not covered by the

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judgment of ***Ambuja Cement Ltd. vs. Collector of Stamps (supra)***. He also submits that the said decision is under challenge and pending consideration before the Division Bench.

9. Having taken note of the rival contentions of the parties and having perused the record, this Court finds merit in the reliance placed by the learned counsel for the petitioner on the judgment passed by the Coordinate Bench in the case of ***Ambuja Cement Ltd. vs. Collector of Stamps (supra)***. In the said case, the petitioner therein was exempted from payment of stamp duty by virtue of the Notification No. 13 dated 25.12.1937. It was observed as follows:

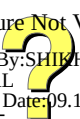
“10.4. Accordingly, the argument advanced by the Standing Counsel for the respondent that the Notification no. 13 dated 25.12.1937 has been repealed and is not applicable, does not have any legal force and is accordingly rejected. The petitioner and ACIPL were wholly owned subsidiaries of a common parent company - Holderind and therefore, the scheme of amalgamation and the merger order are squarely covered under the Notification no. 13 dated 25.12.1937 which exempts the said instruments from payment of stamp duty. 11. The present petition is allowed in view of above discussion. Accordingly the show-cause notice dated 20.03.2014 and the impugned order dated 07.08.2014 issued by the respondent are quashed and set aside along with all consequential proceedings.”

10. At the outset, the learned counsel for the respondent was asked whether the facts of the present case differ from those in ***Ambuja Cement Ltd. (supra)***. The learned counsel could not point out any distinction in the facts.

11. The contention that the Notification stood repealed was raised before the Coordinate Bench and was specifically rejected in paragraph 10.4 of the said judgment, as extracted above. The pendency of a challenge to a judgment of a Coordinate Bench does not efface its binding effect. The said judgment has not been set aside, and

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no stay is operating.

12. It is pertinent to note that Judicial discipline requires that, in such circumstances, a judgment of a Coordinate Bench rendered on identical facts be followed.

13. It remains undisputed that the Coordinate Bench has decided the case on an identical set of facts and in the opinion of this Court, the benefit of the said judgment is also available to the petitioner.

14. Accordingly, the present petition is allowed in terms of the judgment in *Ambuja Cement Ltd. (supra)*.

15. The impugned order dated 26.05.2022 is quashed and set aside.

16. The pending application(s), if any, also stand disposed of.

AMIT MAHAJAN, J

OCTOBER 8, 2026

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