

Schedule I Articles 36-40 - Allotment, Credit, Guarantee, Licence and Memorandum

Classify each instrument by legal substance, State schedule, exemptions, market value and composite-document rules before quoting duty.

Chapter in 2 Minutes

Classify the instrument and controlling State/UT first. Duty follows legal substance, statutory value, current Schedule, amendments and authorised payment method. Preserve a transaction-date source and evidence pack.

Controlled provision map

Provision	Subject	Status
Art. 36	Letter of allotment of shares	State rate/source required
Art. 37	Letter of credit	State rate/source required
Art. 38	Letter of guarantee	State rate/source required
Art. 39	Letter of licence	State rate/source required
Art. 40	Memorandum of association of a company	State rate/source required

Implementation and example

A long-term occupancy document is called a licence but grants exclusive possession, renewal and transfer controls. Substance, term, premium, rent and deposit must be tested under the State schedule.

Core controls

1. Classify instrument, State and transaction. 2. Verify rate, market value, exemption and linked documents. 3. Approve duty calculation and lawful payment. 4. Execute and preserve certificate. 5. Manage adjudication, cure, refund and limitation.

Evidence checklist

Official source pack; classification memo; value working; authority; final instrument; e-stamp/franking proof; registration/filing; impounding/refund/appeal record; tax and accounting reconciliation.

Legal-use note

Exact State rate and procedure are not uniform. Verify signed Gazette and transaction-date law.