



# BMC Advisors



## What's Inside

- MCA Update
- Income Tax Update
- Custom Update
- RBI Update
- Service Tax Update
- DGFT Update
- SEBI Update
- Excise Update

# *WEEKLY UPDATES*

*May 8<sup>th</sup>, 2017 – May 14<sup>th</sup>, 2017*

## INDEX

|  |       |
|--|-------|
| <b>MCA UPDATE</b>  |       |
| Companies (Acceptance of Deposits) Amendment Rules, 2017   | 4-5   |
| <b>SEBI UPDATE</b>   |       |
| Instant Access Facility and Use of e-wallet for investment in Mutual Funds   | 6-7   |
| <b>RBI UPDATE</b>  |       |
| National Electronic Funds Transfer (NEFT) system - Settlement at half-hourly intervals   | 8-9   |
| Submission of Statutory returns (SLR-Form VIII) in XBRL platform   | 10    |
| <b>INCOME TAX UPDATE</b>   |       |
| Notification No. 37/2017[F. No. 370133/6/2017-TPL]/SO 1513 (E): Notification No. 37/2017[F. No. 370133/6/2017-TPL]/ SO 1513(E)   | 11    |
| <b>CUSTOM UPDATE</b>   |       |
| Seeks to amend notification No. 12/2012 dated 17.03.2012 so as to make effective rates of BCD on industrial grade palm stearin (crude, RBD or other) which were earlier classifiable under sub-heading 3823 11 and are now classifiable under 1511 90 30 consequent to the amendments carried out vide the Finance Act, 2017 | 12    |
| Amendment to notification 62/94 -Customs (N.T), dated 21.11.1994 so as to allow unloading of imported goods and loading of export goods or any class of such goods at Dharma Port, Odisha  | 13    |
| Amendment to notification no 142/2016-Customs (N.T.) dated 29.11.2016  | 14    |
| Appointment of common adjudication Authority in case of M/s Beanstalk Brand Consultancy, New Delhi   | 15    |
| Implementation of Notification No. 107/2016- customs (N.T.) dated 11.08.2016- Uploading the Departure Manifests by Airlines(carriers)- reg   | 16-17 |
| <b>DGFT UPDATE</b>   |       |
| Implementation of Target Plus Scheme as per the decision of the Hon`ble Supreme Court dt. 27.10.2015 in CA No. 554 of 2006   | 18    |

## MCA UPDATES

[TO BE PUBLISHED IN THE GAZETTE OF INDIA, EXTRAORDINARY, PART II, SECTION 3, SUB-SECTION (i)]

Government of India  
Ministry of Corporate Affairs  
Notification

New Delhi, dated, the 11<sup>th</sup> May, 2017

G.S.R. \_\_\_ (E). - In exercise of the powers conferred by sections 73 and 76 read with sub-section (1) and sub-section (2) of section 469 of the Companies Act, 2013 (18 of 2013), the Central Government hereby makes the following rules further to amend the Companies (Acceptance of Deposits) Rules, 2014, namely:-

1. (1) These rules may be called the Companies (Acceptance of Deposits) Amendment Rules, 2017.

(2) They shall come into force on the date of their publication in the Official Gazette.

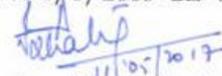
2. In the Companies (Acceptance of Deposits) Rules, 2014 (hereinafter referred to as the principal rules),-

(a) in rule 2, in sub-rule (1), in clause (c), in sub-clause (xviii), after the words "Domestic Venture Capital Funds" the words ", Infrastructure Investment Trusts" shall be inserted.

(b) in rule 5, in sub-rule (1), for the proviso, the following proviso shall be substituted, namely:-

“Provided that the companies may accept deposits without deposit insurance contract till the 31<sup>st</sup> March, 2018 or till the availability of deposit insurance product, whichever is earlier.”.

[File No 1/8/2013-CL-V]



(Amardeep Singh Bhatia)

Joint Secretary to the Government of India

**Note.** - The principal rules were published in the Gazette of India, Extraordinary, Part II, Section 3, sub-section (i) *vide* number G.S.R. 256(E), dated the 31<sup>st</sup> March, 2014 and were subsequently amended as detailed below:-

| Sl. No. | Notification Number | Date                             |
|---------|---------------------|----------------------------------|
| 1.      | G.S.R. 386(E)       | 6 <sup>th</sup> June, 2014       |
| 2.      | G.S.R. 241(E)       | 31 <sup>st</sup> March, 2015     |
| 3.      | G.S.R. 695(E)       | 15 <sup>th</sup> September, 2015 |
| 4.      | G.S.R. 639(E)       | 29 <sup>th</sup> June, 2016      |

# SEBI UPDATES

## CIRCULAR

SEBI/HO/IMD/DF2/CIR/P/2017/39

May 8, 2017

**All Mutual Funds/Asset Management Companies (AMCs)/ Trustee Companies/Boards of Trustees of Mutual Funds**

Sir/ Madam,

**Subject: Instant Access Facility and Use of e-wallet for investment in Mutual Funds**

### **A. Instant Access Facility (IAF)**

1) IAF facilitates credit of redemption proceeds in the bank account of the investor on the same day of redemption request. In order to further enhance the reach of Mutual Funds (MFs) towards the retail investors, it has been decided to issue guidelines for extending IAF. MFs/ AMCs may offer IAF subject to the following conditions:

a) **Eligibility** - IAF shall be allowed through online mechanism and only for resident individual investors.

b) **Applicability**

i. **NAV:** While observing the extant cut-off timings with respect to repurchase (i.e. redemption), under IAF the following NAVs shall be applied:

- where the IAF application is received up to 3.00 pm - the lower of (i) NAV of previous calendar day and (ii) NAV of calendar day on which application is received;
- where the IAF application is received after 3.00 pm - the lower of (i) NAV of calendar day on which such application is received, and (ii) NAV of the next calendar day.

ii. **Scheme** - MFs/ AMCs can offer IAF only in Liquid schemes of the MF.

iii. **Monetary Limit** - The monetary limit under IAF shall be INR 50,000/- or 90% of latest value of investment in the scheme, whichever is lower. This limit shall be applicable per day per scheme per investor.

c) **Liquidity**

i. Liquidity for IAF has to be provided out of the available funds with the scheme and MFs/ AMCs should put in place a mechanism so that adequate balance is available in the bank account of the scheme to meet liquidity/ redemption requirements under IAF. Such mechanism may be based on historical trends of instant access. For example, AMCs offering IAF may set aside in cash at least 3 times of - the higher of, last one month's or three month's daily average of redemptions under instant access on a rolling day basis. AMCs should also lay down robust processes for continuous monitoring and for funding the redemptions under the IAF.

ii. MFs/ AMCs cannot borrow to meet the redemption requirements under IAF.

d) **Disclosures**

i. AMCs shall make appropriate disclosures in the scheme related documents about IAF and ensure that no mis-selling is done on the pretext of instant availability of funds to the investors.

ii. Appropriate disclosures shall be made to the investors mentioning the scenarios under which IAF may be suspended and that IAF request would be processed as a normal redemption request in such circumstances.

**e) Approvals and Controls**

i. MFs/ AMCs shall offer IAF only after obtaining approvals from the AMC Board and the Trustees and keep in place adequate safeguards in the system to implement this facility.

ii. IAF shall also be considered while carrying out stress testing of the schemes.

MFs/ AMCs offering this facility in any of their schemes shall reduce the limit to INR 50,000/- with immediate effect and schemes other than liquid schemes having this facility shall discontinue this facility within one month from the date of this circular.

**B. Use of e-wallet for investment in MFs**

2. With an objective to promote digitalization, MFs/ AMCs can accept investment by an investor through e-wallets (Prepaid Payment Instruments (PPIs)) subject to the following:

a. MFs/ AMCs shall ensure that extant regulations such as cut-off timings, time stamping, etc., are complied with for investment in MFs using e-wallets.

b. MFs/ AMCs shall enter into an agreement / arrangement with issuers of PPIs for facilitating payment from e-wallets to MF schemes.

c. Redemption proceeds should be made only to the bank account of the investor/ unit holder as required under SEBI Circular MFD/CIR/15/19133/2002 dated September 30, 2002.

d. MFs/ AMCs shall ensure that total subscription through e-wallets for an investor is restricted to INR 50,000/- per MF per financial year. Further, in partial modification to the Circular CIR/IMD/DF/10/2014 dated May 22, 2014, the limit of INR 50,000/- would be an umbrella limit for investments by an investor through both e-wallet and/or cash, per MF per financial year.

e. MFs/ AMCs shall ensure that e-wallet issuers shall not offer any incentives such as cash back, vouchers, etc., directly or indirectly for investing in MF schemes.

f. MFs/ AMCs shall ensure that only amounts loaded into e-wallet through cash or debit card or net banking, can be used for subscription to MF schemes.

g. MFs/ AMCs shall ensure that amount loaded into e-wallet through credit card, cash back, promotional scheme etc. should not be allowed for subscription to MF schemes.

h. MFs/ AMCs shall also comply with the requirement of no third party payment norm for investment made using e-wallets.

3. This circular shall be applicable with immediate effect.

4. This circular is issued in exercise of the powers conferred under Section 11 (1) of the Securities and Exchange Board of India Act 1992, read with the provision of Regulation 77 of SEBI (Mutual Funds) Regulation, 1996, to protect the interests of investors in securities and to promote the development of, and to regulate the securities market.

Yours faithfully,  
Harini Balaji  
General Manager  
Tel no.: 022-26449372  
Email: [harinib@sebi.gov.in](mailto:harinib@sebi.gov.in)

## RBI UPDATES

### **National Electronic Funds Transfer (NEFT) system – Settlement at half-hourly intervals**

RBI/2016-17/300  
DPSS (CO) EPPD No.2612/04.03.01/2016-17

May 08, 2017

The Chairman and Managing Director / Chief Executive Officer  
of member banks participating in NEFT

Madam / Sir,

### **National Electronic Funds Transfer (NEFT) system – Settlement at half-hourly intervals**

National Electronic Funds Transfer (NEFT) system presently settles the fund transfer requests of the participating banks on net basis at hourly intervals from 8:00 am to 7:00 pm on all working days. All participating banks have been advised to give the credit to the beneficiary customer only after the inter-bank settlement has been completed and the End-of-Batch (EOB) message is received by them.

2. As announced in the First Bi-monthly Monetary Policy Statement for 2017-18, additional settlements in the NEFT system at half-hour intervals are being introduced to enhance the efficiency of the system and add to customer convenience. The half hourly settlements would speed up the funds transfer process and provide faster credit to the destination accounts. Accordingly, it is decided to introduce 11 additional settlement batches during the day (at 8.30 am, 9.30 am, 10.30 am ..... 5.30 pm and 6.30 pm), taking the total number of half hourly settlement batches during the day to 23.

3. The starting batch at 8.00 am and closing batch at 7.00 pm shall remain the same as hitherto. The return discipline shall also remain the same i.e., B+2 hours (Settlement batch time plus two hours) as per extant practice.

4. The participating banks are, therefore, advised to carry out the required changes in their CBS system to initiate the NEFT transactions for half hourly settlement as above, and also to accept and credit the inward NEFT transactions on half hourly basis. IDRBT/IFTAS will communicate the technical changes required to be carried out by participating banks and provide required support in implementing the same.

5. The additional batches will be introduced from July 10, 2017 (Monday). Banks shall accordingly ensure their readiness in terms of technical and operational aspects.

6. For efficient customer service, the participant banks in NEFT system were advised (vide, circular DPSS CO EPPD No. 168/04.03.01/2009-2010 dated February 5, 2010) to send a positive confirmation to the remittance originator (customer) confirming the successful credit of funds to the beneficiary's account. Accordingly, beneficiary / destination banks shall ensure strict adherence in sending the N10 messages to the originating banks, which in turn shall ensure sending the positive confirmation to the remitting customer advising status of credit to the beneficiary account.

7. These instructions are issued under Section 10(2) read with Section 18 of Payment and Settlement Systems Act, 2007.

Yours faithfully

(Nilima Ramteke)  
General Manager



**Submission of Statutory returns (SLR-Form VIII) in XBRL platform**

**RBI/2016-17/302**

**Ref: DBR.CO.No.Ret.BC/66/12.07.144/2016-17**

**May 11, 2017**

The Chairperson  
All RRBs

Madam/Dear Sir,

**Submission of Statutory returns (SLR-Form VIII) in XBRL platform**

It has been decided to move the reporting of SLR from PCRPCD to XBRL (Extensible Business Reporting Language) platform. You are therefore advised to submit the returns (Form VIII) in XBRL from the month of April 2017.

Yours faithfully,

(S K Kar)  
Chief General Manager

## INCOME TAX UPDATES

**MINISTRY OF FINANCE**  
**(Department of Revenue)**  
**NOTIFICATION**  
**New Delhi, the 11th May, 2017**

S.O. 1513 (E).—In exercise of the powers conferred by sub-section (3) of section 139AA of the Income-tax Act, 1961 (43 of 1961), the Central Government hereby notifies that the provisions of section 139AA shall not apply to an individual who does not possess the Aadhaar number or the Enrolment ID and is:- (i) residing in the States of Assam, Jammu and Kashmir and Meghalaya; (ii) a non-resident as per the Income-tax Act, 1961; (iii) of the age of eighty years or more at any time during the previous year; (iv) not a citizen of India. 2. This notification shall come into force with effect from the 1st day of July, 2017.

[Notification No. 37/2017, F. No. 370133/6/2017-TPL]

ABHISHEK GAUTAM, Under Secy.

## CUSTOM UPDATES

[TO BE PUBLISHED IN PART II, SECTION 3, SUB-SECTION (i) OF THE GAZETTE OF INDIA, EXTRAORDINARY]

**GOVERNMENT OF INDIA  
MINISTRY OF FINANCE  
(Department of Revenue)  
Notification No. 18 /2017-Customs**

New Delhi, the 9th May, 2017

G.S.R. (E).- In exercise of the powers conferred by sub-section (1) of section 25 of the Customs Act, 1962 (52 of 1962), the Central Government, being satisfied that it is necessary in the public interest so to do, hereby makes the following further amendments in the notification of the Government of India, in the Ministry of Finance (Department of Revenue), No.12/2012-Customs, dated the 17th March, 2012, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i) vide number G.S.R. 185(E), dated the 17th March, 2012, namely:-

In the said notification, in the Table,- (i) after serial number 59 and the entries relating thereto, the following serial number and entries shall be inserted, namely:-

| (1)  | (2)  | (3)   | (4)  | (5) | (6) |
|------|------|---|------|-----|-----|
| "59A | 1511 | Palm stearin, whether crude, RBD or other, having free fatty acid (FFA) 20% or more                                       | 7.5% | -   | -   |
| 59B  | 1511 | Palm stearin, whether crude, RBD or other, having free fatty acid (FFA) 20% or more for the manufacture of oleochemicals. | Nil  | -   | 5"  |

(ii) serial number 187A and 187 B and the entries relating thereto shall be omitted.

[F.No.354/73/2017-TRU]

(Mohit Tiwari)

Under Secretary to the Government of India

Note: The principal notification No.12/2012-Customs, dated the 17th March, 2012 was published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i) vide number G.S.R. 185(E), dated the 17th March, 2012 and last amended vide notification No.13/2017-Customs, dated the 13th April, 2017, published vide number G.S.R.356 (E), dated the 13th April, 2017.

[TO BE PUBLISHED IN THE GAZETTE OF INDIA, EXTRAORDINARY, PART-II, SECTION 3, SUB-SECTION (ii)]

**GOVERNMENT OF INDIA  
MINISTRY OF FINANCE  
(DEPARTMENT OF REVENUE)  
Notification No. 44/2017- Customs (N.T.)**

New Delhi, the 11th May, 2017

S. O. . - In exercise of the powers conferred by clause (a) of sub-section(1) of section 7 of the Customs Act, 1962 (52 of 1962), the Central Board of Excise and Customs, hereby makes the following further amendments in the notification of the Government of India, in the Ministry of Finance (Department of Revenue) No. 62/94 -Customs (N.T), dated the 21st November, 1994, published in the Gazette of India, Extraordinary, vide number S.O. 829 (E), dated the 21st November, 1994, namely:-

In the said notification, in the Table, against serial number 9 relating to the State of Orissa, in column(3), against item (4) relating to Port Dhamra , for the entry relating thereto in column (4), the following entry shall be substituted, namely:-

“Unloading of imported goods and loading of export goods or any class of such goods.”

(F.No.572/02/2017-LC)

(Satyajit Mohanty)  
Director (International Customs Division)

Note: The principal notification was published in the Gazette of India, Extraordinary vide notification No. 62/1994-Customs(N.T.), dated the 21st November, 1994, vide number S.O. 829(E), dated the 21st November, 1994 and last amended vide notification No. 15/2017-Customs (NT), dated the 2nd March, 2017, vide number S.O. 695(E), dated the 2nd March, 2017.

[TO BE PUBLISHED IN THE GAZETTE OF INDIA, EXTRAORDINARY, PART II, SECTION 3, SUB-SECTION (i)]

**Government of India**  
**Ministry of Finance**  
**(Department of Revenue)**  
**Notification No. 45/2017-Customs (N.T.)**

New Delhi, dated the 11th May, 2017

G.S.R. (E)---- In exercise of powers conferred by section 157 of the Customs Act, 1962 (52 of 1962), the Central Board of Excise and Customs hereby makes the following amendment in the notification of the Government of India in the Ministry of Finance (Department of Revenue) No. 142/2016-Customs (N.T.) dated the 29th November, 2016 published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), vide number G.S.R. 1099 (E) dated the 29th November, 2016, namely:

In the said notification, for the Note, the following shall be substituted, namely:-

“Note:- The Principal regulations were published vide notification number 87/98-Cus. (N.T.) dated the 9th November , 1998 and G.S.R. 662 (E) dated the 9th November, 1998 in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i) and last amended by notification No. 62/2015-Customs (N.T.) dated 17th June, 2015 vide G.S.R. 501(E), dated the 17th June, 2015 in the Gazette of India.”

[F.No.450/4/2013-Cus. IV]

(Zubair Riaz)  
Director (Customs)

**[To be published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (ii)]**

**Government of India  
Ministry of Finance  
Department of Revenue  
(Central Board of Excise and Customs)  
Notification No. 46/2017-Customs (N.T.)**

New Delhi, the 11th May, 2017

S.O. (E). -In exercise of powers conferred by sub-section (1) of section 4 and sub-section (1) of section 5 of Customs Act, 1962 (52 of 1962), the Central Board of Excise and Customs hereby makes the following amendments in the Notification No. 129/2013-Customs (N.T.) dated 11.12.2013 published in the official Gazette of India vide S.O. 3627 (E) dated 11.12.2013.

In the said notification, in the opening paragraph for the words “the Additional Commissioner of Customs (Preventive), New Custom House, Ballard Estate, Mumbai”, the words, “the Additional/Joint Commissioner of Customs (Preventive), New Custom House, Near Indira Gandhi International Airport, New Delhi” shall be substituted.

**F.No.437/50/2013-Cus IV]  
(Z.R.Kamili)  
Director (Customs)**

Note.- The principal notification was issued vide Notification No. 129/2013-Customs (N.T.) dated 11.12.2013 and published in the official Gazette of India vide S.O. 3627 (E) dated 11.12.2013.

**Circular No. 17 / 2017-Customs**

**F.No.520/12/2009-Cus-VI (pt)**  
Government of India  
Ministry of Finance  
Department of Revenue  
Central Board of Excise & Customs  
\*\*\*\*\*

New Delhi, dated the 9<sup>th</sup> May, 2017

To

All Principal Chief Commissioner/ Chief Commissioners of Customs/Customs (Preventive)  
All Principal Chief Commissioners/ Chief Commissioner of Customs & Central Excise  
All Principal Directors General/Directors General of CBEC  
All Principal Commissioners/ Commissioners of Customs/Customs (Prev.)  
All Principal Commissioners/ Commissioners of Customs (Appeals)  
All Principal Commissioners/ Commissioners of Customs & Central Excise  
All Principal Commissioners/ Commissioners of Customs & Central Excise. (Appeals)  
Webmaster, CBEC

**Subject: Implementation of Notification No.107/2016-Customs (N.T.) dated 11.08.2016 –  
Uploading the Departure Manifests by the Airlines (carriers) – reg.**

Madam/Sir,

The undersigned is directed to refer to the Notification No.107/2016-Customs (N.T.) dated 11<sup>th</sup> August 2016 wherein carriers are required to transmit electronically the pre-check-in passenger manifest twelve hours before the departure of the flight and the final passenger manifest delivered fifteen minutes before leaving or taking off the flight from the port of embarkation in India, to the Indian Customs in flat file format or in United Nations/Electronic Data Interchange for Administration, Commerce and Transport Passenger List Advance Passenger Information (UN/EDIFACT PAXLST API), in the structure annexed to the above Notification.

2. After holding consultations and carrying out tests in respect of electronic transmissions with some of the carriers and their service providers, it has been decided that with effect from 15/05/2017, all carriers shall start transmitting electronically, the manifests for the outbound passengers **fifteen minutes before leaving or taking off** from the port of embarkation in India, to the Indian Customs in a flat file format. This format is identical to the one being presently transmitted by the carriers in respect of the inbound/arriving international passengers.

3. It has also been decided that the carriers would carry out the necessary modifications in their systems in order to generate and submit the additional outbound passenger manifests to be transmitted 12 hours before the scheduled flight departure, within a period of six months i.e. by November, 2017.

4. The concerned Principal Commissioners/Commissioners of Customs having jurisdiction over international airports are requested to issue Public Notices to bring the above to the notice of the carriers.

5. Difficulties, if any, in implementation of the aforesaid guidelines may be brought to the notice of the Board.

Yours faithfully,

  
9.5.17

(B. Konthoujam)  
Under Secretary (Cus VI)

## DGFT UPDATES

(To be published in the Gazette of India Extraordinary Part II  
Section 3, Sub Section (ii))  
Government of India  
Ministry of Commerce & Industry  
Department of Commerce  
Directorate General of Foreign Trade

Notification No. 06/2015-2020  
New Delhi, 08th May, 2017

S.O.(E) In exercise of the powers conferred by Section 5 of the Foreign Trade (Development and Regulation) Act, 1992, as amended, read with Para 1.02 of the Foreign Trade Policy, 2015-2020 and in consequent to the decision of the Hon'ble Supreme Court dated 27.10.2015 in CA No.554 of 2006 the Central Government hereby makes the following amendments in the Target Plus Scheme for the exports effected during 01.04.2005 to 31.03.2006, of the Foreign Trade Policy (FTP) 2004-09 as amended from time to time:

1. The Clause 7 of Notification No.48 (RE 2005)/2004-2009 dated 20.02.2006 is amended to read as below:

**“This will take effect for exports from 20.02.2006”**

2. The **Notification No.08 (RE 2006)/2004-2009** dated 12<sup>th</sup> June 2006 and **Notification No. 20 (RE 2006)/2004-2009** dated 13<sup>th</sup> July 2006 are hereby rescinded ab-initio.

**Effect of this Notification:** The Target Plus Scheme is implemented as per the decision of the Hon'ble Supreme Court dated 27.10.2015 in CA No.554 of 2006.



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