



BMC Advisors

Corporate Laws and Intellectual Property Rights Consultants



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WEEKLY UPDATES

JULY 31ST, 2017-AUGUST 6TH, 2017

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SEBI UPDATES

CIRCULAR

SEBI/HO/IMD/DF1/CIR/P/2017/87

July 31, 2017

**All Registered Alternative Investment Funds
All custodians of Category III Alternative Investment Funds**

Dear Sir/Madam,

Sub: Online Filing System for Alternative Investment Funds.

1. In a constant endeavor to facilitate ease of operations in terms of applying for registration, reporting and various compliances under SEBI (Alternative Investment Funds) Regulations, 2012(hereinafter referred to as 'AIF Regulations'), SEBI has introduced an online system for filings related to Alternative Investment Funds(AIF).The online system can be used for application for registration, reporting and filing in terms of the provisions of AIF Regulations and circulars issued thereunder.
2. All applicants desirous of seeking registration as an AIF are now required to submit their applications online only, through SEBI Intermediary Portal at <https://siportal.sebi.gov.in>. Furthermore, all SEBI registered AIFs are now required to file their compliance reports and submit applications for any request under the provisions of AIF Regulations and circulars issued thereunder, through the online system only. The aforesaid online filing system for AIF has been made operational with immediate effect.
3. Link for SEBI Intermediary Portal is also available on SEBI website - www.sebi.gov.in . In case of any queries and clarifications, users may refer to the manual provided in the portal or contact the Portal Helpline as specified in the manual.
4. Existing SEBI registered AIFs have already been advised to activate their online accounts.
5. This circular is issued in exercise of the powers conferred under Section 11(1) of the Securities and Exchange Board of India Act, 1992, to protect the interests of investors in securities and to promote the development of and to regulate the securities market.

Yours faithfully,

Naveen Sharma
Deputy General Manager
022-26449709
Email: naveens@sebi.gov.in

CIRCULAR

SEBI/HO/MRD/DSA/CIR/P/2017/92

August 01, 2017

All Listed Entities

All Registered Registrar & Share Transfer Agents

All Depositories

All Recognised/Non-operational/Exited Stock Exchanges

All Exclusively Listed Companies on the Dissemination Board (shares of companies available for buying and selling and not for companies referred as vanishing companies)

Dear Sir/Madam,

Sub: Action against Exclusively Listed Companies and its Promoters/Directors pending Exit Offer to the Shareholders

1. SEBI vide circular dated October 10, 2016, provided options to the Exclusively Listed Companies ("ELCs") on Dissemination Board ("DB") to raise capital for meeting the capital requirement for getting listed on the nationwide stock exchanges or to provide exit to investors. An exit mechanism for investors in such ELCs was also specified in the aforesaid circular. Further, ELCs were required to furnish the plan of action by January 09, 2017 to the Designated Stock Exchanges (DSEs), which was subsequently extended till June 30, 2017.
2. The aforesaid circular dated October 10, 2016 stipulated the following action against such ELCs, which remain non-compliant with the above timelines:
 - The company, its directors, its promoters and the companies which are promoted by any of them shall not directly or indirectly associate with the securities market or seek listing for any equity shares for a period of ten years from the exit from the DB.
 - Freezing of shares of the promoters/directors.
 - List of the directors, promoters etc. of all non-compliant companies as available from the details of the company with NSE/BSE shall be disseminated on SEBI website and shall also be shared with other related agencies.
 - Attachment of bank accounts/other assets of promoters/directors of the companies so as to compensate the investors.
3. In order to ensure that exit option is provided to the public shareholders of ELCs that are non-compliant with the provisions of the said circular dated October 10, 2016 and have not submitted plan of action to the DSEs and in order to protect the interest of investors in ELCs on DB it is hereby directed that, to begin with:-
 - a. Such ELCs and the Depositories shall not effect transfer, by way of sale, pledge, etc., of any of the equity shares and the corporate benefits such as dividend, rights, bonus shares, split, etc. shall be frozen, for all the equity shares, held by the promoters or directors of non-compliant Exclusively Listed Companies till the promoters of such non-compliant Exclusively Listed Companies provide an exit option to the public shareholders in compliance with SEBI circular dated October 10, 2016, as certified by the concerned Designated Stock Exchanges;
 - b. The non-compliant Exclusively Listed Companies, its directors, its promoters and the companies which are promoted by any of them shall not be eligible to access the securities market for the purposes of raising capital till the promoters of such non-compliant Exclusively Listed Companies provide an exit option to the public shareholders in

compliance with SEBI circular dated October 10, 2016, as certified by the concerned Designated Stock Exchanges.

- c. The promoters or directors of non-compliant Exclusively Listed Companies shall not be eligible to remain or become director of any listed company till the promoters of such non-compliant Exclusively Listed Companies provide an exit option to the public shareholders in compliance with SEBI circular dated October 10, 2016, as certified by the concerned Designated Stock Exchanges.
4. For the aforesaid purposes, "Exclusively Listed Companies" refer to those companies whose equity shares were exclusively listed at a recognised stock exchange at the time of exit of such exchange and were subsequently moved to the Dissemination Board of NSE and BSE and whose shares are available for buying and selling on Dissemination Board.
5. The concerned Designated Stock Exchanges and Depositories shall co-ordinate with each other and ensure compliance of these requirements.
6. SEBI may also take any other appropriate action(s) against the promoters/directors of Exclusively Listed Companies for non-compliance with SEBI circular dated October 10, 2016.
7. This circular is issued in exercise of powers conferred under Section 11 (1) and 11(2) (j) of the Securities and Exchange Board of India Act, 1992, to protect the interests of investors in securities and to promote the development of, and to regulate the securities market. This circular is available on SEBI website at www.sebi.gov.in.

Yours faithfully,

Bithin Mahanta
Deputy General Manager
Ph: +912226449634
Email: bithinm@sebi.gov.in

CIRCULAR

CIR/MRD/DP/86/2017

August 01, 2017

To,
All Stock Exchanges

Dear Sir/Madam,

Sub: Margin Trading Facility-Clarification

1. SEBI vide circular CIR/MRD/DP/54/2017 dated June 13, 2017 prescribed comprehensive framework for permitting stock brokers to provide margin trading facility to their clients.
2. Representations have been received from the Stock brokers and their Association requesting to enable them to utilize funds from sources other than Banks and Non-Banking Financial Company (NBFCs) for extending margin trading facility. Stock brokers have further represented that currently various sources of borrowing by way of issuance of Commercial Paper (CP) & unsecured loans from directors & promoters are available for brokers in the normal course of business. Therefore Stock brokers have requested that for the purpose of providing Margin Trading facility also, they may be allowed to borrow funds from these sources.
3. Accordingly, it is clarified that Stock brokers may borrow funds by way of issuance of CP and by way of unsecured long term loans from their promoters and directors. The borrowing by way of issuance of CPs shall be subject to compliance with appropriate RBI Guidelines. The borrowing by way of unsecured long term loans from the promoters and directors shall be subject to the appropriate provisions of Companies Act.
4. A stock broker shall not be permitted to borrow funds from any other source, except the sources stated at para 3 above.
5. The conditions stated at para 14 of circular dated June 13, 2017 shall stand modified as above. All other conditions stated in the circular CIR/MRD/DP/54/2017 dated June 13, 2017 remain unchanged.
6. The Stock Exchanges are advised to:-
 - 6.1. take necessary steps and put in place necessary systems for implementation of this circular.
 - 6.2. make necessary amendments to the relevant bye-laws, rules and regulations for the implementation of the above decision.
 - 6.3. bring the provisions of this circular to the notice of the member brokers of the stock exchange and also disseminate the circular on the website.
7. This circular is being issued in exercise of the powers conferred by Section 11 (1) of Securities and Exchange Board of India Act, 1992 to protect the interest of investors in securities and to promote the development of, and to regulate the securities market.

Yours faithfully
Susanta Kumar Das
Deputy General Manager
E-mail: susantad@sebi.gov.in

CIRCULAR

CIR/CFD/CMD/93/2017

August 4, 2017

To

All Listed entities

All Recognised Stock Exchanges

Dear Sir / Madam,

Sub: Disclosures by listed entities of defaults on payment of interest/ repayment of principal amount on loans from banks / financial institutions, debt securities, etc.

1. SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations") currently require disclosure of material events/information by listed entities to stock exchanges. Specific disclosures are required under the SEBI LODR Regulations in certain matters such as delay/default in payment of interest/principal on debt securities, including listed Non-Convertible Debentures, listed Non-Convertible Redeemable Preference Shares, Foreign Currency Convertible Bonds (FCCBs) etc. Similar disclosures are presently not stipulated with respect to loans from banks and financial institutions.
2. Corporates in India are even today primarily reliant on loans from the banking sector. Many banks are presently under considerable stress on account of large loans to the corporate sector turning into stressed assets / Non-performing Assets (NPAs). Some companies have also been taken up for initiation of insolvency and bankruptcy proceedings.
3. In order to address this critical gap in the availability of information to investors, listed entities shall comply with the requirements of this circular.

A. Applicability:

- i. The circular shall be applicable to all listed entities which have listed any of the following: specified securities (equity and convertible securities), non-convertible debt securities and non-convertible and redeemable preference shares.
- ii. The disclosures shall be made to the stock exchanges when the entity has defaulted in payment of interest / instalment obligations on debt securities (including commercial paper), Medium Term Notes (MTNs), Foreign Currency Convertible Bonds (FCCBs), loans from banks and financial institutions, External Commercial Borrowings (ECBs) etc.
- ii. 'Default' for the purpose of this circular shall mean non-payment of interest or principal amount in full on the pre-agreed date.

B. Timing of disclosures:

The entities shall make disclosures within one working day from the date of default at the first instance of default in the format specified in Clause C1 below.

C. List of disclosures:

C1. The following details shall be disclosed by listed entities at the first instance of default:

a. For Debt securities (including Commercial Paper), / MTNs, FCCBs etc.:

Sr. No	Type of disclosure	Details
1.	Name of the Listed entity	
2.	Date of making the disclosure	
3.	Nature of obligation / Type of instrument (Listed debt securities , MTNs, FCCBs etc. with ISIN as applicable)	
4.	Number of investors in the security as on date of default	
5.	Date of default	
6.	Details of the obligation (tenure, coupon, secured/unsecured etc.)	
7.	Current default amount (Amount in Rs. crore) <i>(Please provide the break up of instalment and interest)</i>	
8.	Gross Principal amount on which the default above has occurred (in Rs. crore):	
9.	Total amount of securities issued (in Rs. crore)	
10.	Any other details	

b. For Loans from banks and financial institutions, including ECBs:

Sr. No	Type of disclosure	Details
1.	Name of the Listed entity	
2.	Date of making the disclosure	
3.	Nature of obligation (E.g. Term loan, ECB etc.)	
4.	Number of the lender(s)	
5.	Date of default	
6.	Current default amount (Amount in Rs.crore) <i>(Please provide the break up of instalment and interest)</i>	
7.	Gross Principal amount on which the default above has occurred (in Rs. crore):	
8.	Details of the obligation (tenure, coupon rate, secured / unsecured etc.)	
9.	Total amount of borrowings from Banks / financial institutions	
10.	Any other details	

C2. The following details shall be disclosed by listed entities if there is any outstanding amount under default as on the last date of any quarter within 7days from the end of such quarter:

Nature of obligation	Total amount outstanding as on date (In Rs. crore)	Of the total amount outstanding, cumulative amount of default as on date (In Rs. crore)
Debt securities(including Commercial Paper, MTNs etc.) and FCCBs		
Loans from banks, and		

financial institutions, including ECBs		
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4. Listed entities entity shall also separately provide information pertaining to defaults to the concerned Credit Rating Agencies in a timely manner and as may be specified by SEBI from time to time.
5. This circular shall come into effect with effect from October 1, 2017. This is to enable listed companies to put appropriate systems in place for prompt submission of disclosures as stipulated in this circular.
6. Stock Exchanges are advised to bring the provisions of this circular to the notice of listed entities and to disseminate the same on their websites.
7. This circular is issued under Regulation 101 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
8. This circular is available on the SEBI website at www.sebi.gov.in under the category "Legal Framework/Circulars".

Yours faithfully,

Pradeep Ramakrishnan
Deputy General Manager
Corporate Finance Department
Compliance and Monitoring Division and Forensic Accounting Cell
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RBI UPDATES

RBI/2017-2018/31
FMOD.MAOG. No. 122/01.18.001/2017-18

August 2, 2017

All Scheduled Commercial Banks (excluding RRBs)

Madam / Sir,

Marginal Standing Facility

As announced in the Third Bi-monthly Monetary Policy Statement, 2017-18, today, it has been decided by the Monetary Policy Committee (MPC) to reduce the Repo rate under the Liquidity Adjustment Facility (LAF) by 25 basis points from 6.25 per cent to 6.0 per cent with immediate effect.

Consequent to the change in the Repo rate, the Marginal Standing Facility (MSF) rate stands adjusted to 6.25 per cent with immediate effect.

All other terms and conditions of the extant MSF scheme will remain unchanged.

Yours sincerely
(Radha Shyam Ratho)
Chief General Manager

RBI/2017-2018/32
FMOD.MAOG. No 121/01.01.001/2017-18

August 2, 2017

All Scheduled Commercial Banks (excluding RRBs), Scheduled Urban Co-operative Banks and Standalone Primary Dealers

Madam / Sir,

Liquidity Adjustment Facility – Repo and Reverse Repo Rates

As announced in the Third Bi-monthly Monetary Policy Statement, 2017-18, today, it has been decided by the Monetary Policy Committee (MPC) to reduce the Repo rate under the Liquidity Adjustment Facility (LAF) by 25 basis points from 6.25 per cent to 6.0 per cent with immediate effect.

Consequent to the change in the Repo rate, the Reverse Repo rate under the LAF stands adjusted to 5.75 per cent with immediate effect.

All other terms and conditions of the extant LAF Scheme will remain unchanged.

Yours sincerely
(Radha Shyam Ratho)
Chief General Manager

RBI/2017-2018/33
REF.No.MPD.BC.382/07.01.279/2017-18

Shravana 11, 1939 (Saka)
August 2, 2017

To
All Primary Dealers

Dear Sir/Madam,

Standing Liquidity Facility for Primary Dealers

Please refer to the Third Bi-monthly Monetary Policy Statement, 2017-18 - Resolution of the Monetary Policy Committee (MPC), in terms of which the repo rate under the Liquidity Adjustment Facility (LAF) has been reduced by 25 basis points from 6.25 per cent to 6.0 per cent with immediate effect.

2. Accordingly, the Standing Liquidity Facility provided to Primary Dealers (PDs) (collateralized liquidity support) from the Reserve Bank would be available at the revised repo rate, i.e., at 6.0 per cent with effect from August 2, 2017.

Yours faithfully,
(Janak Raj)
Principal Adviser

RBI/2017-18/34
DBR.No.Ret.BC.82/12.01.001/2017-18

August 02, 2017

The Chairperson / CEOs of all Scheduled and Non Scheduled Banks

Dear Sir / Madam,

Change in Bank Rate

Please refer to our circular DBR.No.Ret.BC.58/12.01.001/2016-17 dated April 06, 2017 on the captioned subject.

2. As announced in the Third Bi-Monthly Monetary Policy Statement 2017-18 dated August 02, 2017, the Bank Rate stands adjusted by 25 basis points from 6.50 per cent to 6.25 per cent with effect from August 02, 2017.

3. All penal interest rates on shortfall in reserve requirements, which are specifically linked to the Bank Rate, also stand revised as indicated in the Annex.

Yours faithfully
(Dr. S K Kar)
Chief General Manager

Annex

Penal Interest Rates which are linked to the Bank Rate

Item	Existing Rate	Revised Rate (Effective from August 02, 2017)
Penal interest rates on shortfalls in reserve requirements (depending on duration of shortfalls)	Bank Rate plus 3.0 percentage points (9.50 per cent) or Bank Rate plus 5.0 percentage points (11.50 per cent)	Bank Rate plus 3.0 percentage points (9.25 per cent) or Bank Rate plus 5.0 percentage points (11.25 per cent)

RBI/2017-18/35
DBR.CID.BC.No.79/20.16.042/2017-18

August 2, 2017

All Credit Information Companies

Dear Sir/Madam

Issue of comprehensive Credit Information Reports

Please refer to para (v) of Annex IV to our circular DBOD.No.CID.BC.127/20.16.056/2013-14 dated June 27, 2014 advising Credit Information Companies (CICs) to include information on all accounts, both current and past, of a customer having multiple borrowings, in her/his Credit Information Report (CIR).

2. It is observed, however, that some CICs are following the practice of offering limited versions of CIRs to Credit Institutions (CIs) based on credit information available in specific modules such as commercial data, consumer data or MFI data. Accordingly, CICs are charging differential rates for such specific reports.

3. As the limited versions of CIRs based on the credit information on a borrower available in a specific module capture only the credit information of the borrower available in the particular module, the lenders may remain unaware of the entire credit history of the borrower, if any, available in other modules. This can adversely affect the quality of credit decisions of the CIs.

4. CICs are, therefore, directed to ensure that the CIR in respect of a borrower, furnished to the CI, incorporates all the credit information available in all modules, e.g. consumer, commercial and MFI, etc., in respect of the borrower.

5. These directions are issued under sub-section (1) of Section 11 of the Credit Information Companies (Regulation) Act, 2005.

Yours faithfully

(Prakash Baliarsingh)
Chief General Manager

RBI/2017-18/36
DBR. BP. BC. No. 81/21.04.098/2017-18

August 02, 2017

All Scheduled Commercial Banks
(excluding RRBs)

Dear Sir/Madam,

Basel III Framework on Liquidity Standards – Liquidity Coverage Ratio (LCR), Liquidity Risk Monitoring Tools and LCR Disclosure Standard

Please refer to our circular DBOD.BP.BC.No.120/21.04.098/2013-14 dated June 9, 2014 “Basel III Framework on Liquidity Standards – Liquidity Coverage Ratio (LCR), Liquidity Risk Monitoring Tools and LCR Disclosure Standards” read along with amendments introduced by following circulars:

- (i) DBR.BP.BC.No.52/21.04.098/2014-15 dated November 28, 2014 on “Basel III Framework on Liquidity Standards – Liquidity Coverage Ratio (LCR), Liquidity Risk Monitoring Tools and LCR Disclosure Standards.”
- (ii) DBR.No.BP.BC.80/21.06.201/2014-15 dated March 31, 2015 on “Prudential Guidelines on Capital Adequacy and Liquidity Standards – Amendments.”
- (iii) DBR.BP.BC.No.86/21.04.098/2015-16 dated March 23, 2016 on “Liquidity Risk Management & Basel III Framework on Liquidity Standards – Liquidity Coverage Ratio (LCR), Liquidity Risk Monitoring Tools and LCR Disclosure Standards.”

2. In view of feedback received from the stakeholders and experience gained, it has been decided to amend certain provisions of these guidelines. The amendments to specific instructions of the above-mentioned circulars are given in the Annex.

Yours faithfully,

(S. S. Barik)
Chief General Manager-in-charge

For annexure refer
<https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=11078&Mode=0#AN1>

RBI/2017-18/37
DBR.No.Ret.BC.80/12.06.004/2017-18

August 03, 2017

All Scheduled Commercial Banks

Dear Sir,

Exclusion of the name of State Bank of Bikaner and Jaipur, State Bank of Hyderabad, State Bank of Mysore, State Bank of Patiala, State Bank of Travancore and Bharatiya Mahila Bank from the Second Schedule to the Reserve Bank of India Act, 1934

We advise that the names of State Bank of Bikaner and Jaipur, State Bank of Hyderabad, State Bank of Mysore, State Bank of Patiala, State Bank of Travancore and Bharatiya Mahila Bank have been excluded from the Second Schedule to the Reserve Bank of India Act, 1934 vide Notification DBR.No.Ret.BC.57/12.06.004/2017-18 dated March 30, 2017, and published in the Gazette of India (Part III - Section 4) dated July 15 - July 21, 2017.

Yours faithfully

(M.G.Suprabhat)
Deputy General Manager

RBI/2017-2018/38
FIDD.CO.FSD.BC.No.13/05.10.006/2017-18

August 03, 2017

The Chairman/Managing Director/ Chief Executive Officer
[All Scheduled Commercial Banks/SLBC Convener Banks/Small Finance Banks (excluding
Regional Rural Banks)]
Madam/Dear Sir,

Natural Calamities Portal - Monthly Reporting System

Please refer to our Master Direction FIDD.CO.FSD.BC.8/05.10.001/2017-18 dated July 5, 2017 on Reserve Bank of India (Relief Measures by Banks in Areas Affected by Natural Calamities) Directions 2017.

2. In this connection the Reserve Bank of India has developed a dedicated portal (<https://dbie.rbi.org.in/DCP/>) for collection and compilation of data on natural calamities on a real time basis through a centralized system.

3. The portal which has been previewed by your representatives during the course of its development, provides facility of uploading data files related to relief measures extended by banks and notifications issued by State Governments with regard to natural calamities. The portal has gone live on July 20, 2017.

4. You are, therefore, requested to direct the concerned department to upload the actual data on relief measures extended during April - June 2017 immediately and thereafter from July 2017 onwards every month by the 10th of the following month.

5. The SLBC Convener Banks are requested to upload the notifications issued by State/District Authorities for declaration of natural calamities for which relief measures were implemented by SLBC/banks from April 2017 onwards. The subsequent notifications are to be uploaded as soon as the notifications are issued.

6. The user manual on the web portal is enclosed for your guidance.

Yours faithfully,

(Ajay Kumar Misra)
Chief General Manager

For enclosure refer link
https://rbidocs.rbi.org.in/rdocs/content/pdfs/MANUAL03082017_AN.pdf

RBI/2017-18/39
DGBA.GBD.No.279/31.02.007/2017-18

August 3, 2017

All Agency Banks

Dear Sir / Madam

Government Banking - Issue of Letters of Credit and Bank Guarantee

Please refer to Circular No. DGBA.GAD.No.H.6254/31.03.002/2011-12 dated March 28, 2012 regarding procedure relating to Letter of Credit (LC) enclosing a copy of letter dated November 30, 2011 issued by the Office of Controller General of Account.

2. A review has been undertaken on the entire gamut of LC/BG transactions and it is decided that RBI will continue not to issue LCs on behalf of government and will not act as an issuing or advising bank for government as far as transactions related to BGs are concerned. The government department concerned would be directly taking up the matter with any commercial bank identified by them and all matters concerned with the issuances of LC should be dealt with by the government and the commercial banks, without involving RBI. As LC/BG business is not part of agency banking, government can choose any commercial bank for this purpose. The role of RBI is strictly limited to reimbursement of payments made by the banks for such LCs/BGs on behalf of the government, after satisfying itself with the debit mandate given by the government. Further, RBI may not issue any letter advising / recommending opening of LC/BG to the commercial banks on behalf of government department.

Yours faithfully

(Partha Choudhuri)
General Manager

INCOME TAX UPDATES

MINISTRY OF FINANCE
(Department of Revenue)
(CENTRAL BOARD OF DIRECT TAXES)

NOTIFICATION
New Delhi, the 3rd August, 2017

(INCOME-TAX)

S.O. 2455(E).— In exercise of the powers conferred by the proviso to sub-section (3) of section 9A of the Income-tax Act, 1961 (43 of 1961), the Central Government hereby notifies that the conditions specified in clauses (e), (f) and (g) of said sub-section shall not apply in case of an investment fund set up by a Category-I or Category-II foreign portfolio investor registered under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, made under the Securities and Exchange Board of India Act, 1992 (15 of 1992).

2. This notification shall come into force from the date of its publication in the Official Gazette.

[Notification No. 77 /2017/F. No. 142/15/2015-TPL]
NIRAJ KUMAR, Under Secy. (Tax Policy and Legislation)

MINISTRY OF FINANCE
(Department of Revenue)
(CENTRAL BOARD OF DIRECT TAXES)

NOTIFICATION
New Delhi, the 3rd August, 2017
(INCOME-TAX)

S.O. 2456(E). – In exercise of the powers conferred by clause (b) of sub-section (3) of section 9A of the Income-tax Act, 1961 (43 of 1961), the Central Government hereby notifies the following countries and specified territories, mentioned in column (2) of the Table given below, for the purposes of the said section, namely:---

TABLE

Sl. No. (1)	Name of Country/Specified Territory (2)
1	Albania
2	Andorra
3	Anguilla
4	Argentina
5	Armenia
6	Aruba
7	Australia
8	Austria
9	Azerbaijan
10	Bahamas
11	Bahrain
12	Bangladesh
13	Barbados
14	Belarus
15	Belgium
16	Belize
17	Bermuda
18	Bhutan
19	Botswana
20	Brazil
21	British Virgin Islands
22	Bulgaria
23	Cameroon
24	Canada
25	Cayman Islands
26	Chile
27	China
28	Colombia
29	Croatia
30	Curacao
31	Cyprus
32	Czech Republic
33	Denmark
34	Estonia
35	Ethiopia
36	Faroe Islands
37	Fiji
38	Finland

39	France
40	Georgia
41	Germany
42	Ghana
43	Gibraltar
44	Greece
45	Green Land
46	Guernsey
47	Hungary
48	Iceland
49	Indonesia
50	Ireland
51	Isle of Man
52	Israel
53	Italy
54	Japan
55	Jersey
56	Jordan
57	Kazakhstan
58	Kenya
59	Korea
60	Kuwait
61	Kyrgyzstan
62	Latvia
63	Liberia
64	Liechtenstein
65	Lithuania
66	Luxembourg
67	Macao SAR
68	Macedonia
69	Malaysia
70	Maldives
71	Malta
72	Mauritius
73	Mexico
74	Moldova
75	Monaco
76	Montserrat
77	Morocco
78	Mozambique
79	Myanmar
80	Namibia
81	Nauru
82	Nepal
83	Netherlands
84	New Zealand
85	Nigeria
86	Niue
87	Norway
88	Poland
89	Portugal
90	Qatar
91	Romania
92	Russia

93	Saint Kitts and Nevis
94	San Marino
95	Saudi Arabia
96	Serbia
97	Seychelles
98	Singapore
99	Sint Maarten
100	Slovak Republic
101	Slovenia
102	South Africa
103	Spain
104	Sri Lanka
105	Sudan
106	Sweden
107	Switzerland
108	Syrian Arab Republic
109	Taipei
110	Tajikistan
111	Tanzania
112	Thailand
113	Trinidad and Tobago
114	Tunisia
115	Turkmenistan
116	Turks and Caicos
117	Uganda
118	Ukraine
119	United Kingdom
120	United States
121	Uzbekistan

2. This notification shall come into force from the date of its publication in the Official Gazette.

[Notification No. 78/2017/F. No. 142/15/2015-TPL]
NIRAJ KUMAR, Under Secy. (Tax Policy and Legislation)

CUSTOM UPDATES

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. 69/2017 -Customs

New Delhi, the 31st July, 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 rescinds, the notification of the Government of India in the Ministry of Finance (Department of Revenue) No. 63/2017- Customs, dated the 5th July, 2017, published in the Gazette of India, Extraordinary, vide number G.S.R. 836(E), dated the 5th July, 2017.

[F.No. DGEP/SEZ/3/2016]

(Dharmvir Sharma)

Under Secretary to the Government of India

[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)
(CENTRAL BOARD OF EXCISE AND CUSTOMS)

NOTIFICATION No. 70 /2017-Customs

New Delhi, the 31st July, 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. 50/2017- Customs, dated the 30th June, 2017, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), vide number G.S.R. 785(E), dated the 30th June, 2017, namely:-

In the said notification, in the Table,-

- (i) against serial number 164, in column (3) in the entry, for the figures, letters and word “ 27th February, 2009”, the words, figures and letters “ the 19th July, 2012” shall be substituted;
- (ii) against serial number 165, in column (3), in the entry, for the figures, letters and word “ 27th February, 2009”, the words, figures and letters “ the 19th July, 2012”, shall be substituted.

[F.No. DGEP/SEZ/3/2016]

(Dharmvir Sharma)

Under Secretary to the Government of India

Note: The principal notification No.50/2017-Customs, dated the 30th June, 2017 was published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), vide number G.S.R. 785(E), dated the 30th June, 2017 and last amended vide notification No. 66/2017-Customs, dated the 10th July, 2017, published vide number G.S.R. 853 (E), dated the 10th July, 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)
(Central Board of Excise and Customs)

Notification No. 74/2017-CUSTOMS (N.T.)

New Delhi, 31st July, 2017
9 Shrawana, 1939 (SAKA)

S.O. ... (E).- In exercise of the powers conferred by sub-section (2) of section 14 of the Customs Act, 1962 (52 of 1962), the Central Board of Excise & Customs, being satisfied that it is necessary and expedient so to do, hereby makes the following amendment in the notification of the Government of India in the Ministry of Finance (Department of Revenue), No. 36/2001-Customs (N.T.), dated the 3rd August, 2001, published in the Gazette of India, Extraordinary, Part-II, Section-3, Sub-section (ii), vide number S. O. 748 (E), dated the 3rd August, 2001, namely:-

In the said notification, for TABLE-1, TABLE-2, and TABLE-3 the following Tables shall be substituted namely:-

"TABLE-1

S. No.	Chapter/ heading/ sub-heading/ tariff item	Description of goods	Tariff value (US \$ Per Metric Tonne)
(1)	(2)	(3)	(4)
1	1511 10 00	Crude Palm Oil	678
2	1511 90 10	RBD Palm Oil	697
3	1511 90 90	Others - Palm Oil	688
4	1511 10 00	Crude Palmolein	705
5	1511 90 20	RBD Palmolein	708
6	1511 90 90	Others - Palmolein	707
7	1507 10 00	Crude Soya bean Oil	820
8	7404 00 22	Brass Scrap (all grades)	3369
9	1207 91 00	Poppy seeds	2418

TABLE-2

S.No.	Chapter/ heading/ sub-heading/ tariff item	Description of goods	Tariff value (US \$)
(1)	(2)	(3)	(4)
1	71 or 98	Gold, in any form, in respect of which the benefit of entries at serial number 356 and 358 of the Notification No.	411 per 10 grams

		50/2017-Customs dated 30.06.2017 is availed	
2	71 or 98	Silver, in any form, in respect of which the benefit of entries at serial number 357 and 359 of the Notification No. 50/2017-Customs dated 30.06.2017 is availed	538 per kilogram

TABLE-3

S.No.	Chapter/ heading/ sub-heading/tariff item	Description of goods	Tariff value (US \$ Per Metric Tonne)
(1)	(2)	(3)	(4)
1	080280	Areca nuts	3320

[F. No. 467/01/2017 -Cus-V]

(Satyajit Mohanty)
Director (ICD)

Note: - The principal notification was published in the Gazette of India, Extraordinary, Part-II, Section-3, Sub-section (ii), vide Notification No. 36/2001-Customs (N.T.), dated the 3rd August, 2001, vide number S. O. 748 (E), dated the 3rd August, 2001 and was last amended vide Notification No. 71/2017-Customs (N.T.), dated the 14th July, 2017, e-published in the Gazette of India, Extraordinary, Part-II, Section-3, Sub-section (ii), vide number S. O. 2220(E), dated 14th July, 2017.

GOVERNMENT OF INDIA
 MINISTRY OF FINANCE
 (DEPARTMENT OF REVENUE)
 (CENTRAL BOARD OF EXCISE AND CUSTOMS)

Notification No. 75/2017 - Customs (N.T.)

New Delhi, dated the 3rd August, 2017
 12 Shravana 1939 (SAKA)

In exercise of the powers conferred by section 14 of the Customs Act, 1962 (52 of 1962), and in supersession of the notification of the Central Board of Excise and Customs No.72/2017-CUSTOMS (N.T.), dated 20th July, 2017, except as respects things done or omitted to be done before such supersession, the Central Board of Excise and Customs hereby determines that the rate of exchange of conversion of each of the foreign currencies specified in column (2) of each of Schedule I and Schedule II annexed hereto, into Indian currency or *vice versa*, shall, with effect from 4th August, 2017, be the rate mentioned against it in the corresponding entry in column (3) thereof, for the purpose of the said section, relating to imported and export goods.

SCHEDULE-I

S.No.	Foreign Currency	Rate of exchange of one unit of foreign currency equivalent to Indian rupees	
		(a)	(b)
(1)	(2)	(3)	
		(For Imported Goods)	(For Export Goods)
1.	Australian Dollar	51.45	49.65
2.	Bahrain Dinar	174.75	163.25
3.	Canadian Dollar	51.40	49.80
4.	Chinese Yuan	9.65	9.30
5.	Danish Kroner	10.35	9.95
6.	EURO	76.80	74.15
7.	Hong Kong Dollar	8.25	8.05
8.	Kuwait Dinar	218.40	204.00
9.	New Zealand Dollar	48.05	46.20
10.	Norwegian Kroner	8.20	7.90
11.	Pound Sterling	85.65	82.80
12.	Qatari Riyal	18.05	17.05
13.	Saudi Arabian Riyal	17.55	16.45
14.	Singapore Dollar	47.60	46.05
15.	South African Rand	5.00	4.65
16.	Swedish Kroner	8.00	7.70
17.	Swiss Franc	66.70	64.45
18.	UAE Dirham	17.95	16.80
19.	US Dollar	64.55	62.85

SCHEDULE-II

S.No.	Foreign Currency	Rate of exchange of 100 units of foreign currency equivalent to Indian rupees	
		(a)	(b)
(1)	(2)	(3)	
		(For Imported Goods)	(For Export Goods)
1.	Japanese Yen	58.55	56.55

2.	Kenya Shilling	63.45	59.30
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[F.No. 468/01/2017-Cus.V]

(Satyajit Mohanty)
Director (ICD)
TELE: 011-2309 3380



Circular No. 33/2017-Cus

F.No.450/131/2017-CusIV
Government of India
Ministry of Finance
Department of Revenue
(Central Board of Excise and Customs)

New Delhi, dated the 1st August, 2017

To,

All Principal Chief Commissioners/Chief Commissioners of Customs /Customs (Preventive),
All Principal Chief Commissioners/Chief Commissioners of Customs and Central Excise/GST,
All Principal Commissioners/Commissioners of Customs / Customs (Preventive),
All Principal Commissioners/ Commissioners of Customs and Central Excise/GST.

Sir /Madam,

Subject: Leviability of Integrated Goods and Services Tax (IGST) on High Sea Sales of imported goods and point of collection thereof-reg.

Reference has been received in the Board regarding clarity on **Leviability of Integrated Goods and Services Tax (IGST) on High Sea Sales of imported goods.**

2. The issue has been examined in the Board. 'High Sea Sales' is a common trade practice whereby the original importer sells the goods to a third person before the goods are entered for customs clearance. After the High sea sale of the goods, the Customs declarations i.e. Bill of Entry etc is filed by the person who buys the goods from the original importer during the said sale. In the past, CBEC has issued various instructions regarding high sea sales appropriating the contract price paid by the last high sea sales buyer into the Customs valuation [Circular No. 32/2004-Cus., dated 11-5-2004 refers].

3. As mentioned earlier, all **inter-state transactions are subject to IGST**. High sea sales of imported goods are akin to **inter-state transactions**. Owing to this, it was presented to the Board **as to whether the high sea sales of imported goods** would be chargeable to IGST twice i.e. at the time of Customs clearance under sub-section (7) of section 3 of Customs Tariff Act, 1975 and also separately under Section 5 of The Integrated Goods and Services Tax Act, 2017.

4. GST council has deliberated the levy of Integrated Goods and Services Tax on high sea sales in the case of imported goods. The council has decided that IGST on high sea sale (s) transactions of imported goods, whether one or multiple, shall be levied and collected only at the time of importation i.e. when the import declarations are filed before the Customs authorities for the customs clearance purposes for the first time. Further, value addition accruing in each such high sea sale shall form part of the value on which IGST is collected at the time of clearance.

5. The above decision of the GST council is already envisioned in the provisions of subsection (12) of section 3 of Customs Tariff Act, 1975 inasmuch as in respect of imported goods, all duties, taxes, cesses etc shall be collected at the time of importation i.e. when the import declarations are filed before the customs authorities for the customs clearance purposes. The importer (last buyer in the chain) would be required to furnish the entire chain of documents, such as original Invoice, high-seas-sales-contract, details of service charges/commission paid etc, to establish a link between the first contracted price of the goods and the last transaction. In case of a doubt regarding the truth or accuracy of the declared value, the department may reject the declared transaction value and determine the price of the imported goods as provided in the Customs Valuation rules.

6. Field formations are requested to decide the cases of high sea sales of imported goods accordingly. Difficulties, in the implementation of this circular may be brought to the knowledge of the Board.

Yours faithfully

(Zubair Riaz)
Director (Customs)



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. 17/2015-2020
New Delhi, Dated /August, 2017

Subject: Amendment in import policy conditions of items under Exim Code 44039918 under Chapter 44 of ITC (HS), 2017 - Schedule - 1 (Import Policy).

S.O. (E): In exercise of powers conferred by Section 3 of FT (D&R) Act, 1992, read with paragraph 1.02 and 2.01 of the Foreign Trade Policy, 2015-2020, as amended from time to time, the Central Government hereby amends the import Policy Condition of items under Exim Code 4403 9918 under Chapter 44 of ITC (HS), 2017 - Schedule -1 (Import Policy), as under:

Exim Code	Item Description	Existing Policy	Proposed Policy
4403 9918	Red Sanders (Pterocarpus santalinus)	Free	Prohibited

2. **Effect of this Notification:** Import of Red Sanders (Pterocarpus santalinus) is **“Prohibited”**.

(Shri Alok Vardhan Chaturvedi)
Director General of Foreign Trade

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. 18/2015-2020
New Delhi, Dated /August, 2017

Subject: Amendment in Para 13 of the General Notes Regarding Import Policy of ITC (HS), 2017- Schedule -1 (Import Policy).

S.O.(E) : In exercise of powers conferred by Section 3 of FT (D&R) Act, 1992, read with paragraph 1.02 and 2.01 of the Foreign Trade Policy, 2015-2020, as amended from time to time, the Central Government hereby amends Para 13 of the General Notes Regarding Import Policy of ITC (HS), 2017- Schedule-1 (Import Policy), as under:

Existing Para 13 of the General Notes Regarding Import Policy of ITC (HS), 2017	Existing Para 13 of the General Notes Regarding Import Policy of ITC (HS), 2017
Cigarettes or any other Tobacco product :	Cigarettes or any other Tobacco product :
Import of cigarette or any other tobacco product shall be subject to the provisions contained in the Cigarettes and other Tobacco Products (Packaging and Labeling) Amendment Rules, 2009 (as amended from time to time) as notified by the Ministry of Health & Family Welfare (the details can be accessed from the website of the Ministry of Health & Family Welfare: www.mohfw.nic.in)	Import of cigarette or any other tobacco product shall be subject to the provisions contained in the Cigarettes and other Tobacco Products (Packaging and Labeling) Amendment Rules, 2017 (as amended from time to time) as notified by the Ministry of Health & Family Welfare (the details can be accessed from the website of the Ministry of Health & Family Welfare: www.mohfw.nic.in)

2. **Effect of this Notification :** Para13 of the General Notes Regarding Import Policy of ITC (HS), 2017 - Schedule -1 (Import Policy), has been amended in consonance with Cigarettes and other Tobacco Products (Packaging and Labeling Amendment Rules, 2017.

(Shri Alok Vardhan Chaturvedi)
Director General of Foreign Trade



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