



## BMC Advisors

Corporate Laws and Intellectual Property Rights Consultants



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# *WEEKLY UPDATES*

*JANUARY 15<sup>TH</sup>, 2018 - JANUARY 21<sup>ST</sup>, 2018*



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# SEBI UPDATES

## CIRCULAR

SEBI/HO/DDHS/CIR/P/2018/10

January 18, 2018

To

**All Recognized Stock Exchanges (except Commodity Exchanges)**  
**All Infrastructure Investment Trusts (InvITs)**  
**All Real Estate Investment Trusts (REITs)**  
**All Parties to InvITs**  
**All Parties to REITs**  
**Merchant Bankers registered with SEBI**

Dear Sir / Madam,

### **Sub: Participation by Strategic Investor(s) in InvITs and REITs**

1. SEBI (Infrastructure Investment Trusts) Regulations, 2014 ("InvIT Regulations") define strategic investors under Regulation 2(1)(zza) of the InvIT Regulations and allows them to participate in InvITs. Further, SEBI (Real Estate Investment Trusts) Regulations, 2014 ("REIT Regulations") vide amendment notification dated December 15, 2017, inter-alia, define strategic investors under Regulation 2(1) (ztb) of the REIT Regulations and allows them to participate in REITs.
2. In this regard the operational modalities, for the participation by the strategic investors in InvITs and REITs shall be as under:
  - 2.1. An InvIT/REIT, if chooses to invite subscriptions from the strategic investors shall undertake the same in the following manner:
    - i. The strategic investor(s) shall, either jointly or severally, invest not less than 5% and not more than 25% of the total offer size.
    - ii. The investment manager or manager on behalf of the InvIT/REIT, shall enter into a binding unit subscription agreement with the strategic investor(s), which propose(s) to invest in the public issue of InvIT/REIT.
    - iii. Subscription price per unit, payable by the strategic investor(s) shall be set out in the unit subscription agreement and the entire subscription price shall be deposited in a special escrow account prior to opening of the public issue.
    - iv. The price at which the strategic investor(s) has/have agreed to buy units of the InvIT/REIT shall not be less than the issue price determined in the public issue. Thus, if the price determined in the public issue is higher than the price at which the allocation is to be made to strategic investor (s), the strategic investor(s) shall bring in the additional amount within two working days of the determination of price in the public issue. However, if the price determined in the public issue is lower than the price at which the allocation is to be made to strategic investor, the excess amount shall not be refunded to the strategic investor and the strategic investor shall take allotment at the price at which allocation was agreed to be made to it in unit subscription agreement.
    - v. The draft offer document or offer document, as applicable, shall disclose details of the unit subscription agreement. Such details shall include name of each strategic investor, the number of units proposed to be subscribed by it or the investment amount, proposed subscription price per unit, etc.



- vi. The unit subscription agreement shall not be terminated except in the event the issue fails to collect minimum subscription.
- 2.2 The units subscribed by strategic investors, pursuant to the unit subscription agreement, will be locked-in for a period of 180 days from the date of listing in the public issue.
3. This Circular is issued in exercise of powers conferred under Section 11(1) of Securities and Exchange Board of India Act, 1992 read with Regulation 33 of REIT Regulations and Regulation 33 of InvIT Regulations.
  4. This Circular is available on SEBI website at [www.sebi.gov.in](http://www.sebi.gov.in) under the categories "Legal Framework" and under the drop down "Circulars".

Yours faithfully,

**Richa G. Agarwal**  
**Deputy General Manager**  
**Department of Debt and Hybrid Securities**  
**Tel No.022-2644 9596**  
**Email id - richag@sebi.gov.in**

**CIRCULAR**

**SEBI/HO/CFD/DIL1/CIR/P/2018/011**

**January 19, 2018**

**To**  
**All Listed Entities**  
**All Recognised Stock Exchanges**  
**All Registered Merchant Bankers**

Dear Sir/Madam,

**Sub: Online Filing System for Offer Documents, Schemes of Arrangement, Takeovers and Buy backs.**

1. In order to facilitate ease of operations in terms of seeking observations on draft offer documents, draft letter of offers and draft schemes of arrangement under SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and SEBI (Buy Back of Securities) Regulations, 1998 and various circulars issued thereunder, SEBI has introduced an online system for filings related to public issues, rights issues, institutional placement programme, schemes of arrangement, takeovers and buy backs.
2. All Merchant Bankers that are required to file the offer documents and related documents in physical form with SEBI under the provisions of aforesaid Regulations shall simultaneously file the same online through SEBI Intermediary Portal at <https://siportal.sebi.gov.in>.
3. Recognized stock exchanges filing the draft scheme of arrangement and related documents in physical form with SEBI under the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 shall simultaneously file the same online through SEBI Intermediary Portal at <https://siportal.sebi.gov.in>.
4. Link for SEBI Intermediary Portal is also available on SEBI website -[www.sebi.gov.in](http://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 at +9122-26449364 or email at [portalhelp@sebi.gov.in](mailto:portalhelp@sebi.gov.in).
5. The simultaneous filing of documents as mentioned above i.e. physical and online shall start from February 1, 2018 and continue till March 31, 2018. Thereafter, from April 1, 2018 physical filing of the aforesaid documents shall be discontinued and only online filing will be accepted.
6. SEBI registered Merchant Bankers and recognized stock exchanges have already been advised to activate their online accounts.
7. 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,

**Narendra Rawat**  
**Deputy General Manager**  
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## RBI UPDATES

RBI/2017-18/122

FIDD.CO.LBS.BC.No.2195/02.08.001/2017-18

January 18, 2018

The Chairmen & Managing Directors/ Chief Executive Officers  
All Lead Banks

Dear Sir/Madam,

**Formation of new districts in the State of Assam -  
Assignment of Lead Bank Responsibility**

The Government of Assam vide Gazette Notifications dated January 25, 2016, February 26, 2016 and August 5, 2016 had notified the creation of eight new districts in the State of Assam. It has been decided to assign the lead bank responsibility of the new districts as detailed below:-

Sr No	Newly carved district	Erstwhile District	Sub Divisions under the newly created district	Lead Bank Responsibility assigned to	District Working Code allotted to new district
1	Nagaon	Nagaon	Kaliabor	United Bank of India	014
2	Hojai	Nagaon	Hojai Civil	United Bank of India	409
3	Sivsagar	Sivsagar	Nazira	United Bank of India	012
4	Charaideo	Sivsagar	Charaideo	United Bank of India	405
5	Jorhat	Jorhat	Titabor	United Bank of India	011
6	Majuli	Jorhat	Majuli Civil	United Bank of India	408
7	Dhubri	Dhubri	Bilasipara	UCO Bank	019
8	South Salmara-Mankachar	Dhubri	South Salmara Sub Division except area of Fakirganj Zila Parishad constituency and except Birsingh Jarwa Block and Jamadarhat Development Block	UCO Bank	406
9	Sonitpur	Sonitpur	Tezpur, Dhekiajuli	UCO Bank	006

10	Biswanath	Sonitpur	Gohpur civil, Biswanath civil and Sootea and Nagsankar mouzas of the Naduar revenue circle.	United Bank of India	407
11	Karbi Anglong	Karbi Anglong	Bokajan	State Bank of India	016
12	West Karbi Anglong	Karbi Anglong	Hamren Civil	State Bank of India	404

2. Further, although two new districts “East Kamrup” and “South Kamrup” have been published in the Gazette Notification dated February 26, 2016, these two districts are still non-functional as per the communication received from the Government of Assam. Lead bank responsibility will hence be assigned separately for these districts.

3. The District Working Codes of the new districts have been allotted for the purpose of BSR reporting by banks.

4. There is no change in the lead bank responsibilities of the other districts in the State of Assam.

Yours faithfully

(Ajay Kumar Misra)  
Chief General Manager



# CUSTOM UPDATES

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

Government of India  
Ministry of Finance  
(Department of Revenue)  
**(Central Board of Excise and Customs)**

Notification No. 05/2018-CUSTOMS (N.T.)

sNew Delhi, 15th January, 2018  
25 Pausha, 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

Sl. 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	676
2	1511 90 10	RBD Palm Oil	682
3	1511 90 90	Others - Palm Oil	679
4	1511 10 00	Crude Palmolein	687
5	1511 90 20	RBD Palmolein	690
6	1511 90 90	Others - Palmolein	689
7	1507 10 00	Crude Soya bean Oil	827
8	7404 00 22	Brass Scrap (all grades)	3817
9	1207 91 00	Poppy seeds	2667

TABLE-2

SI. 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. 50/2017 Customs dated 30.06.2017 is availed	427 per 10 grams
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	551 per kilogram

TABLE-3

Sl. No.	Chapter/ heading/ sub-heading/tariff item	Description of goods	Tariff value (US \$ Per Metric Tonne)
(1)	(2)	(3)	(4)
1	080280	Areca nuts	3948''

[F. No. 467/01/2018 -Cus-V]

**(Dr. Sreeparvathy S.L.)**  
**Under Secretary to the Govt. of India**

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. 120/2017-Customs (N.T.), dated the 29th December, 2017, e-published in the Gazette of India, Extraordinary, Part-II, Section-3, Sub-section (ii), vide number S. O. 4105(E), dated 29th December, 2017.



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

\*\*\*\*\*

**Notification No. 06/2018 - Customs (N.T.)**

New Delhi, dated the 18th January, 2018  
 28 Pausha 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. 1/2018-CUSTOMS (N.T.), dated 4th January, 2018 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 19th January, 2018, 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

Sl. 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	51.80	50.00
2.	Bahrain Dinar	175.35	164.10
3.	Canadian Dollar	52.25	50.50
4.	Chinese Yuan	10.10	9.75
5.	Danish Kroner	10.65	10.25
6.	EURO	79.20	76.50
7.	Hong Kong Dollar	8.30	8.05
8.	Kuwait Dinar	220.20	205.60
9.	New Zealand Dollar	47.30	45.60
10.	Norwegian Kroner	8.25	7.95
11.	Pound Sterling	89.90	86.95
12.	Qatari Riyal	18.10	17.10
13.	Saudi Arabian Riyal	17.65	16.50
14.	Singapore Dollar	49.10	47.45
15.	South African Rand	5.35	5.00
16.	Swedish Kroner	8.10	7.80
17.	Swiss Franc	67.50	65.05
18.	UAE Dirham	18.00	16.85
19.	US Dollar	64.80	63.10

SCHEDULE-II

Sl. No.	Foreign Currency	Rate of exchange of 100 units of foreign currency equivalent to Indian rupees	
		(a)	(b)
(1)	(2)	(3)	
		(a)	(b)

		(For Imported Goods)	(For Export Goods)
1.	Japanese Yen	58.45	56.45
2.	Kenya Shilling	64.90	60.65

[F. No. 468/01/2018-Cus.V]

(Dr. Sreeparvathy S.L.)  
Under Secretary to the Govt. of India  
TELE: 011-2309 5541



[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)  
(Central Board of Excise and Customs)

**Notification No. 4/2018 - Customs**

New Delhi, 18th January, 2018

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, on being satisfied that it is necessary in the public interest so to do, hereby exempts the goods as specified in Schedule given below, when imported into India, from the whole of the duty of customs leviable thereon which is specified in the First Schedule to the Customs Tariff Act, 1975 (51 of 1975) and from the whole of the integrated tax leviable thereon under sub-section (7) of section 3 of the said Customs Tariff Act, subject to the conditions that :-

- (i) the said goods are imported under a Carnet guaranteed by the Federation of Indian Chamber of Commerce and Industry in India (hereinafter referred to as FICCI), as per provisions of the Customs Convention on the A.T.A. carnet for Temporary Admission of Goods (A.T.A. Convention) done at Brussels on 8th June 1961;
- (ii) the said goods shall be owned by a natural person resident abroad or by a legal person established abroad;
- (iii) the importer of the said goods shall be a natural person resident abroad or a legal person established abroad;
- (iv) the said goods shall be capable of identification on re-exportation;
- (v) the said goods in all respects conform to the description, quantity, quality, value and other specifications given in the Carnet duly certified by the Customs authorities in the territory of exportation;
- (vi) the said goods shall be exported within a period of two months from the date of importation:

Provided that if the same goods are re-imported within the said period of two months, the period of two months shall be computed from the date of its first importation under the said Carnet:

Provided further that where the Principal Commissioner of Customs or Commissioner of Customs, as the case may be, is satisfied that it is necessary in the public interest so to do, the said period of two months may be extended for a further period not exceeding two months;

- (vii) in the event of failure to export the goods within the period specified above FICCI and the importer shall, jointly and severally, be liable to pay the duties of customs leviable on the goods as on the date of import, along with applicable interest:

Provided that the liability of the FICCI shall not exceed the amount of the duties of customs by more than ten per cent.

2. Nothing contained in this notification shall apply to goods imported through the medium of post.
3. This notification shall come into force on the date of its publication in the Official Gazette.

### **Schedule**

#### **A. Equipment for the press, such as:**

- (i) personal computers;
- (ii) cameras of all kinds (film and electronic cameras);
- (iii) sound or image transmitting, recording or reproducing apparatus;
- (iv) sound or image recording media, blank or recorded;
- (v) testing and measuring instruments and apparatus (oscillographs, tape and video recorder test systems, multimeters, tool boxes and bags, vectorscopes, video generators, etc.);
- (vi) lighting equipment (spotlights, converters, tripods); and
- (vii) operational accessories (exposure meters, lenses, tripods, accumulators, battery belts, battery chargers, monitors).

#### **B. Sound broadcasting equipment, such as:**

- (i) telecommunication equipment such as broadcast transmitter-receivers or transmitters;
- (ii) terminals connectable to network or cable, satellite links;
- (iii) audio frequency production equipment (sound pick-up, recording or reproducing apparatus);
- (iv) testing and measuring instruments and apparatus (oscillographs, tape and video recorder test systems, multimeters, tool boxes and bags, vectorscopes, video generators, etc.);
- (v) operational accessories (clocks, stop-watches, compasses, microphones, mixing consoles, sound tapes, generating sets, transformers, batteries and accumulators, battery chargers, heating, air-conditioning and ventilating apparatus, etc.); and
- (vi) sound recording media, blank or recorded.

#### **C. Television broadcasting equipment, such as:**

- (i) television cameras;
- (ii) telecinema;
- (iii) testing and measuring instruments and apparatus;
- (iv) transmission and retransmission apparatus;
- (v) communication apparatus;



- (vi) sound or image recording or reproducing apparatus (tape and video recorders and video reproducers, microphones, mixing consoles, loudspeakers);
- (vii) lighting equipment (spotlights, converters, tripods);
- (viii) editing equipment;
- (ix) operational accessories (clocks, stop-watches, compasses, lenses, exposure meters, tripods, battery chargers, cassettes, generating sets, transformers, batteries and accumulators, heating, air-conditioning and ventilating apparatus, etc.);
- (x) sound or image recording media, blank or recorded (credit titles, station call signs, music inserts, etc.);
- (xi) film rushes; and
- (xii) musical instruments, costumes, scenery and other stage properties, pedestals, make-up material, hairdryers.

**D. Sports Goods, such as:**

- (i) track and field equipment, such as, hurdles, javelins, discuses, poles, shots, hammers;
- (ii) ball game equipment, such as, balls, rackets, mallets, clubs, sticks, bats, wickets and the like;
- (iii) winter sports equipment, such as, skis and sticks, skates, bobsleighs;
- (iv) sports wear, shoes, gloves, headgear, etc.;
- (v) water sports equipment, such as, canoes and kayaks, sail and row boats, sails, oars and paddles, surf boards and sails;
- (vi) motor vehicles and craft, such as, cars, motor bicycles, motor boats;
- (vii) equipment for miscellaneous events, such as, sports arms and ammunition, non-motorized bicycles, archer's bows and arrows, fencing equipment, gymnastics equipment, compasses, wrestling mats and tatamis, weight-lifting equipment, riding equipment, sulkies, hang-gliders, delta wing, windsurfers, climbing equipment; and
- (viii) auxiliary equipment, such as, measuring and score display equipment, blood and urine test apparatus.

**E. Equipment for testing or measuring or calibration, such as:**

- (i) instruments and apparatus;
- (ii) tools; and
- (iii) any accessories or parts, incidental to the use of such apparatus.

[F.No.15018/1/2016-Dir(ICD)]

(Dr. Sreeparvathy S. L.)

Under Secretary to the Government of India

**MINISTRY OF FINANCE**  
**(Department of Revenue)**  
**(CENTRAL BOARD OF EXCISE AND CUSTOMS)**

**NOTIFICATION**

New Delhi, the 19th January, 2018

**No. 07/2018 - Customs (N.T)**

**S.O. 299(E).**—In the Ministry's Notification No. 12/139/59-Ad.III B dated 05.11.62 as amended vide Notification No. 04/96-Custom (N.T.) dated 22.01.1996, the following amendment is made:-

In the said Notification, for the Paragraph 4, the following Para shall be substituted namely:-

"4. The number of "Appreciation Certificates" awarded in one year shall not exceed forty five but if the President considers that special circumstances in any one year justify the award of the "Appreciation Certificates" in excess of the forty five, the number shall not exceed fifty."

[F. No. 394/97/2017-Cus (AS)]  
ROHIT ANAND, Under Secy.



INSTRUCTION No. 01/2018-Custom

F. No. 528/43/2017- STO (TU)  
Government of India  
Ministry of Finance  
Department of Revenue  
Central Board of Excise & Custom

Room No. 229-A, North Block New Delhi,  
15<sup>th</sup> January, 2018

To,

All Pr. Chief commissioners/chief Commissioners of Customs/Customs (Preventive)

All Pr. Chief commissioners/chief Commissioners of Customs and Central Excise

All Pr. Commissioners/Commissioners of Customs/Customs (Preventive) Customs and Central Excise

Madam/Sir,

**Subject: Classification of Telecommunication Antenna used at Base Transceiver Station/NodeB/eNodeB-reg.**

Board has received references regarding the classification of Telecommunication Antenna which are used at Base Transceiver Station/NodeB/eNodeB in wireless or cellular networks. A doubt has been expressed whether the said goods are classifiable under CTH 8517 62 90, 8517 69 90 or CTH 8517 70 90.

2. The issue has been examined by Board and in this regard it is informed that:

i) In a wired communication system, transmitter as well as receiver is connected by a wired channel and information is transmitted through that channel. However, in a wireless communication, available physical channel for communication is free-space. The information can travel only in the electromagnetic waveform. Therefore, in a radio/wireless communication system, the information at source is modulated and amplified in the transmitter and then passed on to the transmit antenna via a transmission line. The antenna radiates the information in the form of an electromagnetic wave in an efficient and desired manner to the destination, where the information is picked by the receive antenna and passed on to the receiver via transmission line. The signal is demodulated and the original message is then recovered at the receiver. Thus, wireless communication gets established.

Therefore, antenna is an essential device of a wireless communication system, which can generate electromagnetic waves from currents and voltages and which can convert electromagnetic waves to currents and voltages when these waves impinge on it. In technical language, the antenna is a device that transforms time varying electrical signals (which are in the forms of voltages/current) into electromagnetic waves at transmit antenna and the electromagnetic waves induces voltage/current at receive antenna. Further, the antenna for wireless communication works as transmit antenna as well as receive antenna.

ii) The basic issue to decide for the classification of the Telecommunication Antenna is, whether is a part of the device/machine/apparatus of heading 8517 and classifiable under CTH 8517 70 90 or it is a telecommunication apparatus classifiable under any other heading of heading 8517.

iii) The classification of parts of the goods of Chapter 85 is governed by rules enumerated in section Note 2 of section XVI read with general Explanatory Notes to this Section Note. According to rule (a), parts which are goods included in any of the headings of Chapter 84 or 85, are in all cases to be

classified in their respective heading. In other words, the parts which in themselves constitute an article covered by a heading of this section, in all cases are to be classified in their own appropriate heading even if specially designed to work as part of a specific machine. Therefore, the goods under consideration would fall under CTH 8517 70 90 as a part of the machine/apparatus classifiable under CTH 8517, only in the situation when it is not covered by any other heading of the section.

iv) However, as discussed above, the telecommunication antenna being a complete device with a specified function i.e. conversion of electrical signals into electromagnetic waves and vice-versa in a wireless communication system, is appropriately covered by the single dash heading “-Other apparatus for transmission or reception of voice, images or other data, including apparatus for communication in a wired or wireless network (such as a local or wide area network):” of heading 8517 as an ‘transmitting and receiving apparatus for radio-telephony’. Further, at double dash level, it is squarely covered by the heading “8517 62—Machines for the reception, conversion and transmission or regeneration of voice, images or other data, including switching and routing apparatus:”

v) In view of above and by application of General Rules for Interpretation 1 & 6, the Antenna used at Base Transceiver Station/NodeB/eNodeB in a wireless telecommunication network, merits classification under CTH 8517 62 90.

3. Difficulty faced, if any, may be brought to the notice of the Board.

Yours Faithfully

(Piyush Bhardwaj)  
STO, TU



**Circular No. 3/2018- Customs**  
**F.No. D-20/DIC/AEO/Modification/16/59/2017**  
**Government of India**  
**Ministry of Finance**  
**Department of Revenue**  
**Central Board of Excise & Customs**  
**Directorate of International Customs**

**New Delhi, the January 17, 2018**

All Pr. Chief/Chief Commissioner of Customs/Prev./Central Tax,  
All Pr. Commissioner/Commissioner of Customs/Prev./Central Tax,  
All Pr. Directors General/Directors General under CBEC  
All Pr. ADG/ADG under CBEC.

Madam/Sir,

**Subject: Amendment in the AEO Programme Circular No. 33/2016 dated 22/7/2016- reg.**

Please refer to CBEC's Circular No. 33/2016 dated 22/7/2016 on AEO Programme. Consequent to the mid-term review of Foreign Trade Policy (FTP) wherein certain additional benefits have been assigned to AEO Certified entities, there is an urgent requirement for modification in the existing CBEC's Circular No. 33/2016-Cus. dated 22.07.2016.

2. Additionally, in order to maximize the reach of this programme, it has been decided by the competent authority to decentralise the processing of AEO applications so as to meet the objective of trade facilitation and ease of doing business.

3. Accordingly, the following modifications have been made in some of the paras of the aforesaid circular, which are as below:

i. Para 1.5.1 xi may be added as:

"In accordance with the conditions laid down in Para 4.07A of FTP 2015-2020, where there is no SION/valid Ad-hoc Norms for an export product and where SION has been notified but exporter intends to use additional inputs in the manufacturing process, eligible exporter, who is an AEO, can apply for an Advance Authorisation under this scheme on self declaration and self ratification basis"

ii. Para 2.4 may be read as,

"The application should be sent directly to the respective jurisdictional Custom Chief Commissioner's office with a copy to the AEO Programme Manager, Directorate of International Customs or in case of any doubt, to the AEO Programme Manager, Directorate of International Customs, 10th Floor, Tower II, Jeevan Bharti Building, Connaught Place, New Delhi - 110001."

iii. Para 2.5 may be read as,

"The Commissioner, Directorate of International Customs, 10th Floor, Tower II, Jeevan Bharti Building, Connaught Place, New Delhi - 110001 will be the AEO Programme Manager and AEO Programme Team will comprise officers from the Directorate of International Customs or jurisdictional Custom Zones.

iv. Para 3.2.6 may be added as:

"The details of the AEO applicants for legal compliance as per para 3.2.1 will be hosted on CBEC Website (Home-> Departmental Officers-> Systems / Home -> Public Information -> Indian AEO Programme), The field formation can directly respond to concerned office (viz. Zonal AEO Cell) with the requisite legal compliance information within 14 days of uploading the details."



v. Para 3.4 may be read as,

“An applicant must be financially solvent during the three financial years preceding the date of application. The applicant should not be listed currently as insolvent, or in liquidation or bankruptcy. Further, the applicant should not have defaulted in payment of due Customs duties during the past three years. The applicants applying for AEO T1 and T2 status, can either submit a solvency certificate by a statutory auditor, or a solvency certificate from an independent reputed chartered accountant made on the basis of audited balance sheet of the company, discussing the parameters of solvency (for last 3 Financial Year). Further, the applicants applying for T3 and LO (and T2 applicants in review) must submit a Solvency Certificate from the Statutory Auditor of the applicant.”

vi. Annexure E.4 (g) may be read as

“Whether there is solvency certificate issued by the Statutory Auditor or Independent reputed Charter Accountant? Provide the copy of the same”.

vii. Annexure E.2 (b) may be read as

“E.2 (b1): Have any SCNs been issued against you during last 3 F.Y.? If yes, please indicate the details in ‘Remarks’ column.

E.2 (b2): Whether any SCN has been issued during last three financial years involving fraud, forgery, outright smuggling, clandestine removal of excisable goods or cases where Service Tax has been collected from customers but not deposited to the Government. If yes, please indicate the details in ‘Remarks’ column.”

viii. Para 5.1 may be read as

“The validity of AEO certificate shall be three years for AEO-T1 and AEO-T2, and five years for AEO-T3 and AEO-LO”

ix. Annexure A (4) may be read as

“A(4) Address:

(If there are more than one site/ location, a separate list should be attached for all sites/ locations)

A 4(a): Whether applicant is a manufactures or trader

A 4(b): If applicant is a manufacturer, what are the main items of manufacturing

A 4 (c): The economic sector of functioning of the applicant (Eg. Auto/ Pharma/ Fertilizer et al)”

x. Para 5.3.6 may be added as:

“All Jurisdictional/ Zonal AEO Cell will nominate an Officer not below the rank of AC/DC as Client Relationship Manager (CRM) for all the AEO entities in their jurisdiction and the same may be uploaded on their website for easy access for this entities. This nomination may also be given wide publicity through Facility Notices.”

4. The Board Circular No. 33/2016- Customs dated 22/7/2016 stands modified to above extent

5. Wide publicity may please be given to this Circular by way of issuance of Trade/Public Notice.

6. Difficulties faced, if any, in the implementation of this Circular may be brought to the notice of this office.

Yours faithfully,

(Manish Kumar)  
Joint Commissioner (DIC)



## DGFT UPDATES

To be published in the Gazette of India Extraordinary Part-If, Section -3, Sub Section (ii)

Government of India  
Ministry of Commerce & Industry  
Department of Commerce  
Udyog Bhawan, New Delhi

Notification No.44 /2015-2020

Dated the 18<sup>th</sup> January, 2018

**Subject: Amendment in policy condition No.3 of Chapter 72 of ITC (HS), 2017 - Schedule -I (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 policy condition No. 3 of Chapter 72 of ITC (HS), 20 17 - Schedule - I (Import Policy) as under:-

Existing Policy Condition No.3	Revised Policy Condition No.3
Import of seconds/defectives of steel items as mentioned at S1. No.1 to 7 of the notes at S1. No. 2 above, shall be allowed only through Customs sea port at Mumbai, Chennai and Kolkata. Import consignments of these items shall be accompanied by a pre-shipment certificate regarding description material quality, chemical analysis of the material, visual inspection, thickness and width of the material and the ITC (HS) code no. from any of the inspection agency as specified in Appendix 2G of the Appendices and Aayat Niryat Forms of FTP (2015-20).	Import of seconds/defectives of steel items as mentioned at S1. No. 1 to 7 of the notes at SI. No. 2 above, shall be allowed only through Customs sea port at Mumbai, Chennai, Kolkata, <b>Nhava Sheva (JNPT)</b> and at <b>ICD-Tughlakabad, New Delhi</b> . Import consignments of these items shall be accompanied by a pre-shipment certificate regarding description material quality, chemical analysis of the material, visual inspection, thickness and width of the material and the ITC (HS) code no. from any of the inspection agency as specified in Appendix 2G of the Appendices and Aayat Niryat Forms of FTP (2015-20).

**Effect of this Notification:** Import of seconds/defectives of steel items as mentioned at SI. No. 1 to 7 of Policy Condition No.2 of Chapter 72 of ITC (HS), 2017, Schedule-I (Import Policy), shall be allowed also through **Nhava Sheva (JNPT)** and at **ICD-Tughlakabad, New Delhi**, besides the existing Customs sea port at Mumbai, Chennai and Kolkata.

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[Issued from File No.011891180/MONI-5852/AM-03/PC-2 (A)]

(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  
Udyog Bhawan

**Notification No. 45/2015-2020**  
**New Delhi, Dated: 19<sup>th</sup> January 2018**

**Subject: Export Policy of Onions- Imposition of Minimum Export Price (MEP).**

S.O. (E) In exercise of powers conferred by Section 3 of the Foreign Trade (Development & Regulation) Act, 1992 (No. 22 of 1992), as amended, read with Para 1.02 of the Foreign Trade Policy, 2015-20, the Central Government hereby makes amendment, with immediate effect, by substituting Para 2 of Notification No. 39/2015-20 dated 23.11.2017 read with Notification No. 43/2015-2020 dated 29.12.2017 relating to export of onion; as under:

“Export of onion for the item description at Serial Number 51 & 52 of Chapter 7 of Schedule 2 of ITC (HS) Classification of Export & Import Items shall be permitted **only on Letter of Credit (LC) subject to a Minimum Export Price (MEP) of US\$ 700 F.O.B. per Metric Ton till 20.02.2018**”

**2. Effect of this Notification:**

Export of all varieties of onions, as described above, will be allowed only on Letter of Credit (LC) subject to a Minimum Export Price (MEP) of US\$ 700 F.O.B. per Metric Ton (instead of US\$ 850 F.O.B. per Metric Ton) with immediate effect and till 20.02.2018.

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**Issued from File no. 01/91/180/922/AM08/PC-III/Export Cell)**





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