



BMC Advisors



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WEEKLY UPDATES

JANUARY 30TH, 2017-FEBRUARY 05TH, 2017

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RBI UPDATES

RBI/2016-17/217
DCM (Plg) No. 2905/10.27.00/2016-17

January 30, 2017

The Chairman / Managing Director / Chief Executive Officer,
Public Sector Banks / Private Sector Banks / Foreign Banks,
Regional Rural Banks / Urban Co-operative Banks,
State Co-operative Banks / District Central Co-operative Banks

Dear Sir/Madam,

Limits on Cash withdrawals from Bank accounts and ATMs - Restoration of status quo ante

Please refer to our circular DCM (Plg) No.1226/10.27.00/2016-17 dated November 08, 2016 placing limits on Cash withdrawals from bank accounts and ATMs in the wake of withdrawal of Legal Tender Character of Specified Bank Notes (SBN) and subsequent circulars DCM (Plg) Nos.1256, 1274, 1317, 1437, 2142 and 2559 dated November 11, 14, 21, 28, December 30, 2016 and January 16, 2017 respectively, providing for relief and relaxations therefrom.

2. On a review of the pace of remonitisation, it has been decided to partially **restore status quo ante** as under:

i Limits placed vide the circulars cited above on cash withdrawals from Current accounts/ Cash credit accounts/ Overdraft accounts stand withdrawn with immediate effect.

ii. The limits on Savings Bank accounts will continue for the present and are under consideration for withdrawal in the near future.

iii. Limits vide the circulars cited above placed on cash withdrawals from ATMs stand withdrawn from February 01, 2017. However, banks may, at their discretion, have their own operating limits as was the case before November 8, 2016, subject to 2 (ii) above.

3. Further, banks are urged to encourage their constituents to sustain the movement towards digitisation of payments and switching over of payments from cash mode to non-cash mode.

4. Please acknowledge receipt.

Yours faithfully,

(P Vijaya Kumar)
Chief General Manager

Review of Guidelines on "Pricing of Credit"

RBI/2016-17/219

DNBR.CC. PD. No. 084/22.10.038/2016-17

February 02, 2017

To
All NBFC-MFIs,
Madam/Sir,

Review of Guidelines on "Pricing of Credit"

As per extant instructions on "Pricing of Credit" issued to NBFC-MFIS under "Master Direction-Non-Banking Financial Company-Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016" and "Master Direction - Non-Banking Financial Company-Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016" dated September 01, 2016, it has been advised that-

"NBFC-MFIs shall ensure that the average interest rate on loans during a financial year does not exceed the average borrowing cost during that financial year plus the margin, within the prescribed cap."

2. Since average base rate of banks is published by RBI on quarterly basis, it has been decided to modify the above mentioned instructions as under:

"NBFC-MFIs shall ensure that the average interest rate on loans sanctioned during a quarter does not exceed the average borrowing cost during the preceding quarter plus the margin, within the prescribed cap."

3. The "Master Direction -Non-Banking Financial Company-Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016" and "Master Direction - Non-Banking Financial Company-Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016" dated September 01, 2016 are being updated to reflect the changes.

Yours faithfully,

(C. D. Srinivasan)
Chief General Manager

Foreign Exchange Management Act, 1999 (FEMA) Foreign Exchange (Compounding Proceedings) Rules, 2000 (the Rules) - Compounding of Contraventions under FEMA, 1999

RBI/2016-17/220

A.P. (DIR Series) Circular No. 29

February 02, 2017

To

All Category- I Authorised Dealer Banks

Madam / Sir,

**Foreign Exchange Management Act, 1999 (FEMA)
Foreign Exchange (Compounding Proceedings) Rules, 2000 (the Rules) -
Compounding of Contraventions under FEMA, 1999**

Attention of all the Authorised Dealer Category - I (AD Category - I) banks and their constituents is invited to A.P. (DIR Series) Circular No. 117 and 36 dated April 4, 2014 and October 16, 2014 respectively, and the Foreign Exchange (Compounding Proceedings) Rules, 2000 notified by the Government of India vide G.S.R.No.383 (E) dated 3rd May 2000, as amended from time to time, regarding delegation of powers to the Regional Offices of the Reserve Bank of India to compound the contraventions of FEMA.

2. In partial modification thereof, it has been decided to delegate further powers to Regional Offices as under:

FEMA Regulation	Brief Description of Contravention
Paragraph 9(2) of Schedule I to FEMA 20/2000-RB dated May 3, 2000	Delay in filing the Annual Return on Foreign Liabilities and Assets (FLA return), by all Indian companies which have received Foreign Direct Investment in the previous year(s) including the current year

3. The powers to compound the contraventions at Paragraph 2 above have also been delegated to all Regional Offices (except Kochi and Panaji) without any limit on the amount of contravention.

4. Kochi and Panaji Regional offices can compound the above contraventions for amount of contravention below Rupees One hundred lakh (Rs.1,00,00,000/-) only. The contraventions of Rupees One hundred lakh (Rs.1,00,00,000/) or more under the jurisdiction of Kochi and Panaji Regional Offices will continue to be compounded at Central Office as hitherto.

5. Accordingly, applications for compounding the above contraventions as at Paragraph 2, up to the amount of contravention stated in paragraph 3 and 4 may be submitted by the concerned entities to the respective Regional Offices under whose jurisdiction they fall. For all other contraventions, applications may continue to be submitted to Foreign Exchange Department, 5th floor, Amar Building, Sir P.M.Road, Fort, Mumbai - 400001.

6. The above modifications will come into force with immediate effect. All other instructions on compounding shall remain unchanged. This provision is being clarified in Para 3 and 7.4 of the Master Direction on Compounding of Contraventions under FEMA, 1999.

7. Authorised Dealers may bring the contents of this circular to the notice of their constituents and customers concerned.

8. The directions contained in this circular have been issued under Sections 10 (4) and 11 (1) of the Foreign Exchange Management Act, 1999 (42 of 1999).

Yours faithfully,

(Shekhar Bhatnagar)
Chief General Manager-in-Charge



Basel III Capital Regulations- Additional Tier 1 Capital

RBI/2016-17/222

DBR.BP.BC.No.50/21.06.201/2016-17

February 02, 2017

All Scheduled Commercial Banks
(Excluding Regional Rural Banks)

Madam/ Sir,

Basel III Capital Regulations- Additional Tier 1 Capital

Please refer to the paragraph 1.8 on 'Coupon Discretion' under Annex 4 on 'Criteria for Inclusion of Perpetual Debt Instruments (PDI) in Additional Tier 1 Capital' of the Master Circular, DBR.No.BP.BC.1/21.06.201/2015-16 dated July 1, 2015 on 'Basel III Capital Regulations' read with the circular DBR.No.BP.BC.71/21.06.201/2015-16 dated January 14, 2016 on 'Master Circular - Basel III Capital Regulations - Clarification'.

2. It has been decided to amend Para 1.8(e) of Annex 4 of the Master Circular as under:
"Coupons must be paid out of 'distributable items'. In this context, coupon may be paid out of current year profits. However, if current year profits are not sufficient, coupon may be paid subject to availability of:

- (i) Profits brought forward from previous years, and/or
- (ii) Reserves representing appropriation of net profits, including statutory reserves, and excluding share premium, revaluation reserve, foreign currency translation reserve, investment reserve and reserves created on amalgamation.

The accumulated losses and deferred revenue expenditure, if any, shall be netted off from (i) and (ii) to arrive at the available balances for payment of coupon.

If the aggregate of: (a) profits in the current year; (b) profits brought forward from the previous years and (c) permissible reserves as at (ii) above, excluding statutory reserves, net of accumulated losses and deferred revenue expenditure are less than the amount of coupon, only then the bank shall make appropriation from the statutory reserves. In such cases, banks are required to report to the Reserve Bank within twenty-one days from the date of such appropriation in compliance with Section 17(2) of the Banking Regulation Act 1949.

It may be noted that prior approval of the Reserve Bank for appropriation of reserves as above, in terms of the circular, DBOD.BP.BC No.31/21.04.018/2006-07 dated September 20, 2006 on 'Section 17 (2) of Banking Regulation Act, 1949 - Appropriation from Reserve Fund' is not required in this regard.

However, payment of coupons on PDIs from the reserves is subject to the issuing bank meeting minimum regulatory requirements for CET1, Tier 1 and Total Capital ratios including the additional capital requirements for Domestic Systemically Important Banks at all times and subject to the restrictions under the capital buffer frameworks (i.e. capital conservation buffer and counter cyclical capital buffer in terms of paras 15 and 17 respectively of the Master Circular on Basel III Capital Regulations dated July 1, 2015 as amended from time to time).

In order to meet the eligibility criteria for perpetual debt instruments, banks must ensure and indicate in their offer documents that they have full discretion at all times to cancel distributions / payments.”

3. These instructions are applicable with immediate effect.

Yours faithfully

(S S Barik)
Chief General Manager-in-Charge



Risk Management and Inter-bank Dealings: Permitting Non Resident Indians (NRIs) access to Exchange Traded Currency Derivatives (ETCD) market

RBI/2016-17/221

A.P. (DIR Series) Circular No. 30

February 2, 2017

To

All Category - I Authorised Dealer Banks

Madam / Sir,

Risk Management and Inter-bank Dealings: Permitting Non Resident Indians (NRIs) access to Exchange Traded Currency Derivatives (ETCD) market

Attention of Authorised Dealers Category - I (AD Category - I) banks is invited to the Foreign Exchange Management (Foreign Exchange Derivative Contracts) Regulations, 2000 dated May 3, 2000 (Notification No. FEMA. 25/RB-2000 dated May 3, 2000) issued under clause (h) of sub-section (2) of Section 47 of FEMA, 1999 (Act 42 of 1999), as amended from time to time and Master Direction on Risk Management and Inter-Bank Dealings dated July 5, 2016, as amended from time to time.

2. Currently NRIs are permitted to hedge their Rupee currency risk through OTC transactions with AD banks. With a view to enable additional hedging products for NRIs to hedge their investments in India, it has been decided to allow them access to the exchange traded currency derivatives market to hedge the currency risk arising out of their investments in India under FEMA, 1999. An announcement to this effect was made in the Monetary Policy Statement on April 5, 2016.

3. NRIs may access the ETCD market as per the following terms and conditions:

- i. NRIs shall designate an AD Cat-I bank for the purpose of monitoring and reporting their combined positions in the OTC and ETCD segments.
- ii. NRIs may take positions in the currency futures / exchange traded options market to hedge the currency risk on the market value of their permissible (under FEMA, 1999) Rupee investments in debt and equity and dividend due and balances held in NRE accounts.
- iii. The exchange/ clearing corporation will provide details of all transactions of the NRI to the designated bank.
- iv. The designated bank will consolidate the positions of the NRI on the exchanges as well as the OTC derivative contracts booked with them and with other AD banks. The designated bank shall monitor the aggregate positions and ensure the existence of underlying Rupee currency risk and bring transgressions, if any, to the notice of RBI / SEBI.
- v. The onus of ensuring the existence of the underlying exposure shall rest with the NRI concerned. If the magnitude of exposure through the hedge transactions exceeds the magnitude of underlying exposure, the concerned NRI shall be liable to such penal action as may be taken by Reserve Bank of India under the Foreign Exchange Management Act (FEMA), 1999.

4. Necessary amendments (Notification No. FEMA 378/2016-RB dated October 25, 2016) to Foreign Exchange Management (Foreign Exchange Derivatives Contracts) Regulations, 2000 (Notification No. FEMA.25/RB-2000 dated May 3, 2000) (Regulations) have been notified in the Official Gazette vide G.S.R. No. 1005 (E) dated October 25, 2016 a copy of which is given in the Annex I to this circular. These regulations have been issued under clause (h) of sub-section (2) of Section 47 of FEMA, 1999 (42 of 1999).

5. The Notifications No. FMRD.13 / CGM (TRS) dated February 2, 2017 and No. FMRD. 14/CGM (TRS) - 2017 dated February 2, 2017 viz., Currency Futures (Reserve Bank) (Amendment) Directions, 2017 and Exchange Traded Currency Options (Reserve Bank) (Amendment) Directions, 2017 amending the Directions notified vide Notifications No. FED.1 / DG (SG) - 2008 dated August 6, 2008 and Notifications No. FED. 1/ ED (HRK) - 2010 dated July 30, 2010 respectively have been issued. Copies of the Directions are enclosed (Annexes II & III). These Directions have been issued under Section 45W of the Reserve Bank of India Act, 1934.

6. This circular has been issued under Sections 10(4) and 11(1) of the Foreign Exchange Management Act, 1999 (42 of 1999) and is without prejudice to permission / approvals, if any, required under any other law.

Yours faithfully,

(T Rabi Sankar)
Chief General Manager

For Annexure: <https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=10849&Mode=0>

INCOME TAX UPDATES

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

Government of India
Ministry of Finance
(Department of Revenue)
(Central Board of Direct Taxes)

New Delhi, the 31st January, 2017

Notification

S.O. It is hereby notified for general information that the organization M/s Center of Innovative & Applied Bio-processing ('CIAB') (PAN:- AABAB8297N) has been approved by the Central Government for the purpose of clause (ii) of sub-section (1) of section 35 of the Income-tax Act, 1961 (said Act), read with Rules 5C and 5D of the Income-tax Rules, 1962 (said Rules), **from Assessment year 2016-2017 onwards** in the category of '**Scientific Research Association**', subject to the following conditions, namely:-

- (i) The sole objective of the approved 'Scientific Research Association' 'CIAB' shall be to undertake scientific research;
- (ii) The approved organization shall carry out scientific research by itself;
- (iii) The approved organization shall maintain separate books of accounts for 'CIAB' in respect of the sums received by it for scientific research, reflect therein the amounts used for carrying out research, get such books audited by an accountant as defined in the explanation to sub-section (2) of section 288 of the said Act and furnish the report of such audit duly signed and verified by such accountant to the Commissioner of Income-tax or the Director of Income-tax having jurisdiction over the case, by the due date of furnishing the return of income under sub-section (1) of section 139 of the said Act;
- (iv) The approved organization shall maintain a **separate statement of donations** received and amounts applied for scientific research for 'CIAB' and a copy of such statement duly certified by the auditor shall accompany the report of audit referred to above.

2. The Central Government shall withdraw the approval if the approved organization:-

- (a) fails to maintain **separate books of accounts** referred to in sub-paragraph (iii) of paragraph 1; or
- (b) fails to furnish its audit report referred to in sub-paragraph (iii) of paragraph 1; or
- (c) fails to furnish its statement of the donations received and sums applied for scientific research referred to in sub-paragraph (iv) of paragraph 1; or
- (d) ceases to carry on its research activities or its research activities are not found to be genuine; or
- (e) ceases to conform to and comply with the provisions of clause (ii) of sub-section (1) of section 35 of the said Act read with rules 5C and 5D of the said Rules.

Notification No. 07/2017
(F.No.203/02/2016/ITA-II)

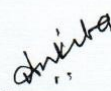
To

The Manager,
Govt. of India Press,
Mayapuri, New Delhi

(Ankita Pandey)
Under Secretary to Government of India

Copy forwarded to:

1. The applicant organization, M/s Center of Innovative & Applied Bio-processing ('CIAB')
2. CIT (E), New Delhi
3. Web Manager, New Delhi, for placing on the website incometaxindia.gov.in
4. ITCC, CBDT (4 copies)
5. Concerned file
6. Guard file.


 (Ankita Pandey)
 Under Secretary to Government of India

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

Government of India
Ministry of Finance
(Department of Revenue)
(Central Board of Direct Taxes)

New Delhi, the 31st January, 2017

Notification

S.O. It is hereby notified for general information that the organization **M/s Christian Medical College Vellore Association, Vellore (PAN:- AAATC1278N)** has been approved by the Central Government for the purpose of clause (ii) of sub-section (1) of section 35 of the Income-tax Act, 1961 (said Act), read with Rules 5C and 5E of the Income-tax Rules, 1962 (said Rules), from **Assessment year 2016-2017 onwards** in the category of 'University, College or other Institution', engaged in research activities, subject to the following conditions, namely:-

- (i) The sums paid to the approved organization shall be used to undertake scientific research;
 - (ii) The approved organization shall carry out scientific research through its faculty members or enrolled students;
 - (iii) The approved organization shall maintain **separate books of accounts** in respect of the sums received by it for scientific research, reflect therein the amounts used for carrying out research, get such books audited by an accountant as defined in the explanation to sub-section (2) of section 288 of the said Act and furnish the report of such audit duly signed and verified by such accountant to the Commissioner of Income-tax or the Director of Income-tax having jurisdiction over the case, by the due date of furnishing the return of income under sub-section (1) of section 139 of the said Act;
 - (iv) The approved organization shall maintain a **separate statement of donations** received and amounts applied for scientific research, such donations shall be used exclusively for core scientific research and a copy of such statement duly certified by the auditor shall accompany the report of audit referred to above.
 - (v) **Donations being received by the organization under clause (ii) of sub-section (1) of section 35 of the Act., shall be used exclusively for core scientific research only and not for hospital activities, activities related to treatment of patients, general educational activities (other than research) or any other object of the organization.**
 - (vi) The approved organization shall, by the due date of furnishing the return of income under sub-section (1) of section 139, furnish a statement to the Commissioner of Income-tax or Director of Income-tax containing-
 - a detailed note on the research work undertaken by it during the previous year;
 - a summary of research articles published in national or international journals during the year;
 - any patent or other similar rights applied for or registered during the year;
 - programme of research projects to be undertaken during the forthcoming year and the financial allocation for such programme.
2. The Central Government shall withdraw the approval if the approved organization:-
- (a) fails to maintain **separate books of accounts** referred to in sub-paragraph (iii) of paragraph 1; or
 - (b) fails to furnish its audit report referred to in sub-paragraph (iii) of paragraph 1; or
 - (c) fails to furnish its statement of the donations received and sums applied for scientific research referred to in sub-paragraph (iv) of paragraph 1; or
 - (d) ceases to carry on its research activities or its research activities are not found to be genuine; or
 - (e) ceases to conform to and comply with the provisions of clause (ii) of sub-section (1) of section 35 of the said Act read with rules 5C and 5E of the said Rules.

(Ankita Pandey)
Under Secretary to Government of India

Notification No. 08 /2017
(F.No.203/04/2016/ITA-II)

To
The Manager,
Govt. of India Press,
Mayapuri, New Delhi

Copy forwarded to:

1. The applicant organization, **M/s Christian Medical College, Vellore Association, Vellore**
2. CCIT (E), New Delhi
3. The Comptroller & Auditor General of India
4. CIT (E), Chennai
5. Ministry of Law & Justice (Correction Section), New Delhi
6. Web Manager, New Delhi, for placing on the website incometaxindia.gov.in
7. ITCC, CBDT (4 copies)
8. Concerned file
9. Guard file


(Ankita Pandey)
Under Secretary to Government of India

SERVICE TAX 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. 5/2017-Service Tax**

New Delhi, the 30th January, 2017

G.S.R.....(E).-In exercise of the powers conferred by sub-section (1) of section 93 of the Finance Act, 1994 (32 of 1994), 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.25/2012- Service Tax, dated the 20thJune, 2012, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), vide number G.S.R. 467 (E), dated the 20thJune, 2012, namely:-

In the said notification, in the opening paragraph, in entry 34, in the proviso, for the word, brackets, and letter "clause (a)", the words, brackets and letters "clause (a) or clause (b)" shall be substituted.

[F. No. 354/149/2016-TRU]

(Mohit Tewari)

Under Secretary to the Government of India

Note:-The principal notification was published in the Gazette of India, Extraordinary, vide notification No. 25/2012 - Service Tax, dated the 20th June, 2012, vide number G.S.R. 467 (E), dated the 20thJune, 2012 and last amended vide notification number 1/2017 - Service Tax, dated the 12th January, 2017, vide number G.S.R. 24 (E), dated the 12th January, 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. 6/2017-Service Tax**

New Delhi, the 30th January, 2017

G.S.R..... (E). - In exercise of the powers conferred by sub-section (1), read with sub-section (2) of section 94 of the Finance Act, 1994 (32 of 1994), the Central Government hereby makes the following rules further to amend the Service Tax Rules, 1994, namely:-

1. (1) These rules may be called the Service Tax (Second Amendment) Rules, 2017.
(2) They shall come into force on the date of publication in the Official Gazette.
2. In the Service Tax Rules, 1994, in rule 6, in sub-rule (1), after the last proviso, the following proviso shall be inserted, namely,-

“Provided also that in case of online information and database access or retrieval services provided or agreed to be provided by any person located in a non-taxable territory and received by non-assesse online recipient, the service tax payable for the month of December, 2016 and January, 2017, shall be paid to the credit of the Central Government by the 6th day of March, 2017.”

[F. No. 354/149/2016-TRU]

**(Mohit Tewari)
Under 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 notification No. 2/94-Service Tax, dated the 28th June, 1994 vide number G.S.R. 546 (E), dated the 28th June, 1994 and last amended vide notification No. 2/2017-Service Tax, dated the 12th January, 2017 vide number G.S.R. 25(E), dated the 12th January, 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. 7/2017-Service Tax**

New Delhi, the 2nd February, 2017

G.S.R.....(E).-In exercise of the powers conferred by sub-section (1) of section 93 of the Finance Act, 1994 (32 of 1994), 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.25/2012- Service Tax, dated the 20th June, 2012, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), vide number G.S.R. 467 (E), dated the 20th June, 2012, namely:-

1. In the said notification, in the opening paragraph,-

(i) in entry 9B, in item (a), the word “residential” shall be omitted;

(ii) after entry 23, the following entry shall be inserted, namely:-

“23A. Services provided to the Government by way of transport of passengers, with or without accompanied belongings, by air, embarking from or terminating at a Regional Connectivity Scheme Airport, against consideration in the form of Viability Gap Funding (VGF):

Provided that nothing contained in this entry shall apply on or after the expiry of a period of one year from the date of commencement of operations of the Regional Connectivity Scheme Airport as notified by the Ministry of Civil Aviation.”;

(iii) after entry 26C, the following entry shall be inserted, namely:-

“26D. Services of life insurance business provided or agreed to be provided by the Army, Naval and Air Force Group Insurance Funds to members of the Army, Navy and Air Force, respectively, under the Group Insurance Schemes of the Central Government;”;

(iv) for entry 30, the following entry shall be substituted with effect from the date on which the Finance Bill, 2017 receives assent of the President, namely:-

“30. Services by way of carrying out,-

(i) any process amounting to manufacture or production of goods excluding alcoholic liquor for human consumption; or

(ii) any intermediate production process as job work not amounting to manufacture or production in relation to -

(a) agriculture, printing or textile processing;

(b) cut and polished diamonds and gemstones; or plain and studded jewellery of gold and other precious metals, falling under Chapter 71 of the Central Excise Tariff Act, 1985 (5 of 1986);

(c) any goods excluding alcoholic liquors for human consumption, on which appropriate duty is payable by the principal manufacturer; or

(d) processes of electroplating, zinc plating, anodizing, heat treatment, powder coating, painting including spray painting or auto black, during the course of manufacture of parts of cycles or sewing machines upto an aggregate value of taxable service of the specified processes of one hundred and fifty lakh rupees in a financial year subject to the condition that such aggregate value had not exceeded one hundred and fifty lakh rupees during the preceding financial year;”.

2. In paragraph 2, after clause (y), the following clause shall be inserted with effect from the date on which the Finance Bill, 2017 receives assent of the President, namely: -

“(ya) “process amounting to manufacture or production of goods” means a process on which duties of excise are leviable under section 3 of the Central Excise Act, 1944 (1 of 1944), or the Medicinal and Toilet Preparation (Excise Duties) Act, 1955(16 of 1955) or any process amounting to manufacture of opium, Indian hemp and other narcotic drugs and narcotics on which duties of excise are leviable under any State Act for the time being in force;”.

3. Save as otherwise provided in this notification, this notification shall come into force on the 2 nd of February, 2017.

[F. No. 334/7/2017-TRU]

(Mohit Tewari)

Under Secretary to the Government of India

Note:-The principal notification was published in the Gazette of India, Extraordinary, vide notification No. 25/2012 - Service Tax, dated the 20th June, 2012, vide number G.S.R. 467 (E), dated the 20th June, 2012 and last amended vide notification number 5/2017 - Service Tax, dated the 30th January, 2017, vide number G.S.R. 72 (E), dated the 30th January, 2017.

Circular No. 203/1/2017-Service Tax

F. No 137/22/2012-Service Tax (Pt. II)
Government of India
Ministry of Finance
Department of Revenue
Central Board of Excise & Customs
Service Tax Wing

Dated: 2nd February 2017

To,
Principal Chief Commissioners of Customs and Central Excise (All)
Principal Chief Commissioners of Central Excise & Service Tax (All)
Principal Director Generals of Goods and Service Tax/System/Central Excise Intelligence.
Director General of Audit/Tax Payer Services/Chief Commissioner AR CESTAT
Principal Commissioners/ Commissioners of Customs and Central Excise (All)
Principal Commissioners/Commissioners of Central Excise and Service Tax (All)
Principal Commissioners/Commissioners of Service Tax (All)
Principal Commissioners/Commissioners LTU/Central Excise/Service Tax (Audit)

Madam/Sir,

Sub: Mentioning of Minor Head Code for accounting of Refund- regarding

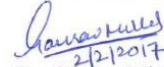
The Chief Controller of Accounts has informed that the format of List of Payments (LoP) of Refunds sent by many Central Excise and Service Tax Commissionerates to the Pay and Accounts Office (PAO herein) is not as per the format prescribed under the Annexure 9.5 with reference to Para-9.8.2 of the Manual on Accounting of Indirect Taxes (Manual herein after). In the format prescribed under the Manual, there are 11 columns and column No. 10 is specifically for mentioning the Minor Head code for accounting of refunds under the appropriate Service Head. LoP sent by many Commissionerates are not having such Minor head of account. In the absence of the minor/service wise head concerned, it is not possible to exactly identify the appropriate head of Account under which the service wise refunds are to be accounted for eventually leading to erroneous accounting.

2. Hence it is requested that all Commissionerates of Service Tax/ Central Excise/ Customs may follow the prescribed format of List of Payments for refunds/drawback payments and send it to the respective PAOs on weekly basis i.e. on 7th ,14th and 21st of every month as prescribed under Para-9.8.2 of the Manual.

3. Principal Chief Commissioners/Chief Commissioners may please ensure strict compliance of these instructions.

Enclosure: Annexure 9.5 as above

Yours faithfully


2/2/2017

Dr. Gaurav Mittal

Officer on Special Duty
Service Tax Policy Wing
Phone no: 01123095438

For Annexure: <http://www.cbec.gov.in/resources//htdocs-servicetax/st-circulars/st-circulars-2017/st-circ-203-1-2017.pdf>

EXCISE 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. 3/2017-Central Excise

New Delhi, the 2nd February, 2017

G.S.R. (E).- In exercise of the powers conferred by sub-section (1) of section 5A of the Central Excise Act, 1944 (1 of 1944) read with sub-section (3) of section 85 of Finance Act, 2005 (18 of 2005), 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. 6/2005- Central Excise, dated the 1st March, 2005, published in the Gazette of India, Extraordinary, vide number G.S.R. 126 (E), dated the 1st March, 2005, namely :-

In the said notification, in the Table,-

- (i) against S. No. 1, for the entry in column (4), the entry "9 %" shall be substituted;
- (ii) against S. No. 2, for the entry in column (4), the entry "8.3 %" shall be substituted;
- (iii) S. Nos. 13, 15 and 20 and the entries relating thereto shall be omitted;
- (iv) against S. No. 21, in column (3), after the words "a brand name" the brackets and words "(other than pan masala containing tobacco 'gutkha')" shall be inserted.

[F.No. 334/7/2017 -TRU]

(Mohit Tewari)

Under Secretary to the Government of India

Note: - The principal notification No. 6/2005-Central Excise, dated the 1st March, 2005 was published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i) vide number G.S.R. 126 (E), dated the 1st March, 2005 and last amended vide notification No. 18/2016 Central Excise, dated the 1st March, 2016, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), vide number G.S.R. 235 (E), dated the 1st March, 2016

**[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. 4/2017-Central Excise

New Delhi, the 2nd February, 2017

G.S.R. (E).- In exercise of the powers conferred by sub-section (3) of section 3A of the Central Excise Act, 1944 (1 of 1944), the Central Government hereby makes the following further amendments in the notification of the Government of India in the Ministry of Finance (Department of Revenue) No. 42/2008-Central Excise, dated the 1st July, 2008, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), vide number G.S.R. 492(E), dated the 1st July, 2008, namely :-

In the said notification, -

(i) in the first paragraph, for Table-1 and the Illustration, the following shall be substituted, namely:-

"TABLE-1

S. No.	Retail sale price (per pouch)	Rate of duty per packing machine per month (Rs. in lakh)					
		Up to 300 pouches per minute		301 to 750 pouches per minute		751 pouches per minute and above	
(1)	(2)	(3)		(4)		(5)	
		Pan masala	Pan masala containing tobacco	Pan masala	Pan masala containing tobacco	Pan masala	Pan masala containing tobacco
		(3a)	(3b)	(4a)	(4b)	(5a)	(5b)
1.	Up to Rs.1.00	19.60	35.35	32.08	57.84	71.29	128.54
2.	From Rs.1.01 to Rs.1.50	29.41	53.02	48.12	86.77	106.93	192.82
3.	From Rs.1.51 to Rs.2.00	37.25	67.16	60.95	109.91	135.44	244.23
4.	From Rs.2.01 to Rs.3.00	55.87	100.75	91.42	164.86	203.16	366.35
5.	From Rs.3.01 to Rs.4.00	72.14	130.09	118.05	212.87	262.33	473.04
6.	From Rs.4.01 to Rs.5.00	90.18	162.61	147.56	266.09	327.91	591.30
7.	From Rs.5.01 to Rs.6.00	108.21	195.13	177.07	319.30	393.50	709.56
8.	Above Rs.6.00	8.21+1 7.64 x (P-6)	195.13+3 1.8 1 x (P- 6)	177.07 +28.87 x (P-6)	319.30+52.0 6 x (P-6)	393.50+ 64.15 x (P- 6)	709.56+115.6 9 x (P-6)
		Where 'P' above represents retail sale price of the pouch for which rate of duty is to be determined.					

Illustration - The rate of duty per packing machine per month for a pan masala pouch having retail sale price of Rs. 8.00 (i.e. 'P') packed with the aid of a machine having maximum packing speed, at which it can be operated for packing of pan masala pouch of the said retail sale price, of 600 pouches per minute shall be = Rs. 177.07+28.87 x (8-6) = Rs.234.81 lakh.";

(ii) in paragraph 3, for Table-2, the following shall be substituted, namely:-

"TABLE-2

S. No.	Duty	Duty ratio for pan masala	Duty ratio for pan masala containing tobacco
(1)	(2)	(3)	(4)
1.	The duty leviable under the Central Excise Act, 1944 (1 of 1944)	0.3725	0.7864
2.	The additional duty of excise leviable under section 85 of the Finance Act, 2005 (18 of 2005)	0.1765	0.1165
3.	National Calamity Contingent Duty leviable under section 136 of the Finance Act, 2001 (14 of 2001)	0.4510	0.0971
4.	Education Cess leviable under section 91 of the Finance Act, 2004 (23 of 2004)	0.0	0.0
5.	Secondary and Higher Education Cess leviable under section 136 of the Finance Act, 2007 (22 of 2007)	0.0	0.0."

[F. No. 334/7/2017 -TRU]

(Mohit Tewari)

Under Secretary to the Government of India

Note: - The principal notification No. 42/2008-Central Excise, dated the 1st July, 2008 was published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i) vide number G.S.R.492 (E), dated the 1st July, 2008 and last amended, vide notification No. 17/2016-Central Excise, dated the 1st, March, 2016, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), vide number G.S.R.234 (E), dated the 1st March 2016.

[TO BE PUBLISHED IN THE GAZETTE OF INDIA, EXTRA ORDINARY, PART II, SECTION
3, SUB SECTION (i)] GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF REVENUE)

Notification No. 5 / 2017- Central Excise

New Delhi, the 2nd February, 2017

G.S.R. (E).-In exercise of the powers conferred by sub-section (1) of section 5A of the Central Excise Act, 1944 (1 of 1944), the Central Government, being satisfied that it is necessary in the public interest so to do, hereby exempts all items of machinery, including instruments, apparatus and appliances, transmission equipment and auxiliary equipment (including those required for testing and quality control) and components, required for,-

- (a) initial setting up of fuel cell based system for generation of power or for demonstration purposes; or
- (b) balance of systems operating on bio-gas or bio-methane or by-product hydrogen,

so much of the duty of excise leviable thereon which is specified in the First Schedule to the Central Excise Tariff Act, 1985 (5 of 1986), as is in excess of 6% ad valorem, subject to the following conditions, namely:-

(1) before the clearance of the items from the factory, the manufacturer produces to the Deputy Commissioner of Excise or the Assistant Commissioner of Central Excise, as the case may be, a certificate from an officer not below the rank of a Deputy Secretary to the Government of India in the Ministry of New and Renewable Energy recommending the grant of this exemption and the said officer certifies that the items are required for,-

- (a) initial setting up of fuel cell based system for generation of power or for demonstration purposes; or
- (b) balance of systems operating on bio-gas or bio-methane or by-product hydrogen;

(2) the manufacturer furnishes an undertaking to the Deputy Commissioner of Central Excise or the Assistant Commissioner of Central Excise, as the case may be, having jurisdiction to the effect that the said items shall be used for the purposes as specified above and, if the manufacturer fails to fulfil this condition, he shall pay the duty which would have been leviable at the time of clearance of items, but for this exemption.

2. Nothing contained in this notification shall apply to said items after the 30th day of June, 2017.

[F.No.334/07/2017-TRU]

(Mohit Tewari)

Under Secretary to the Government of India

**[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. 6/2017-Central Excise**

New Delhi, the 2nd February, 2017

G.S.R. (E). - In exercise of the powers conferred by sub-section (1) of section 5A of the Central Excise Act, 1944 (1 of 1944), 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-Central Excise, dated the 17th March, 2012, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i) vide number G.S.R. 163(E), dated the 17th March, 2012, namely: -

In the said notification,-

- (a) in the opening paragraph,-
- (i) in the eighth proviso, for the figures, letters and words "31st day of March, 2017", the figures, letters and words "30th day of June, 2017" shall be substituted;
- (ii) after the eighth proviso, the following proviso shall be inserted, namely :-

"Provided also that nothing contained in this notification shall apply to goods specified against serial numbers 145 B, 145C, 148AAA, 187 C, 187 D, 256 C and 321 A of the said Table after the 30th day of June, 2017.";

(b) in the Table,

- (i) against serial number 48, for the entry in column (3), the entry "All goods other than paper rolled biris" shall be substituted;
- (ii) after serial number 48 and the entries relating thereto, the following serial numbers and entries shall be inserted, namely:-

(1)	(2)	(3)	(4)	(5)
"48A	2403 19 29	Hand made paper rolled biris	Rs.28 per thousand	-
48B	2403 19 29	Machine made paper rolled biris	Rs.78 per thousand	-";

- (iii) against serial number 128, for the entry in column (2), the entry "31 (except 3101)" shall be substituted;
- (iv) after serial number 145A and the entries relating thereto, the following serial numbers and entries shall be inserted, namely :-

(1)	(2)	(3)	(4)	(5)
"145 B	3815 90 00	Catalyst for use in the manufacture of cast components of Wind Operated	Nil	53

Electricity Generator				
145 C	3909 40 90	Catalyst for use in the manufacture of cast components of Wind Operated Electricity Generator	Nil	53";

- (v) after serial number 148AA and the entries relating thereto, the following serial number and entries shall be inserted, namely:-

(1)	(2)	(3)	(4)	(5)
"148AAA	3921 19 00	Membrane Sheet and Tricot / spacer for use in the manufacture of Reverse Osmosis (RO) membrane for household type filters	6%	2";

- (vi) for serial number 187C and the entries relating thereto, the following serial numbers and entries shall be substituted, namely :-

(1)	(2)	(3)	(4)	(5)
"187C	70	Solar tempered glass for use in the manufacture of:- (a) solar photovoltaic cells or modules; (b) solar power generating equipment or systems; (c) flat plate solar collectors; (d) solar photovoltaic module and panel for water pumping and other applications	6%	2
187D	Any Chapter	Parts / Raw material for use in the manufacture of Solar tempered glass for use in:- (a) solar photovoltaic cells or modules; (b) solar power generating equipment or systems (c) flat plate solar collectors; (d) solar photovoltaic module and panel for water pumping and other applications	6%	2";

- (vii) for serial number 195 and the entries relating thereto, the following serial number and entries, shall be substituted, namely:-

(1)	(2)	(3)	(4)	(5)
"195	7105 or 7112	(i) Dust and powder of natural precious or semiprecious stones; (ii) waste and scrap of precious metals or metals clad with precious metals, arising in course of manufacture of goods falling in Chapter 71.	Nil Nil	- 52A";

- (viii) against serial number 196, for the entry in column (5), the entry "52A" shall be substituted;
- (ix) in serial number 199, against item (III) of column (3), for the entry in column (5), the entry "52A" shall be substituted;

- (x) in serial number 200, against item (III) of column (3), for the entry in column (5), the entry "52A" shall be substituted;
- (xi) after serial number 256 B and the entries relating thereto, the following serial number and entries shall be inserted, namely:-

(1)	(2)	(3)	(4)	(5)
"256C	84 or 85	The following goods, namely :- (i) Micro ATMs as per standards version 1.5.1; (ii) Fingerprint reader / scanner; (iii) Iris scanner; (iv) Miniaturised POS card reader for mPOS (other than Mobile phone or Tablet Computer); (v) Parts and components for use in the manufacture of the goods mentioned at (i) to (iv) above.	Nil Nil Nil Nil Nil	- - - - 2";

- (xii) for serial number 321A and the entries relating thereto, the following serial number and entries shall be substituted, namely:-

(1)	(2)	(3)	(4)	(5)
"321 A	Any Chapter	All parts for use in the manufacture of LED lights or fixtures including LED Lamps	6%	2";

- (xiii) for serial number 332A and the entries relating thereto, the following serial number and entries shall be substituted, namely :-

(1)	(2)	(3)	(4)	(5)
"332A	Any Chapter	Parts (except solar tempered glass) consumed within the factory of production for the manufacture of goods specified in List 8	Nil	2"

[F.No.334/7/2017 -TRU]

(Mohit Tewari)

Under Secretary to the Government of India

Note - The principal notification was published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i) vide number G.S.R. 163(E), dated the 17th March, 2012 vide No. 12/2012-Central Excise, dated the 17th March, 2012 and was last amended vide number G.S.R. 22 (E), dated the 11th January 2017 vide notification No. 02/2012-Central Excise, dated the 11th January 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. 7/2017-Central Excise**

New Delhi, the 2nd February, 2017

G.S.R. (E).- In exercise of the powers conferred by sub-section (3) of section 3A of the Central Excise Act, 1944 (1 of 1944), the Central Government hereby makes the following further amendments in the notification of the Government of India in the Ministry of Finance (Department of Revenue) No. 16/2010-Central Excise, dated the 27th February, 2010, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), vide number G.S.R. 118 (E), dated the 27th February, 2010, namely :-

In the said notification, -

(a) in the first paragraph,-

(i) for Table-1, the Note and the Illustrations, the following shall be substituted, namely:-

"TABLE-1

S. No.	Retail sale price (Per pouch)	Rate of duty per packing machine per month (Rupee in lakh)						
		Chewing Tobacco (other than Filter Khaini)						Chewing tobacco (commonly known as Filter Khaini)
		Upto 300 pouches per minute		301 to 450 pouches per minute		451 pouches per minute and above		
(1)	(2)	(3)		(4)		(5)		(6)
		(3a)	(3b)	(4a)	(4b)	(5a)	(5b)	
1.	Upto Re. 1.00	32.39	30.77	46.28	43.96	98.34	93.42	19.67
2.	Exceeding Re. 1.00 but not exceeding Rs. 1.50	48.59	46.16	69.41	65.94	147.50	140.13	29.50
3.	Exceeding Re. 1.50 but not exceeding Rs. 2.00	58.31	55.07	83.30	78.67	177.01	167.17	37.37
4.	Exceeding	87.46	82.60	124.94	118.00	265.51	250.76	53.25

	g Re. 2.00 but not exceeding Rs. 3.00							
5.	Exceeding Re. 3.00 but not exceeding Rs. 4.00	108.84	102.36	155.49	146.23	330.41	310.74	67.45
6.	Exceeding Re. 4.00 but not exceeding Rs. 5.00	136.05	127.95	194.36	182.79	413.01	388.43	80.10
7.	Exceeding Re. 5.00 but not exceeding Rs. 6.00	163.26	153.54	233.23	219.35	495.61	466.11	91.31
8.	Exceeding Re. 6.00 but not exceeding Rs. 7.00	259.14	242.95	370.21	347.07	786.69	737.52	101.20
9.	Exceeding Re. 7.00 but not exceeding Rs. 8.00	259.14	242.95	370.21	347.07	786.69	737.52	109.87
10.	Exceeding Re. 8.00 but not exceeding Rs. 9.00	259.14	242.95	370.21	347.07	786.69	737.52	117.43
11.	Exceeding Re. 9.00 but not exceeding Rs. 10.00	259.14	242.95	370.21	347.07	786.69	737.52	123.95
12.	Exceeding Re. 10.00 but not exceeding Rs. 15.00	365.39	347.12	521.99	495.89	1109.23	1053.77	123.95+12.40 x (P - 10)
13.	Exceeding Re. 15.00 but not exceeding Rs. 20.00	457.96	435.06	654.23	621.52	1390.24	1320.73	
14.	Exceeding	538.10	511.20	768.72	730.28	1633.53	1551.85	

	g Re. 20.00 but not exceeding Rs. 25.00							
15.	Exceeding Re. 25.00 but not exceeding Rs. 30.00	606.98	576.63	867.12	823.76	1842.62	1750.49	
16.	Exceeding Re. 30.00 but not exceeding Rs. 35.00	665.66	632.37	950.94	903.39	2020.74	1919.70	
17.	Exceeding Re. 35.00 but not exceeding Rs. 40.00	715.10	679.35	1021.58	970.50	2170.85	2062.31	
18.	Exceeding Re. 40.00 but not exceeding Rs. 45.00	756.22	718.41	1080.32	1026.30	2295.68	2180.89	
19.	Exceeding Re. 45.00 but not exceeding Rs. 50.00	789.83	750.34	1128.33	1071.92	2397.71	2277.82	
20.	Above Rs. 50.00	$789.83 + 5.80 \times (P - 50)$	$750.34 + 5.01 \times (P - 50)$	$1128.33 + 22.57 \times (P - 50)$	$1071.32 + 21.44 \times (P - 50)$	$2397.71 + 47.95 \times (P - 50)$	$2277.82 + 45.56 \times (P - 50)$	
		Where 'P' above represents retail sale price of the pouch for which rate of duty is to be determined.						

Note:- For the purposes of entry in column (6), against Sl.No.12, the entry in column (2) shall be read as Rs. 10.01 and above. Illustration 1:- The rate of duty per packing machine per month for a chewing tobacco (other than filter khaini) pouch not containing lime tube having retail sale price of Rs.55.00 (i.e. 'P') packed with the aid of a machine having maximum packing speed, at which it can be operated for packing of chewing tobacco (other than filter khaini) pouch of the said retail sale price, of 450 pouches per minute, shall be = Rs. 1128.33 + 22.57 x (55-50) lakh = Rs. 1241.18 lakh.

Illustration 2:- The rate of duty per packing machine per month for a filter khaini pouch having retail sale price of Rs.15.00 (i.e. 'P') packed with the aid of a machine having any maximum packing speed shall be = $123.95+12.40 \times (15-10)$ = Rs. 185.95 lakh.”;

(ii) for TABLE-2 and the Illustration, the following shall be substituted, namely :-

“TABLE-2

S. No.	Retail sale price (Per pouch)	Rate of duty per packing machine per month (rupees in lakh)				
		Jarda Scented Tobacco			Unmanufactured Tobacco	
		Upto 300 pouches per minute	301 to 450 pouches per minute	451 pouches per minute and above	Any speed	
(1)	(2)	(3)	(4)	(5)	(6)	
					Without lime tube/ lime pouches (6a)	With lime tube/lime pouches (6b)
1.	Upto Re. 1.00	32.39	46.28	98.34	16.24	15.43
2.	Exceeding Re. 1.00 but not exceeding Rs. 1.50	48.59	69.41	147.50	24.36	23.14
3.	Exceeding Re. 1.50 but not exceeding Rs. 2.00	58.31	83.30	177.01	29.23	27.61
4.	Exceeding Re. 2.00 but not exceeding Rs. 3.00	87.46	124.94	265.51	43.85	41.42
5.	Exceeding Re. 3.00 but not exceeding Rs. 4.00	108.84	155.49	330.41	54.57	51.32
6.	Exceeding Re. 4.00 but not exceeding Rs. 5.00	136.05	194.36	413.01	68.21	64.15
7.	Exceeding Re. 5.00 but not exceeding Rs. 6.00	163.26	233.23	495.61	81.86	76.98
8.	Exceeding Re. 6.00 but not exceeding	259.14	370.21	786.69	129.93	121.81

	Rs. 7.00					
9.	Exceeding Re. 7.00 but not exceeding Rs. 8.00	259.14	370.21	786.69	129.93	121.81
10.	Exceeding Re. 8.00 but not exceeding Rs. 9.00	259.14	370.21	786.69	129.93	121.81
11.	Exceeding Re. 9.00 but not exceeding Rs. 10.00	259.14	370.21	786.69	129.93	121.81
12.	Exceeding Re. 10.00 but not exceeding Rs. 15.00	365.39	521.99	1109.23	183.20	174.04
13.	Exceeding Re. 15.00 but not exceeding Rs. 20.00	457.96	654.23	1390.24	229.62	218.13
14.	Exceeding Re. 20.00 but not exceeding Rs. 25.00	538.10	768.72	1633.53	269.80	256.31
15.	Exceeding Re. 25.00 but not exceeding Rs. 30.00	606.98	867.12	1842.62	304.33	289.12
16.	Exceeding Re. 30.00 but not exceeding Rs. 35.00	665.66	950.94	2020.74	333.75	317.06
17.	Exceeding Re. 35.00 but not exceeding Rs. 40.00	715.10	1021.58	2170.85	358.54	340.62
18.	Exceeding Re. 40.00 but not exceeding Rs. 45.00	756.22	1080.32	2295.68	379.16	360.20
19.	Exceeding Re. 45.00 but not exceeding	789.83	1128.33	2397.71	396.01	376.21

	Rs. 50.00					
20.	Above Rs. 50.00	$789.83+15.80 \times (P-50)$	$1128.33+22.57 \times (P-50)$	$2397.71+47.95 \times (P-50)$	$396.01+7.92 \times (P-50)$	$376.21+7.52 \times (P-50)$
		Where 'P' above represents retail sale price of the pouch for which rate of duty is to be determined.				

Illustration :- The rate of duty per packing machine per month for a jarda scented tobacco pouch having retail sale price of Rs. 55.00 (i.e. 'P') packed with the aid of a machine having maximum packing speed, at which it can be operated for packing of jarda scented tobacco pouch of the said retail sale price, of 400 pouches per minute, shall be = Rs. $1128.33+22.57 \times (55-50)$ = Rs. 1241.18 lakh.";

(b) in paragraph 3, for Table-3, the following shall be substituted, namely :-

"TABLE-3

S. No.	Duty	Duty ratio for Unmanufactured Tobacco	Duty ratio for Chewing Tobacco/ Jarda Scented Tobacco/Filter Khaini
(1)	(2)	(3)	(4)
1.	The duty leviable under the Central Excise Act, 1944 (1 of 1944)	0.8852	0.7864
2.	The additional duty of excise leviable under section 85 of the Finance Act, 2005 (18 of 2005)	0.1148	0.1165
3.	National Calamity Contingent Duty leviable under section 136 of the Finance Act, 2001 (14 of 2001)	0.0	0.0971
4.	Education Cess leviable under section 91 of the Finance Act, 2004 (23 of 2004)	0.0	0.0
5.	Secondary and Higher Education Cess leviable under section 136 of the Finance Act, 2007 (22 of 2007)	0.0	0.0."

[F.No. 334 / 7 /2017 -TRU]

(Mohit Tewari)
Under Secretary to the Government of India

Note: - The principal notification No. 16/2010-Central Excise, dated the 27th February, 2010 was published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i) vide number G.S.R. 118 (E), dated the 27th February, 2010 and last amended vide notification No. 16/2016 Central Excise, dated the 1st March, 2016, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i) vide number G.S.R. 233 (E), dated the 1st March, 2016.

**[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. 2 /2017-Central Excise (N.T.)

New Delhi, the 2nd February, 2017

G.S.R. (E). - In exercise of the powers conferred by sub-sections (2) and (3) of section 3A of the Central Excise Act, 1944 (1 of 1944), the Central Government hereby makes the following rules further to amend the Pan Masala Packing Machines (Capacity Determination And Collection of Duty) Rules, 2008, namely :-

1. (1) These rules may be called the Pan Masala Packing Machines (Capacity Determination And Collection of Duty) Amendment Rules, 2017.

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

2. In the Pan Masala Packing Machines (Capacity Determination And Collection of Duty) Rules, 2008, in FORM - 2, in serial number 4, for item (iv), the following shall be substituted, namely:-

“(iv) Break-up of duty payment for apportionment between various duties is as per details below:-

Sl. No.	Duty	Duty ratio for pan masala	Duty paid (in rupees)	Duty ratio for pan masala containing tobacco	Duty paid (in rupees)
(1)	(2)	(3)	(4)	(5)	(6)
1.	The duty leviable under the Central Excise Act, 1944 (1 of 1944)	0.3725		0.7864	
2.	The additional duty of excise leviable under section 85 of the Finance Act, 2005 (18 of 2005)	0.1765		0.1165	
3.	National Calamity Contingent Duty leviable under section 136 of the Finance Act, 2001 (14 of 2001)	0.4510		0.0971	
4.	Education Cess leviable under section 91 of the Finance Act, 2004 (23 of 2004)	0.0		0.0	
5.	Secondary and Higher Education Cess leviable under section 136 of the Finance Act, 2007 (22 of 2007)	0.0		0.0.”	

[F No.334/ 7 /2017-TRU]

(Mohit Tewari)
Under 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), dated the 1st July, 2008 by notification No.30/2008-Central Excise (N.T.), dated the 1st July, 2008, vide number G.S.R. 491 (E), dated the 1st July, 2008 and last amended vide notification No. 9/2016-Central Excise (N.T.), dated the 1st March, 2016, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-Section (i), vide number G.S.R. 240 (E), dated the 1st March, 2016.

**[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. 3/2017- Central Excise (N.T.)

New Delhi, the 2nd February, 2017

G.S.R. (E). - In exercise of the powers conferred by sub-sections (2) and (3) of section 3A of the Central Excise Act, 1944 (1 of 1944), the Central Government hereby makes the following rules further to amend the Chewing Tobacco and Unmanufactured Tobacco Packing Machines (Capacity Determination and Collection of Duty) Rules, 2010, namely:-

1. (1) These rules may be called the Chewing Tobacco and Unmanufactured Tobacco Packing Machines (Capacity Determination and Collection of Duty) Amendment Rules, 2017.
(2) They shall come into force on the date of their publication in the Official Gazette.
2. In the Chewing Tobacco and Unmanufactured Tobacco Packing Machines (Capacity Determination and Collection of Duty) Rules, 2010, -
(i) in FORM - 2, in serial number 4, in item (iv), after the Table and Illustration, for the Table, the following shall be substituted, namely:-

"TABLE

S. No.	Duty	Break-up of total duty (as per duty ratios already prescribed)	CENVAT Credit available	CENVAT Credit utilised for payment of duty	Cash payment of duty
(1)	(2)	(3)	(4)	(5)	(6)
1	The duty leviable under the Central Excise Act, 1944 (1 of 1944)	786408	10000	10000	776408
2	The additional duty of excise leviable under section 85 of the Finance Act, 2005 (18 of 2005)	116505	1000	1000	115505
3	National Calamity Contingent Duty leviable under section 5 of the Finance Act, 2001 (4 of 2001)	97087	1500	1500	95587
4	Education Cess leviable under section 91 of the Finance Act, 2004 (23 of 2004)	0.0	0.0	0.0	0.0
5	Secondary and	0.0	0.0	0.0	0.0

Higher Education Cess leviable under section 136 of the Finance Act, 2007 (22 of 2007)					
Total Duty	1000000	12500	12500	987500."	

[F No.334/7 /2017-TRU]

(Mohit Tewari)
Under 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), dated the 27th February, 2010 vide notification No.11/2010- Central Excise (N.T.), dated the 27th February, 2010, vide number G.S.R.127 (E), dated the 27th February, 2010 and were last amended vide notification No.10/2016-Central Excise (N.T.), dated the 1st March, 2016, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-Section (i), vide number G.S.R. 241 (E), dated the 1st March, 2016.

[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. 4/2017- Central Excise (N.T.)

New Delhi, the 2nd February, 2017

G.S.R. (E).- In exercise of the powers conferred by section 37 of the Central Excise Act, 1944 (1 of 1944) and section 94 of the Finance Act, 1994 (32 of 1994), the Central Government hereby makes the following rules further to amend the CENVAT Credit Rules, 2004, namely:-

- (1) These rules may be called the CENVAT Credit (Amendment) Rules, 2017.
(2) They shall come into force on the date of their publication in the Official Gazette.
- In the CENVAT Credit Rules, 2004 (hereinafter referred to as the said rules), in rule 6, in subrule (3D), in Explanation I, in clause (e), the following proviso shall be inserted, namely:-

“Provided that this clause shall not apply to a banking company and a financial institution including a non-banking financial company, engaged in providing services by way of extending deposits, loans or advances”

- In rule 10 of the said rules, after sub-rule (3), the following sub-rule shall be inserted, namely:-

“(4) Subject to the provisions contained in sub-rule (3), the transfer of the CENVAT Credit shall be allowed within a period of three months from the date of receipt of application by the Deputy Commissioner of Central Excise or Assistant Commissioner of Central Excise, as the case may be:

Provided that the period specified in this sub-rule may, on sufficient cause being shown and reasons to be recorded in writing, be extended by the Principal Commissioner of Central Excise or Commissioner of Central Excise, as the case may be, for a further period not exceeding six months”

[F.No.334/7/2017-TRU]

(Mohit Tewari)
Under 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 notification No. 23/2004 - Central Excise (N.T.), dated the 10th September, 2004, vide number G.S.R. 600(E), dated the 10th September, 2004 and last amended vide notification No. 45/2016 - Central Excise (N.T.), dated the 20th September, 2016 published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), vide number G.S.R. 896(E), dated the 20th September, 2016.

[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. 5/2017 - Central Excise (N.T.)

New Delhi, the 2nd February, 2017

G.S.R. (E).- In exercise of the powers conferred by section 37 of the Central Excise Act, 1944 (1 of 1944), the Central Government hereby makes the following rules further to amend the Central Excise Rules, 2002, namely :-

1. (1) These rules may be called the Central Excise (Amendment) Rules, 2017.
(2) They shall come into force on the date of their publication in the Official Gazette.
2. In the Central Excise Rules, 2002, rule 21 shall be re-numbered as sub-rule (1) thereof, and after sub-rule (1) as so re-numbered, the following sub-rule shall be inserted, namely:-
“(2) The authority referred to in sub-rule (1) shall, within a period of three months from the date of receipt of an application, decide the remission of duty:

Provided that the period specified in this sub-rule may, on sufficient cause being shown and reasons to be recorded in writing, be extended by an authority next higher than the authority before whom the application for remission of duty is pending, for a further period not exceeding six months.”.

[F. No. 334/7/2017-TRU]

(Mohit Tewari)
Under 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 Notification No. 04/2002 - Central Excise (N.T.), dated the 1st March, 2002, vide, number G.S.R. 143(E), dated the 1st March, 2002 and last amended vide Notification No. 35/2016 - Central Excise (N.T.), dated the 26th July, 2016 published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), vide, number G.S.R. 734(E), dated the 26th July, 2016.

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. 3/2017-Customs**

New Delhi, the 2nd February, 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. 27/2011-Customs, dated the 1st March, 2011, published in the Gazette of India, Extraordinary, vide number G.S.R.153(E), dated the 1st March, 2011, namely :-

In the said notification, in the Table, after serial number 24D and the entries relating thereto, the following serial numbers and entries shall be inserted, namely:-

"24E.	2606 00 90	Other aluminium ores including laterite	15%;
24F.	2606 00 90	All goods, other than goods mentioned at serial number 24E	Nil"

[F.No.334/7/2017 -TRU]

(Mohit Tewari)
Under Secretary to the Government of India

Note.- The principal notification No.27/2011-Customs, dated the 1st March, 2011 was published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), vide number G.S.R. 153(E), dated the 1st March, 2011 and last amended, vide notification No.43/2016-Customs, dated the 26th July, 2016, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), vide number G.S.R.740(E), dated the 26th July, 2016.

**[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. 4/2017 - Customs**

New Delhi, the 2nd February, 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. 21/2012-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. 194(E), dated the 17th March, 2012, namely:-

In the said notification, -

- i. in the opening paragraph, after the first proviso, the following proviso shall be inserted, namely:-
“Provided that nothing contained in this notification shall apply to goods specified against serial number 14 H, 14-I and 85 B of the Table after the 30th day of June, 2017;”
- ii. in the Table, -
 - (a) against serial number 1, in column (3), for the words “tablet computer” the words, “mobile phones or tablet computer” shall be substituted;
 - (b) after serial number 14 G and the entries relating thereto, the following serial numbers and entries shall be inserted, namely:-

(1)	(2)	(3)	(4)
“14 H	3815 90 00	Catalyst for use in the manufacture of cast components of Wind Operated Electricity Generator: Provided that the exemption under this notification shall be subject to condition No. 46 annexed to the notification of the Government of India in the Ministry of Finance (Department of Revenue), No. 12/2012- Customs, dated the 17th March, 2012 vide G.S.R. 185(E), dated the 17th March, 2012.	Nil
14-I	3909 40 90	Resin for use in the manufacture of cast components of Wind Operated Electricity Generator: Provided that the exemption under this notification shall be subject to condition No. 46 annexed to the notification of the Government of India in the Ministry of Finance (Department of Revenue), No. 12/2012- Customs, dated the 17th March, 2012 vide G.S.R. 185(E), dated the 17th March, 2012.	Nil”;

- (c) after serial number 85A and the entries relating thereto, the following serial number and entries shall be inserted, namely:-

(1)	(2)	(3)	(4)
“85 B	8517 70	Populated Printed Circuit Boards (PCBs) for use in the manufacture of mobile phones : Provided that the	2%”

	importer shall follow the procedure set out in the Customs (Import of Goods at Concessional Rate of Duty for Manufacture of Excisable Goods) Rules, 2016	
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[F. No. 334/07/2017-TRU]

(Mohit Tewari)

Under Secretary to the Government of India

Note: The principal notification No. 21/2012-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. 194(E), dated the 17th March, 2012 and last amended by notification No. 31/2016-Customs dated the 5 th May, 2016 vide number G.S.R. 486(E), dated the 5th May, 2016.

[TO BE PUBLISHED IN THE GAZETTE OF INDIA, EXTRA ORDINARY, PART II,
SECTION 3, SUB SECTION (i)]
GOVERNMENT OF INDIA
MINISTRY OF FINANCE
(DEPARTMENT OF REVENUE)

Notification No. 5 / 2017 - Customs

New Delhi, the 2nd February, 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 exempts all items of machinery, including, instruments, apparatus and appliances, transmission equipment and auxiliary equipment (including those required for testing and quality control) and components, required for,-

- (a) initial setting up of fuel cell based system for generation of power or for demonstration purposes; or
- (b) balance of systems operating on bio-gas or bio-methane or by-product hydrogen,

when imported into India, from so much of the duty of customs leviable thereon which is specified in the First Schedule to the Customs Tariff Act, 1975 (51 of 1975), as is in excess of 5% ad valorem, subject to the following conditions, namely:-

(1) the importer produces to the Deputy Commissioner of Customs or the Assistant Commissioner of Customs, as the case may be, a certificate indicating the quantity, description and specification of such items, from an officer not below the rank of a Deputy Secretary to the Government of India in the Ministry of New and Renewable Energy recommending grant of the exemption to the items as required for,-

- (a) initial setting up of fuel cell based system for generation of power or for demonstration purposes; or
- (b) balance of systems operating on bio-gas or bio-methane or by-product hydrogen;

(2) the importer furnishes an undertaking to the Deputy Commissioner of Customs or the Assistant Commissioner of Customs, as the case may be, that such imported items shall be used for the purposes as specified above and, if the importer fails to comply with this condition, he shall be liable to pay, in respect of such items as is not proved to have been so used, an amount equal to the difference between the duty leviable on such items but for the exemption under this notification and that already paid at the time of importation.

[F. No. 334/07/2017-TRU]

(Mohit Tewari)
Under Secretary to the Government of India

**[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. 6/2017-Customs**

New Delhi, the 2nd February, 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,-

(a) in the Table,-

(i) against serial number 138, for the entry in column (4), the entry "2.5%" shall be substituted;

(ii) after serial number 172A and the entries relating thereto, the following serial number and entries shall be inserted, namely:-

(1)	(2)	(3)	(4)	(5)	(6)
"172B	2902 41 00	o-Xylene	Nil	-	-";

(iii) for serial number 181A and the entries relating thereto, the following serial number and entries shall be substituted, namely:-

(1)	(2)	(3)	(4)	(5)	(6)
"181A	2914 61 00, 2914 69 90	Anthraquinone or 2-Ethyl Anthraquinone, for use in manufacture of Hydrogen Peroxide	2.5%	-	5";

(iv) against serial number 182, for the entry in column (3), the entry "Purified Terephthalic Acid (PTA), Medium Quality Terephthalic Acid (MTA) and Qualified Terephthalic Acid (QTA)" shall be substituted;

(v) after serial number 208 and the entries relating thereto, the following serial numbers and entries shall be inserted, namely:-

(1)	(2)	(3)	(4)	(5)	(6)
"208A	3201 20 00	Wattle extract	2.5%	-	-
208B	3201 90 20	Myrobalan fruit extract	2.5%	-	-";

(vi) after serial number 214 and the entries relating thereto, the following serial number and entries shall be inserted, namely:-

(1)	(2)	(3)	(4)	(5)	(6)
"214A	3404 20 00	Vinyl Polyethylene Glycol for	7.5%	-	5";

		use in manufacture of Poly Carboxylate Ether			
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(vii) after serial number 230 B and the entries relating thereto, the following serial numbers and entries shall be inserted, namely:-

(1)	(2)	(3)	(4)	(5)	(6)
"230C	3815 90 00	Catalyst for use in the manufacture of cast components of Wind Operated Electricity Generator	5%	-	46
230 D	3909 40 90	Resin for use in the manufacture of cast components of Wind Operated Electricity Generator	5%	-	46";

(viii) after serial number 294 and the entries relating thereto, the following serial number and entries shall be inserted, namely :-

(1)	(2)	(3)	(4)	(5)	(6)
"294A	5404 19 90	Monofilament yarn	5%	-	29A";

(ix) against serial number 305A, for the entry in column (4), the entry "Nil" shall be substituted;

(x) for serial number 324 and the entries relating thereto, the following serial number and entries, shall be substituted, namely:-

(1)	(2)	(3)	(4)	(5)	(6)
"324	71	(i) Silver, in any form, other than medallions and silver coins having silver content not below 99.9% or semi-manufactured forms of silver falling under sub-heading 7106 92;	10%	Nil	-
		(ii) Medallions and silver coins having silver content not below 99.9% or semi-manufactured forms of silver falling under sub-heading 7106 92, other than imports of such goods through post, courier or baggage Explanation. - For the purposes of this entry, silver in any form shall not include foreign currency coins, jewellery made of silver or articles made of silver.";	10%	-	-

(xii) against serial number 337, for the entry in column (4), the entry "Nil" shall be substituted;

(xiii) after serial number 371D and the entries relating thereto, the following serial number and entries shall be inserted, namely:-

(1)	(2)	(3)	(4)	(5)	(6)
"371E	2818 20 90	Clay 2 Powder (Alumax) for use	5%	-	5";

		in ceramic substrate for catalytic convertors			
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(xiv) after serial number 400 and the entries relating thereto, the following serial number and entries shall be inserted, namely :-

(1)	(2)	(3)	(4)	(5)	(6)
"400A	8421 99 00	All goods other than Reverse Osmosis (RO) membrane element for household type filters	7.5%	-	-";

(xv) against serial number 406B, for the entry in column (3), the entry "Ball screws for use in the manufacture of CNC Lathes (tariff items 8458 11 00, 8458 91 00), Machining Centres (tariff items 8457 10 10, 8457 10 20) or all types of CNC machine tools falling under headings 8456 to 8463" shall be substituted;

(xvi) against serial number 406C, for the entry in column (3), the entry "Linear Motion Guides for use in the manufacture of CNC Lathes (tariff items 8458 11 00, 8458 91 00), Machining Centres (tariff items 8457 10 10, 8457 10 20) or all types of CNC machine tools falling under headings 8456 to 8463" shall be substituted;

(xvii) against serial number 406D, for the entry in column (3), the entry "CNC Systems for use in the manufacture of CNC Lathes (tariff items 8458 11 00, 8458 91 00), Machining Centres (tariff items 8457 10 10, 8457 10 20) or all types of CNC machine tools falling under headings 8456 to 8463" shall be substituted;

(xviii) after serial number 408 and the entries relating thereto, the following serial number and entries shall be inserted, namely:-

(1)	(2)	(3)	(4)	(5)	(6)
"408A	84 or 85	The following goods, namely :- (i) Micro ATMs as per standards version 1.5.1; (ii) Fingerprint reader / scanner; (iii) Iris scanner; (iv) Miniaturised POS card reader for mPOS (other than Mobile phone or Tablet Computer); (v) Parts and components for use in the manufacture of the goods mentioned at (i) to (iv) above.	5% Nil Nil Nil Nil	- - - - -	5"; - - - 5";

(xix) after serial number 410 and the entries relating thereto, the following serial numbers and entries shall be inserted, namely:-

(1)	(2)	(3)	(4)	(5)	(6)
-----	-----	-----	-----	-----	-----

"410 A	Any Chapter	All parts for use in the manufacture of LED lights or fixtures including LED Lamps	5%	-	5
410 B	Any Chapter	All inputs for use in the manufacture of LED (Light Emitting Diode) driver or MCPCB (Metal Core Printed Circuit Board) for LED lights and fixtures or LED Lamps	5%	-	5";

(xx) against serial number 519, for the entry in column (3), the entry "Goods imported through postal parcels, packets and letters, the CIF value of which is not more than one thousand rupees per consignment" shall be substituted;

(b) in the Annexure,

(i) in Condition No.27, for condition the following condition shall be substituted, namely:-

"(b) The total value of goods imported shall not exceed 5% of the FOB value of leather footwear or synthetic footwear or other leather products, exported during the preceding financial-year;"

(ii) after Condition No.29, the following condition shall be inserted, namely:-

Condition No.	Condition
"29A	If at the time of importation, the importer produces a certificate from an officer not below the rank of Director to the Government of India in the Marine Products Export Development Authority, in the Ministry of Commerce and Industry, Government of India to the effect that the imported goods are for use in monofilament long line system intended to be used for tuna fishing." ;

(iii) in Condition No.40A, after clause (d), the following clause shall be inserted, namely:-

"(e) where the goods so imported are sought to be disposed of, the importer or the transferee, as the case may be, may pay the duty of customs which would have been payable but for the exemption contained herein, on the depreciated value of such goods subject to the condition that the importer or the transferee, as the case may be, produces before the Assistant Commissioner of Customs or Deputy Commissioner of Customs, as the case may be, having jurisdiction over the port of import, a certificate from a duly authorised officer of the Directorate General of Hydro Carbons in the Ministry of Petroleum and Natural Gas, Government of India, to the effect that the said goods are no longer required for the petroleum operations or coal bed methane operations, and the depreciated value of the goods shall be equal to the original value of the goods at the time of import reduced by the percentage points calculated by straight line method as specified below for each quarter of a year or part thereof from the date of clearance of the goods, namely:-

- (i) for each quarter in the first year at the rate of 4 per cent.;
- (ii) for each quarter in the second year at the rate of 3 per cent.;
- (iii) for each quarter in the third year at the rate of 2.5 per cent.; and
- (iv) for each quarter in the fourth year and subsequent years at the rate of 2 per cent.,

subject to the maximum of 70 per cent.”;

(c) in List 5, item 23 and the entries relating thereto shall be omitted.

[F. No. 334/7/2017-TRU]

(Mohit Tewari)

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.62/2016- Customs, dated the 31st December, 2016, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i) vide number G.S.R. 1202(E), dated the 31st December, 2016.

[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. 08/2017-CUSTOMS (N.T.)**

New Delhi, 31st January, 2017
 11 Magha, 1938 (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	822
2	1511 90 10	RBD Palm Oil	851
3	1511 90 90	Others - Palm Oil	837
4	1511 10 00	Crude Palmolein	859
5	1511 90 20	RBD Palmolein	862
6	1511 90 90	Others - Palmolein	862
7	1507 10 00	Crude Soya bean Oil	879
8	7404 00 22	Brass Scrap (all grades)	3155
9	1207 91 00	Poppy seeds	2579

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 321 and 323 of the Notification No. 12/2012-Customs dated 17.03.2012 is availed	388 per 10 grams
2	71 or 98	Silver, in any form, in respect of which the benefit of entries at serial number 322 and 324 of the Notification No. 12/2012-Customs dated 17.03.2012 is	556 per kilogram

		availed	
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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	2613''

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

(Kshitendra Verma)

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. 04/2017-Customs (N.T.), dated the 13th January, 2017, e-published in the Gazette of India, Extraordinary, Part-II, Section-3, Sub-section (ii), vide number S. O. 122(E), dated 13th January, 2017.

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
(DEPARTMENT OF REVENUE)
(CENTRAL BOARD OF EXCISE AND CUSTOMS)
Notification No. 09/2017 - Customs (N.T.)

New Delhi, dated the 2nd February, 2017
13 Magha, 1938 (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.5/2017-CUSTOMS (N.T.), dated 19th January, 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 03rd February, 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	52.50	50.70
2.	Bahrain Dinar	185.50	173.10
3.	Canadian Dollar	52.70	51.10
4.	Danish Kroner	10.00	9.60
5.	EURO	74.20	71.70
6.	Hong Kong Dollar	8.80	8.60
7.	Kuwait Dinar	229.05	214.35
8.	New Zealand Dollar	50.25	48.50
9.	Norwegian Kroner	8.35	8.05
10.	Pound Sterling	87.05	84.20
11.	Singapore Dollar	48.60	47.15
12.	South African Rand	5.20	4.85
13.	Saudi Arabian Riyal	18.60	17.45
14.	Swedish Kroner	7.85	7.60
15.	Swiss Franc	69.25	67.05
16.	UAE Dirham	19.00	17.80
17.	US Dollar	68.40	66.70
18.	Chinese Yuan	10.00	9.65
19.	Qatari Riyal	19.15	18.10

SCHEDULE-II

S.NO.	FOREIGN CURRENCY	Rate of exchange of 100 units of foreign currency equivalent to Indian rupees
(1)	(2)	(3)

		(a)	(b)
		(For Imported Goods)	(For Export Goods)
1.	Japanese Yen	60.95	58.95
2.	Kenya Shilling	67.25	62.90

[F.No. 468/01/2017-Cus.V]

(Kshitendra Verma)
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