



## BMC Advisors

Corporate Laws and Intellectual Property Rights Consultants



### What's Inside

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

# ***WEEKLY UPDATES***

***OCTOBER 30<sup>TH</sup>, 2017-NOVEMBER 5<sup>TH</sup>, 2017***

## INDEX

<b>SEBI UPDATE</b>	
Online Registration Mechanism and Filing System for Clearing Corporations for webupload	4
<b>RBI UPDATE</b>	
Introduction of Legal Entity Identifier for large corporate borrowers	5-6
<b>INCOME TAX UPDATE</b>	
Notification No. 91/2017 [F.No. 225/216/2017-ITA-II]	7-8
Income-tax (Twenty-fourth Amendment) Rules, 2017	9-12
Clarification on Cash sale of agricultural produce by Cultivators/ Agriculturists	13
<b>CUSTOM UPDATE</b>	
Implementing Electronic Sealing for Containers by exporters under self-sealing procedure prescribed by circular 26/2017-Cus dated 1 <sup>st</sup> July 2017, circular 36/2017 dated 28.8.2017 and 37/2017 dated 20.9.2017 - reg.	14-17
Seeks to amend notification No. 16/2017-Customs dated the 20th April, 2017.	18
Tariff Notification in respect of Fixation of Tariff Value of Edible Oils, Brass Scrap, Poppy Seeds, Areca Nut, Gold and Sliver- Reg.	19-20
Exchange rates notification No.102 dated 1.11.2017.	21
Exchange Rates Notification No.103/2017-Custom(NT) dated 2.11.2017	22-23
<b>GST UPDATE</b>	
Seeks to amend Notification no. 30/2017-Central Tax dated 11.09.2017 so as to extend the due date for filing FORM GSTR-2 and FORM GSTR-3 for the month of July, 2017	24

# SEBI UPDATES

## CIRCULAR

SEBI/HO/MRD/DRMNP/CIR/P/2017/119

November 03, 2017

To,

All Recognised Clearing Corporations  
Dear Sir / Madam,

**Subject: Online Registration Mechanism and Filing System for Clearing Corporations**

1. In order to ease the process of application for recognition / renewal, reporting and other filings in terms Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2012 and other circulars issued from time to time, SEBI has introduced a digital platform for online filings related to Clearing Corporations.
2. All applicants desirous of seeking registration / renewal as a Clearing Corporation in terms of Regulation 4 and 12 of the Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2012, shall now submit their applications online only, through SEBI Intermediary Portal at <https://siportal.sebi.gov.in>.
3. Further, all other filings including Annual Financial Statements and Returns, Monthly Development Report, Rules, Bye-laws, etc., shall also be submitted online.
4. The aforesaid online registration and filing system for Clearing Corporations is operational. Recognised Clearing Corporations are advised to note the same for immediate compliance.
5. 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 SEBI Portal helpline on 022- 26449364 or may write at [portalhelp@sebi.gov.in](mailto:portalhelp@sebi.gov.in).
6. This circular is being issued in exercise of 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,  
Sanjay Puro  
General Manager  
Tel: +91 22 2644 9343  
e-mail: [sanjayp@sebi.gov.in](mailto:sanjayp@sebi.gov.in)

## RBI UPDATES

RBI/2017-18/82

DBR.No.BP.BC.92/21.04.048/2017-18

November 02, 2017

All Scheduled Commercial Banks (Excluding Regional Rural Banks),  
All India Financial Institutions (Exim Bank, SIDBI, NHB, NABARD),  
Local Area Banks, Small Finance Banks

Madam/Dear Sir,

### **Introduction of Legal Entity Identifier for large corporate borrowers**

The Legal Entity Identifier (LEI) code is conceived as a key measure to improve the quality and accuracy of financial data systems for better risk management post the Global Financial Crisis. LEI is a 20-digit unique code to identify parties to financial transactions worldwide.

2. The LEI for the participants of the OTC derivatives market has since been implemented vide circular RBI/2016-17/314 FMRD.FMID No.14/11.01.007/2-16-17 dated June 01, 2017 in a phased manner.

3. In the Statement on Developmental and Regulatory Policies dated October 4, 2017 it was indicated that LEI system for all borrowers of banks having total fund based and non-fund based exposure of Rs. 5 crore and above will be introduced in a phased manner (extract enclosed). Accordingly, it has been decided that the banks shall advise their existing large corporate borrowers having total exposures of Rs. 50 crore and above to obtain LEI as per the schedule given in the Annex. Borrowers who do not obtain LEI as per the schedule are not to be granted renewal / enhancement of credit facilities. A separate roadmap for borrowers having exposure between Rs.5 crore and upto Rs. 50 crore would be issued in due course.

4. Banks should encourage large borrowers to obtain LEI for their parent entity as well as all subsidiaries and associates.

5. Entities can obtain LEI from any of the Local Operating Units (LOUs) accredited by the Global Legal Entity Identifier Foundation (GLEIF) – the entity tasked to support the implementation and use of LEI. In India, LEI code may be obtained from Legal Entity Identifier India Ltd (LEIIL), a subsidiary of the Clearing Corporation of India Limited (CCIL), which has been recognised by the Reserve Bank as issuer of LEI under the Payment and Settlement Systems Act, 2007 and is accredited by the GLEIF as the Local Operating Unit (LOU) in India for issuance and management of LEI.

6. The rules, procedure and documentation requirements may be ascertained from LEIIL.

7. After obtaining LEI code, banks shall also ensure that borrowers renew the codes as per GLEIF guidelines.

8. These directions are issued under Section 21 and Section 35(A) of the Banking Regulation Act, 1949.

Yours faithfully,

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

**Extracts from Statement on Developmental and Regulatory Policies dated October 4, 2017**

**5. Legal Entity Identifier (LEI)** - It has been decided to require banks to make it mandatory for corporate borrowers having aggregate fund-based and non-fund based exposure of Rs. 5 crore and above from any bank to obtain Legal Entity Identifier (LEI) registration and capture the same in the Central Repository of Information on Large Credits (CRILC). This will facilitate assessment of aggregate borrowing by corporate groups, and monitoring of the financial profile of an entity/group. This requirement will be implemented in a calibrated, but time-bound manner. Necessary instructions will be issued by end-October 2017.

*Annex*

**Schedule for implementation of LEI**

<b>Total Exposure to SCBs</b>	<b>To be completed by</b>
Rs. 1000 crore and above	Mar 31, 2018
Between Rs. 500 crore and Rs. 1000 crore	Jun 30, 2018
Between Rs. 100 crore and Rs. 500 crore	Mar 31, 2019
Between Rs. 50 crore and Rs. 100 crore	Dec 31, 2019

# INCOME TAX UPDATES

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

**Government of India  
Ministry of Finance  
Department of Revenue  
Central Board of Direct Taxes**

New Delhi, the 30<sup>TH</sup> of October, 2017

## NOTIFICATION

In exercise of the powers conferred by clause (iii) in the Explanation of clause (e) of the proviso to sub-section (5) of Section 43 of the Income-tax Act, 1961 (43 of 1961) read with sub-rule (4) of Rule 6DDD of the Income-tax Rules, 1962. The Central Government hereby notifies **Indian commodity Exchange limited (PAN:AABCI9419D)** as a '**recognised association**' for the purpose of said clause with effect from the date of publication of this notification in the Official Gazette.

2. The Central Government shall withdraw the recognition granted to Indian Commodity Exchange Limited, if it

- (i) ceases to have the approval of the Forward Markets Commission established under the Forward Contracts (Regulation) Act, 1952 (74 of 1952)(merged with Securities and Exchange Board Of India vide Gazette Notification No. S.O. 2630(E) dated 24.09.2015) in respect of trading in derivatives and shall function in accordance with the guidelines or conditions laid down by it; or
- (ii) fails to ensure that the particulars of the client (including unique client identity number and PAN) are duly recorded and stored in its databases; or
- (iii) fails to maintain a complete audit trail of all transactions (in respect of derivative market) for a period of seven years on its system; or
- (iv) fails to ensure that transactions (in respect of derivative market) once registered in the system are not erased; or
- (v) fails to ensure that the transactions (in respect of derivative market) once registered in the system are modified only in cases of genuine error (as mentioned in Circular of SEBI dated 19.08.2016 in SEBI/HO/COMRD/OMP/CIR/P/2016/73) and maintain data regarding all transactions (in respect of derivative market) registered in the system which have been modified and submit a monthly statement in Form No. 3BC to the Director General of Income-tax (Intelligence and Criminal Investigation), New Delhi within fifteen days from the last day of each month to which such statement relates.

3. This notification shall remain in force.

- a. until the approval granted by the Securities and Exchange Board of India is withdrawn or expires; or
- b. if any of the conditions stipulated in para 2 above, are violated; or

- c. under exercise of powers vested in Central Government under sub-rule (5) of rule 600D of the Income tax Rules, 1962, this notification shall stand rescinded on 31.10.2018 with liberty to the applicant to file a fresh application for approval under clause (e) of the proviso to sub-section (5) of section 43 of the Act for the subsequent period.

Whichever is earlier.

(Ankita Pandey)  
Under Secretary (ITA-II), CBDT

**The Explanatory Memorandum as appended in Annexure**

**Notification No. 9 /2017  
(F. No. 225/216/2017-ITA-II)**

**Annexure**

**\*Explanatory Memorandum in respect of Notification S.O ..... dated.....**

An 'eligible transaction' in respect of trading in derivatives carried out on Indian Commodity Exchange Limited (PAN Number: AABC19479D) with effect from ..... shall not be deemed to be speculative transaction. The expression 'eligible transaction' is defined in clause (ii) of the Explanation of clause (e) of the proviso to subsection (5) of section 43 of the Income-tax Act, 1961.



**MINISTRY OF FINANCE**  
**(Department of Revenue)**  
**(CENTRAL BOARD OF DIRECT TAXES)**  
**NOTIFICATION**  
New Delhi, the 31<sup>st</sup>, October, 2017  
**INCOME-TAX**

**S.O. 3497(E).** – In exercise of the powers conferred by proviso to sub-section (1) of section 92D and subsection (8) of section 286 read with section 295 of the Income-tax Act, 1961 (43 of 1961), the Central Board of Direct Taxes hereby makes the following rules further to amend the Income-tax Rules, 1962, namely:-

**1. Short title and commencement.**

- (1) These rules may be called the Income-tax (Twenty-fourth Amendment) Rules, 2017.
- (2) They shall come into force from the date of its publication in the Official Gazette.

2. In the Income-tax Rules, 1962 (hereafter referred to as the Principal Rules), in Part II, after rule 10D, the following rules shall be inserted, namely:-

***“Information and documents to be kept and maintained under proviso to sub-section (1) of section 92D and to be furnished in terms of sub-section (4) of section 92D.***

**10DA.** (1) Every person, being a constituent entity of an international group shall,-

(i) if the consolidated group revenue of the international group, of which such person is a constituent entity, as reflected in the consolidated financial statement of the international group for the accounting year, exceeds five hundred crore rupees; and

(ii) the aggregate value of international transactions,-

(A) during the accounting year, as per the books of accounts, exceeds fifty crore rupees, or

(B) in respect of purchase, sale, transfer, lease or use of intangible property during the accounting year, as per the books of accounts, exceeds ten crore rupees, keep and maintain the following information and documents of the international group, namely:-

(a) a list of all entities of the international group along with their addresses;

(b) a chart depicting the legal status of the constituent entity and ownership structure of the entire international group;

(c) a description of the business of international group during the accounting year including,-

(I) the nature of the business or businesses;

(II) the important drivers of profits of such business or businesses;

(III) a description of the supply chain for the five largest products or services of the international group in terms of revenue and any other products including services amounting to more than five per cent. of consolidated group revenue;

(IV) a list and brief description of important service arrangements made among members of the international group, other than those for research and development services;

(V) a description of the capabilities of the main service providers within the international group;

(VI) details about the transfer pricing policies for allocating service costs and determining prices to be paid for intra-group services;

- (VII) a list and description of the major geographical markets for the products and services offered by the international group;
- (VIII) a description of the functions performed, assets employed and risks assumed by the constituent entities of the international group that contribute at least ten per cent. of the revenues or assets or profits of such group; and
- (IX) a description of the important business restructuring transactions, acquisitions and divestments;
- (d) a description of the overall strategy of the international group for the development, ownership and exploitation of intangible property, including location of principal research and development facilities and their management;
- (e) a list of all entities of the international group engaged in development and management of intangible property along with their addresses;
- (f) a list of all the important intangible property or groups of intangible property owned by the international group along with the names and addresses of the group entities that legally own such intangible property;
- (g) a list and brief description of important agreements among members of the international group related to intangible property, including cost contribution arrangements, principal research service agreements and license agreements;
- (h) a detailed description of the transfer pricing policies of the international group related to research and development and intangible property;
- (i) a description of important transfers of interest in intangible property, if any, among entities of the international group, including the name and address of the selling and buying entities and the compensation paid for such transfers;
- (j) a detailed description of the financing arrangements of the international group, including the names and addresses of the top ten unrelated lenders;
- (k) a list of group entities that provide central financing functions, including their place of operation and of effective management;
- (l) a detailed description of the transfer pricing policies of the international group related to financing arrangements among group entities;
- (m) a copy of the annual consolidated financial statement of the international group; and
- (n) a list and brief description of the existing unilateral advance pricing agreements and other tax rulings in respect of the international group for allocation of income among countries.

(2) The report of the information referred to in sub-rule (1) shall be in Form No. 3CEAA and it shall be furnished to the Director General of Income-tax (Risk Assessment) on or before the due date for furnishing the return of income as specified in sub-section (1) of section 139:

**Provided that** the information in Form No. 3CEAA for the accounting year 2016-17 may be furnished at any time on or before the 31st day of March, 2018.

(3) Information in,\_\_\_

(i) Part A of Form No. 3CEAA shall be furnished by every person, being a constituent entity of an international group, whether or not the conditions as provided in sub-rule (1) are satisfied;

(ii) Part B of Form No. 3CEAA shall be furnished by a person, being a constituent entity of an international group, in those cases where the conditions as provided in sub-rule (1) are satisfied.

(4) Where there are more than one constituent entities resident in India of an international group, then the report referred to in sub-rule (2) or information referred to in clause (i) of sub-rule (3), as the case may be, may be furnished by that constituent entity which has been designated by the international group to furnish the said report or information, as the case may be, and the same has been intimated by the designated constituent entity to the Director General of Income tax (Risk Assessment) in Form 3CEAB.

(5) The intimation referred to in sub-rule (4) shall be made at least thirty days before the due date of filing the report as specified under sub-rule (2).

(6) The Principal Director General of Income-tax (Systems) or Director General of Income-tax (Systems), as the case may be, shall specify the procedure for electronic filing of Form No. 3CEAA and Form No. 3CEAB

and shall also be responsible for evolving and implementing appropriate security, archival and retrieval policies in relation to the information furnished under this rule.

(7) The information and documents specified in sub-rule (1) shall be kept and maintained for a period of eight years from the end of the relevant assessment year.

(8) The rate of exchange for the calculation of the value in rupees of the consolidated group revenue in foreign currency shall be the telegraphic transfer buying rate of such currency on the last day of the accounting year.

Explanation.- For the purposes of this rule,-

(A) "telegraphic transfer buying rate" shall have the same meaning as assigned in the Explanation to rule 26;

(B) the terms 'accounting year', 'consolidated financial statement' and 'international group' shall have the same meaning as assigned in sub-section (9) of section 286.

### **Furnishing of Report in respect of an International Group**

**10DB.** (1) For the purposes of sub-section (1) of section 286, every constituent entity resident in India, shall, if its parent entity is not resident in India, intimate the Director General of Income-tax (Risk Assessment) in Form No. 3CEAC, the following, namely:-

(a) whether it is the alternate reporting entity of the international group; or

(b) the details of the parent entity or the alternate reporting entity, as the case may be, of the international group and the country or territory of which the said entities are residents.

(2) Every intimation under sub-rule (1) shall be made at least two months prior to the due date for furnishing of report as specified under sub-section (2) of section 286.

(3) Every parent entity or the alternate reporting entity, as the case may be, resident in India, shall, for every reporting accounting year, furnish the report referred to in sub-section (2) of section 286 to the Director General of Income-tax (Risk Assessment) in Form No. 3CEAD.

(4) A constituent entity of an international group, resident in India, other than the entity referred to in sub-rule (3), shall furnish the report referred to in sub-rule (3) within the time specified therein if the provisions of sub-section (4) of section 286 are applicable in its case.

(5) If there are more than one constituent entities resident in India of an international group, other than the entity referred to in sub-rule (3), then the report referred to in sub-rule (4) may be furnished by that entity which has been designated by the international group to furnish the said report and the same has been intimated to the Director General of Income-tax (Risk Assessment) in Form No. 3CEAE.

(6) For the purposes of sub-section (7) of section 286, the total consolidated group revenue of the international group shall be five thousand five hundred crore rupees.

(7) Where the total consolidated group revenue of the international group, as reflected in the consolidated financial statement, is in foreign currency, the rate of exchange for the calculation of the value in rupees of such total consolidated group revenue shall be the telegraphic transfer buying rate of such currency on the last day of the accounting year preceding the accounting year.

(8) The Principal Director General of Income-tax (Systems) or Director General of Income-tax (Systems), as the case may be, shall specify the procedure for electronic filing of Form No. 3CEAC, Form No. 3CEAD and Form No. 3CEAE and shall also be responsible for evolving and implementing appropriate security, archival and retrieval policies in relation to the information furnished under this rule.

Explanation.- For the purposes of this rule,-

(A) "telegraphic transfer buying rate" shall have the same meaning as assigned in the Explanation to rule 26;

*(B) the terms 'accounting year', 'alternate reporting entity', 'consolidated financial statement', 'international group' and 'reporting accounting year' shall have the same meaning as assigned in sub-section (9) of section 286."*

3. In the Principal Rules, in Appendix II, after Form No. 3CEA, the following forms shall be inserted, namely:-

For forms follow the below link.

[http://www.incometaxindia.gov.in/communications/notification/notification92\\_2017.pdf](http://www.incometaxindia.gov.in/communications/notification/notification92_2017.pdf)

[Notification No. 92 /2017/ F. No. 370142/25/2017-TPL]  
NIRAJ KUMAR, Under Secy. (Tax Policy and Legislation)

**Note:** – The principal rules were published in the Gazette of India, Extraordinary, Part-II, Section-3, Sub-section (ii) vide number S.O. 969 (E) dated the 26<sup>th</sup> March, 1962 and were last amended vide notification number GSR No. 1221(E), dated the 5<sup>th</sup> of October, 2017.

Circular No. 27/2017

F. No. 370149/213/2017 -TPL  
Government of India  
Ministry of Finance  
Department of Revenue  
(Central Board of Direct Taxes)

New Delhi, Dated 3rd November, 2017

**Clarification on Cash sale of agricultural produce by cultivators/agriculturist**

Representations have been received from the stakeholders regarding applicability of income-tax provision to cash sale of agricultural produce by cultivators/agriculturists to traders.

2. In this context, it is stated that the provisions of section 40A (3) of the Income-tax Act, 1961 ('the Act') provides for the disallowances of expenditure exceeding Rs. 10000 made otherwise than by an account payee cheque/draft or use of electronic clearing system through a bank account. However, rule 6DD of the Income-tax Rules, 1962 ('IT Rules') carves out certain exceptions from application of the provisions of section 40A (3) in some specific cases and circumstances, which inter alia include payments made for purchase of agricultural produce to the cultivators of such produce. Therefore, no disallowance under section 40A (3) of the Act can be made if the trader makes cash purchases of agricultural produce from the cultivator.

3. Further, section 269ST, subject to certain exceptions, prohibits receipt of Rs. 2 lakh or more otherwise than by an account payee cheque/draft or by use of electronic clearing system through a bank account from a person in a day or in respect of a single transaction or in respect of transactions relating to an event or occasion from a person. Therefore, any cash sale of an amount of Rs. 2 lakh or more by a cultivator of agricultural produce is prohibited under section 269ST of the Act.

4. Further also the provisions relating to quoting of PAN or furnishing of Form No.60 under rule 114B of the IT Rules do not apply to the sale transaction of Rs. 2 Lakh or less.

5. In view of the above, it is clarified that cash sale of the agricultural produce by its cultivator to the trader for an amount less than Rs 2 Lakh will not:-

- a) result in any disallowance of expenditure under section 40A (3) of the Act in the case of trader.
- b) attract prohibition under section 269ST of the Act in the case of the cultivator; and
- c) require the cultivator to quote his PAN/ or furnish Form No.60.

(Dr. T.S. Mapwal)  
Under Secretary to the Government India

# CUSTOM UPDATES

Circular No. 41 / 2017-Customs

F. No: 450/08/2015-Cus.IV  
Government of India  
Ministry of Finance  
Dept. of Revenue  
Central Board of Excise and Customs  
\*\*\*\*\*

Dated, the 30<sup>th</sup> October, 2017  
North Block, New Delhi

To,

All Principal Chief Commissioners/Chief Commissioners of Customs/Customs (Preventive)  
All Principal Chief Commissioners/Chief Commissioners of Customs & Central Excise  
All Principal Commissioners/Commissioners of Customs/Customs (Preventive)  
All Principal Commissioners/Commissioners of Customs & Central Excise

**Subject: Implementing Electronic Sealing for Containers by exporters under self-sealing procedure prescribed by circular 26/2017-Cus dated 1st July 2017, circular 36/2017 dated 28.8.2017 and 37/2017 dated 20.9.2017 - reg.**

Madam/Sir,

With the introduction of self-sealing using RFID e-seals, the Board has sought to enhance export facilitation by dispensing the need for exporters seeking the presence of jurisdictional officer for the purposes of supervising stuffing of the cargo at approved premises. This measure is expected to reduce transaction costs of exporters since they do not have to incur MoT charges in respect of such supervision as well as improve their timeliness of their exports. Such facilitation is proposed to be backed by application of technology in the form of exporters using RFID e-seals since it has the potential to improve visibility and enhance cargo security during transportation to Ports & ICDs as well as during holding time.

2. Attention is drawn to para 5 of circular 37/2017-Customs dated 20<sup>th</sup> September 2017 stating the date for mandatory e-sealing shall be 1<sup>st</sup> November 2017. In order to take stock of the preparedness of the trade, field formations, the Board has held consultations with the vendors. It is understood that the fixed Readers are already in place at Chennai port and are being already used to monitor the movement of trucks from CFSs to the Port. During the consultations, it has also been informed that installation of fixed readers at Mangalore and Cochin will be completed by 31<sup>st</sup> October 2017. It is also learnt that hand held Readers have been provided to Kolkata Port and to all ICDs in the NCR region. It has been informed that handheld readers have been dispatched to over 50 customs stations including JNCH, Mumbai, Mundra, Pipavav, Hazira etc. Commissioner of Customs, ICD, Patparganj and Kolkata have already had a familiarization program for the officers.

3. Trade associations and field formations have queried about the procedures to be followed for export of goods under RFID self-sealing prescribed under the above circulars. The following clarifications are provided for the sake of uniformity and better understanding of the new procedure.

4. Circulars 26/2017 and 36/2017 have obligated following classes of exporters to adopt RFID e-sealing:

(a) exporters already enjoying the facility of self-sealing after having been approved by jurisdictional formations under the erstwhile procedures;

(b) exporters who have hitherto been availing of supervised sealing and have been automatically entitled to avail of self-sealing using RFID e-seals, without having to expressly seek any permission/approval of the jurisdictional commissioner for this purpose;

(c) AEOs, regardless of whether they were self-sealing or undertaking supervised sealing, have also been entitled to avail of the new procedure;

(d) Lastly, all exporters have been extended this facility subject to their filing GST returns but after seeking permission for self-sealing from the jurisdictional Commissioner as per procedure prescribed under para 9(iii) of circular 26/2017-Cus dated 1<sup>st</sup> July 2017.

5. The procedure prescribed under the above circulars applies only to cargo in full container load, sealed at an approved premise, by an entitled exporter. In case of an FCL being received at a Port or ICD under self-sealing using RFID e-seals, prescribed under circular 36/2017- Customs dated 28<sup>th</sup> August 2017, it shall be deemed to be equivalent to a container sealed under the erstwhile system of officer supervised sealing. Unless and until there are good reasons or intelligence to warrant inspection of such containers, there shall be no need for examination of such containers once the RFID e – seal is read as intact or not tampered.

5.1 In case an RFID seal affixed on a self-sealed container is found tampered, the same shall be subject to examination as already prescribed under para 2(f) of Circular 36/2017-Cus dated 28<sup>th</sup> August 2017. However, after examination, the further movement of such a container shall not be under the RFID e-seal procedure. The existing system of using the traditional bottle seals by customs shall continue for such movements.

5.2 Full containers brought to **Ports** without RFID e-seals shall be taken to a CFS or allowed direct port entry, as the case may be, and will be subject to usual RMS treatment. Similarly, Full Containers Loads arriving at ICDs, but without RFID e-seals, will be subject to usual risk management parameters.

5.3 The procedure under the subject circulars does not apply to export of non-containerized cargo or Air cargo or for movement of cargo from CFSs to ICDs/Ports or cargo exported through Land Customs Stations. Extant practices in respect of such cargo shall continue.

6. The issue of the type of readers that vendor shall provide to customs has also been raised. The Board has permitted vendors to either provide fixed readers, in consultation with custodians at Ports and ICDs, or provide handheld Readers. Due to the flexibility provided by Handheld Readers, in as much as officers can use them to read seals at the point of entry or at the place of stacking or when containers are being loaded for further movement, the same are preferred. Vendors are advised that when they provide fixed readers, services must be supported with handheld readers so that officers can carry out additional checks at any point within the Port/ICD. Accordingly, the readers to be provided shall be:

(a) Rugged and capable of withstanding shocks and vibrations and be generally adapted to outdoor/industrial environment.

(b) Integrated devices with a large display screen for viewing of data fields specified in para 4 of circular 36/2017 customs.

(c) The aforesaid data elements shall be displayed on the Reader display, on scanning of the e-seal by Customs.

6.1 Furthermore, all vendors shall provide an application on a desktop computer to be made available by field formations so that e-sealing data pushed to the destination customs port / ICD is searchable in terms of any of the data elements prescribed under para 4 (a) of circular 36/2017 customs. The said application may be made available in reasonable time but not exceeding 30 days from the date of this circular. In the meantime, the data elements shall be transmitted in excel format to risk management division (RMD) and the concerned field formation from where the cargo is to be

exported. Field formations and RMD are advised to immediately communicate the email IDs for this purpose to vendors.

6.2 It is also re-iterated that data once uploaded by the exporter should not be capable of edited or deleted.

6.3 The web application shall capture the location where the RFID e-seal is read.

6.4 The vendors shall transmit the IEC details of such exporters who have purchased the RFID e-seals to RMD on a daily basis. The IEC number and the name of exporter shall be provided only when the vendor makes the first sale to the exporter; there is no need transmit the details of the exporter each time a sale is made.

6.5 The vendors shall make all efforts to serve the requirements of maximum number of exporters by providing the RFID e-seals. They shall also provide Readers to all the customs stations from where the client exporters are exporting their cargo. The department reserves its right to direct vendors to provide Readers at any particular port/ICD.

7. The list of stations where Readers have been provided by Vendors is annexed to this circular. As and when coverage is extended by vendors to more customs stations, they shall be included in the list of Ports / ICDs where e-sealing would be mandatory. While for the benefit of the trade, Board shall update the list of Customs stations from time to time, field formations are advised to issue trade notices regarding availability of Readers as soon as these are available at their Port/ICD.

8. While the progress made in the coverage of reader network across ports and ICDs is well recognised, but factoring that it may take some time for the field formations to fully set up systems and procedures for handling RFID e-sealed containers as well as receipt of data, the Board has decided that mandatory e-sealing for different classes of exporters shall be brought in a phased manner as indicated below:

8.1 In respect of all exporters who have been permitted self-sealing facilities under erstwhile procedures and exporters who are AEOs, it would be mandatory to seal their export containers with prescribed RFID e-seal w.e.f 8<sup>th</sup> Nov. 2017. Any non-compliance will subject the containers to usual RMS parameters.

8.2 In respect of the category of exporters who are availing supervised stuffing at their premises, extant practice of supervised stuffing may continue till 19<sup>th</sup> November 2017. With effect from 20<sup>th</sup> November 2017, they shall have to switch to RFID e-sealing procedures.

8.3 Regarding the exporters who have newly applied to the jurisdictional customs authority for self-sealing permission under circular 26/2017-Cus dated 1st July 2017, they shall commence use of the facility subject to grant of permission and upon adoption of RFID e-sealing.

9. The applicable date for RFID e-sealing implies that exporters are required to use this procedure from the prescribed date. Any container sealed at the exporters premises before the prescribed date, shall not be required to be brought with RFID e-seal.

9.1 It is also clarified that those exporters who are in possession of RFID e-seals are at liberty to commence availing the facilitative procedures forthwith. It may be recalled that vide circular 37/2017-Cus, the e-sealing procedure had been made voluntary subject to availability of reader facilities.

10. As the RFID e-seal based self-sealing procedure has been introduced as a measure of export facilitation, the field formations are advised to guide the exporters and work closely with the private service providers for smooth roll-out of the system.

11. The procedures in respect of customs stations where readers have not been provided by any vendor so far shall continue till 31st December 2017, as per existing practice. Board shall take



necessary steps to make sure that the readers are made available at such customs stations by 1<sup>st</sup> January 2018.

12. Difficulties if any should be brought to the notice of the Board

13. Hindi version follows.

(Maninder Kumar)  
OSD (Customs)

For Table follow the below link.

<http://www.cbec.gov.in/resources//htdocs-cbec/customs/cs-circulars/cs-circulars-2017/circ41-2017cs.pdf>

[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. 83 /2017-Customs**

New Delhi, the 31<sup>st</sup> October, 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, on 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. 16/2017-Customs, dated the 20<sup>th</sup> April, 2017, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), *vide* number G.S.R.394 (E), dated the 20<sup>th</sup> April, 2017, namely: -

In the said notification, in the Table, after serial number 27 and the entries relating thereto, the following serial numbers and entries shall be added, namely: -

For table follow below link.

<http://www.cbec.gov.in/resources//htdocs-cbec/customs/cs-act/notifications/notfns-2017/cs-tarr2017/cs83-2017.pdf>

[F. No. 332/24/2010-TRU (Pt. I)]  
(Ruchi Bisht)

Under Secretary to the Government of India

Note: The principal notification No. 16/2017-Customs, dated the 20<sup>th</sup> April, 2017, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i) *vide* number G.S.R.394 (E), dated the 20<sup>th</sup> April, 2017.

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

Government of India  
Ministry of Finance  
(Department of Revenue)

**(Central Board of Excise and Customs)**

Notification No. 101/2017-CUSTOMS (N.T.)

New Delhi, 31<sup>st</sup> October, 2017  
9 Kartika, 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 3<sup>rd</sup> August, 2001, published in the Gazette of India, Extraordinary, Part-II, Section-3, Sub-section (ii), vide number S. O. 748 (E), dated the 3<sup>rd</sup> 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	721
2	1511 90 10	RBD Palm Oil	754
3	1511 90 90	Others - Palm Oil	738
4	1511 10 00	Crude Palmolein	755
5	1511 90 20	RBD Palmolein	758
6	1511 90 90	Others - Palmolein	757
7	1507 10 00	Crude Soya bean Oil	839
8	7404 00 22	Brass Scrap (all grades)	3664
9	1207 91 00	Poppy seeds	2645

TABLE-2

S.No.	Chapter/ heading/ sub-heading/tariff item	Description of goods	Tariff value (US \$)
(1)	(2)	(3)	(4)
1	71 or 98	Gold, in any form, in respect of which the benefit of entries at serial number 356 and 358 of the Notification No. 50/2017-Customs dated 30.06.2017 is availed	409 per 10 grams
2	71 or 98	Silver, in any form, in respect of which the	539 per kilogram

		benefit of entries at serial number 357 and 359 of the Notification No. 50/2017-Customs dated 30.06.2017 is 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	3965''

[F. No. 467/01/2017 -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 3<sup>rd</sup> August, 2001, vide number S. O. 748 (E), dated the 3<sup>rd</sup> August, 2001 and was last amended vide Notification No. 95/2017-Customs (N.T.), dated the 13<sup>th</sup> October, 2017, e-published in the Gazette of India, Extraordinary, Part-II, Section-3, Sub-section (ii), vide number S. O. 3324(E), dated 13<sup>th</sup> October, 2017.

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

**Notification No.102/2017 - Customs (N.T.)**

Dated the 1<sup>st</sup> November, 2017  
10 Kartika, 1939 (SAKA)

In exercise of the powers conferred by section 14 of the Customs Act, 1962 (52 of 1962), the Central Board of Excise & Customs hereby makes the following further amendments in the Notification of the Central Board of Excise and Customs No.97/2017-CUSTOMS (N.T.), dated 24<sup>th</sup> October, 2017, with effect from 2<sup>nd</sup> November, 2017, namely:-

In the SCHEDULE-I of the said Notification for serial No.12 and the entries relating thereto, the following shall be substituted, namely

SCHEDULE-I

Sl. No	Foreign Currency	Rate of exchange of one unit of foreign currency equivalent of Indian Rupees	
(1)	(2)	(3)	
		(a)	(b)
		(For Imported Goods)	(For Export Goods)
12.	Qatari Riyal	17.65	16.20

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

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

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

**Notification No.103/2017 - Customs (N.T.)**

New Delhi, dated the 2<sup>nd</sup> November, 2017  
 11 Kartika 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.96/2017-CUSTOMS (N.T.), dated 18<sup>th</sup> October, 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 3<sup>rd</sup> November, 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

Sl.No.	Foreign Currency	Rate of exchange of one unit of foreign currency equivalent to Indian rupees	
		(3)	
		(a)	(b)
(1)	(2)	(For Imported Goods)	(For Export Goods)
1.	Australian Dollar	50.65	48.90
2.	Bahrain Dinar	177.15	165.50
3.	Canadian Dollar	51.10	49.50
4.	Chinese Yuan	9.95	9.60
5.	Danish Kroner	10.30	9.90
6.	EURO	76.50	73.90
7.	Hong Kong Dollar	8.40	8.15
8.	Kuwait Dinar	220.80	206.60
9.	New Zealand Dollar	45.60	43.80
10.	Norwegian Kroner	8.10	7.80
11.	Pound Sterling	87.10	84.25
12.	Qatari Riyal	17.65	16.15
13.	Saudi Arabian Riyal	17.80	16.65
14.	Singapore Dollar	48.25	46.75
15.	South African Rand	4.80	4.50
16.	Swedish Kroner	7.85	7.55
17.	Swiss Franc	65.70	63.55
18.	UAE Dirham	18.15	17.00
19.	US Dollar	65.40	63.70

SCHEDULE-II

Sl. 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	57.65	55.70
2.	Kenya Shilling	64.40	60.15

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

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

## GST 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  
Central Board of Excise and Customs**

**Notification No. 54/2017 - Central Tax**

New Delhi, the 30<sup>th</sup> October, 2017

G.S.R. ....(E). In exercise of the powers conferred by the first proviso to sub-section (2) of section 38 and sub-section (6) of section 39 read with section 168 of the Central Goods and Services Tax Act, 2017 (12 of 2017), the Commissioner hereby makes the following amendments in the notification number 30/2017-Central Tax, dated the 11<sup>th</sup> September, 2017, published in the Gazette of India, Extraordinary, Part II, Section 3, sub-section (i), vide number G.S.R. 1144 (E), dated the 11<sup>th</sup> September, 2017, namely:-

in the table,

- a) against Sl. No. 2, in column (4), for the words, figures and letters "Upto 31<sup>st</sup> October, 2017", the words, figures and letters "Upto 30<sup>th</sup> November, 2017" shall be substituted;
- b) against Sl. No. 3, in column (4), for the words, figures and letters "Upto 10<sup>th</sup> November, 2017", the words, figures and letters "Upto 11<sup>th</sup> December, 2017" shall be substituted.

[F. No.349/74/2017-GST(Pt.)]

(Dr. Sreeparvathy S.L.)  
Under Secretary to Government of India





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