



## BMC Advisors

Corporate Laws and Intellectual Property Rights Consultants



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# *WEEKLY UPDATES*

*NOVEMBER 06<sup>TH</sup>, 2017-NOVEMBER 12<sup>TH</sup>, 2017*

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# MCA UPDATES

## NOTIFICATION

New Delhi, the 6th November, 2017

**G.S.R. 1372(E).**-In exercise of the powers conferred by sub -sections (1) and (2) of section 469 read with section 398 of the Companies Act, 2013 (18 of 2013), the Central Government hereby makes the following rules further to amend the Companies (Filing of Documents and forms in Extensible Business Reporting Language) Rules, 2015, namely:-

1. Short title and commencement. - (1) These rules may be called the Companies (Filing of Documents and Forms in Extensible Business Reporting Language), Amendment, Rules, 2017.

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

2. In the Companies (Filing of Documents and Forms in Extensible Business Reporting Language) Rules, 2015 (hereinafter referred to as the principal rules), for rule 3, the following rule shall be substituted, namely:—

“3. Filing of financial statements with Registrar.- The following class of companies shall file their financial statements and other documents under section 137 of the Act with the Registrar in e-form AOC-4 XBRL as per Annexure-I:-

- (i) companies listed with stock exchanges in India and their Indian subsidiaries;
- (ii) companies having paid up capital of five crore rupees or above;
- (iii) companies having turnover of one hundred crore rupees or above;
- (iv) all companies which are required to prepare their financial statements in accordance with Companies (Indian Accounting Standards) Rules, 2015:

Provided that the companies preparing their financial statements under the Companies (Accounting Standards) Rules, 2006 shall file the statements using the Taxonomy provided in Annexure-II and companies preparing their financial statements under Companies (Indian Accounting Standards) Rules, 2015, shall file the statements using the Taxonomy provided in Annexure-II A:

Provided further that non-banking financial companies, housing finance companies and companies engaged in the business of banking and insurance sector are exempted from filing of financial statements under these rules.”

4. In the principal rules, for Annexure-I, the following Annexure shall be substituted, namely:—

For Annexure, please follow the below link.

[http://www.mca.gov.in/Ministry/pdf/Scan\\_XBRL\\_09112017.pdf](http://www.mca.gov.in/Ministry/pdf/Scan_XBRL_09112017.pdf)

## NOTIFICATION

New Delhi, the 7th November, 2017

**G.S.R. 1371(E).** – In exercise of the powers conferred by sub-sections (1) and (3) of section 128, sub section (3) of section 129, section 133, section 134 and section 138 read with section 469 of the Companies Act, 2013 (18 of 2013), the Central Government hereby makes the following rules further to amend the Companies (Accounts) Rules, 2014, namely:-

1. (1) These rules may be called the Companies (Accounts) Amendment Rules, 2017.
- (2) They shall come into force on the date of their publication in the Official Gazette.
2. In the Companies (Accounts) Rules, 2014, in Annexure, for form AOC-4, the following Form shall be substituted, namely:-

For Annexure, please follow the below link.

[http://www.mca.gov.in/Ministry/pdf/CompaniesAccountsamendmentsRules\\_09112017.pdf](http://www.mca.gov.in/Ministry/pdf/CompaniesAccountsamendmentsRules_09112017.pdf)

## RBI UPDATES

RESERVE BANK OF INDIA  
(FOREIGN EXCHANGE DEPARTMENT)  
CENTRAL OFFICE  
Mumbai 400 001

Notification No. FEMA 20(R)/ 2017-RB

November 07, 2017

### **Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017**

In exercise of the powers conferred by clause (b) of sub-section (3) of section 6 and section 47 of the Foreign Exchange Management Act, 1999 (42 of 1999) and in supersession of Notification No. FEMA 20/2000-RB and Notification No. FEMA 24/2000-RB both dated May 3, 2000, as amended from time to time, the Reserve Bank makes the regulations to regulate investment in India by a Person Resident Outside India, namely:-

Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2017.

For full regulations, please follow the link mentioned below

<https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=11161&Mode=0>

RBI/2017-18/84  
DBR.No.Ret.BC.94/12.07.150/2017-18

November 09, 2017

All Scheduled Commercial Banks

Dear Sir/Madam,

**Cessation of “Commonwealth Bank of Australia” as a banking company within the meaning of sub -section (2) of Section 36 (A) of Banking Regulation Act, 1949**

We advise that the “Commonwealth Bank of Australia” has ceased to be a banking company within the meaning of the Banking Regulation Act, 1949 vide Notification DBR.IBD.No.2224/23.13.127/2017-18 dated September 05, 2017, and published in the Gazette of India (**Part III - Section 4**) dated October 28- November 03, 2017.

Yours faithfully

(M.G.Suprabhat)  
Deputy General Manager

RBI/2017-18/85  
DBR.No.Ret.BC.95/12.07.150/2017-18

November 09, 2017

All Scheduled Commercial Banks

Dear Sir/Madam,

**Exclusion of “Commonwealth Bank of Australia” from the Second Schedule of the Reserve Bank of India Act, 1934**

We advise that the “**Commonwealth Bank of Australia**” has been excluded from the Second Schedule of the Reserve Bank of India Act, 1934 vide Notification DBR.IBD.No.2223/23.13.127/2017-18 dated September 05, 2017, and published in the Gazette of India (**Part III - Section 4**) dated October 28- November 03, 2017.

Yours faithfully

(M.G.Suprabhat)  
Deputy General Manager



RBI/2017-18/86  
DBR.No.Ret.BC.93/12.07.150/2017-18

November 09, 2017

All Scheduled Commercial Banks

Dear Sir/Madam,

**Inclusion of "Au Small Finance Bank Limited" in the Second Schedule of the Reserve Bank of India Act, 1934**

We advise that the "Au Small Finance Bank Limited" has been included in the Second Schedule to the Reserve Bank of India Act, 1934 vide Notification DBR.NBD.(SFB-AFL).No.2689/16.13.216/2017-18 dated September 18, 2017 and published in the Gazette of India (**Part III - Section 4**) dated November 01, 2017.

Yours faithfully

(M.G.Suprabhat)  
Deputy General Manager

RBI/2017-18/87  
DNBR.PD.CC.No.090/03.10.001/2017-18

November 09, 2017

To

All Non-Banking Financial Companies (NBFCs),

Madam/ Sir,

**Directions on Managing Risks and Code of Conduct in Outsourcing of Financial Services by NBFCs**

In exercise of the powers conferred under Section 45 L of the Reserve Bank of India Act, 1934, the Reserve Bank of India after being satisfied that it is necessary and expedient in the public interest so to do and with a view to put in place necessary safeguards applicable to outsourcing of activities by NBFCs, hereby issues the Directions as set out in the **Annex**.

2. NBFCs are advised to conduct a self-assessment of their existing outsourcing arrangements and bring these in line with the aforesaid Directions within two months from the date of this circular.

3 The Non-Banking Financial Company - Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016, Non-Banking Financial Company - Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016, Non-Banking Financial Company - Account Aggregator (Reserve Bank) Directions, 2016, Core Investment Companies (Reserve Bank) Directions, 2016, Standalone Primary Dealers (Reserve Bank) Directions, 2016 and Non-Banking Financial Company - P2P (Reserve Bank) Directions, 2017 have been accordingly updated.

Yours faithfully,

(C. D. Srinivasan)  
Chief General Manager

For Annexure, please follow below link:

<https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=11160&Mode=0>

RBI/2017-18/88

A.P. (DIR Series) Circular No. 11

November 09, 2017

To,

All Authorised Dealer Category - I Banks

Madam/Sir,

**Risk Management and Inter-Bank Dealings – Simplified Hedging Facility**

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, the Master Direction - Risk Management and Inter-Bank Dealings dated July 5, 2016, as amended from time to time, and the announcement made in the Statement on Developmental and Regulatory Policies Reserve Bank of India dated August 02, 2017 (para 7) on the simplified hedging facility

2. The scheme of simplified hedging facility was first announced by the RBI in August 2016 and the draft scheme was released on April 12, 2017. The facility is being introduced with a view to simplify the process for hedging exchange rate risk by reducing documentation requirements, avoiding prescriptive stipulations regarding products, purpose and hedging flexibility, and to encourage a more dynamic and efficient hedging culture.

3. Necessary amendments (Notification No. FEMA 388/2017-RB dated October 24, 2017) 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.1324 (E) dated October 24, 2017 a copy of which is given in the Annex II to this circular. These regulations have been issued under clause (h) of sub-section (2) of Section 47 of FEMA, 1999 (42 of 1999). The Master Direction on Risk Management & Interbank dealings dated July 5, 2016, as amended from time to time, has been updated accordingly.

4. The guidelines of this facility are given in Annex I to this circular and this facility will be effective from January 01, 2018.

5. AD Category – I banks may bring the contents of this circular to the notice of their constituents and customers.

6. 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) and are without prejudice to permissions/ approvals, if any, required under any other law.

Yours faithfully

(T Rabi Sankar)  
Chief General Manager

For Annexure I, please follow below link:

<https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=11162&Mode=0>

RBI/2017-18/89  
DBR.No.Leg.BC.96/09.07.005/2017-18

November 9, 2017

All Scheduled Commercial Banks (including RRBs)  
All Small Finance Banks and Payments Banks

Dear Sir/ Madam

**Statement on Developmental and Regulatory Policies - October 4, 2017- Banking Facility for Senior Citizens and Differently abled Persons**

Please refer to Paragraph 8 of Statement on Developmental and Regulatory Policies, released by Reserve Bank of India on October 4, 2017 as part of Fourth Bi-monthly Monetary Policy Statement 2017-18, a copy of which is enclosed. It has been observed that there are occasions when banks discourage or turn away senior citizens and differently abled persons from availing banking facilities in branches. Notwithstanding the need to push digital transactions and use of ATMs, it is imperative to be sensitive to the requirements of senior citizens and differently abled persons.

2. In view of the above, banks are required to put in place appropriate mechanism with the following specific provisions for meeting the needs of such customers so that they are able to avail of the bank's services without difficulty.

**(a) Dedicated Counters/Preference to Senior Citizens, Differently abled persons**

Banks are advised to provide a clearly identifiable dedicated counter or a counter which provides priority to senior citizens and people who are differently abled including visually impaired persons.

**(b) Ease of submitting Life Certificate**

As per extant guidelines issued by Department of Government and Bank Accounts, in addition to the facility of Digital Life Certificate under "Jeevan Praman" Scheme (refer circular DGBA.GAD.H-2529/45.01.001/2014-15 dated December 9, 2014), pensioners can submit physical Life Certificate form at any branch of the pension paying bank. However, it is observed that often the same is not updated promptly by the receiving branch in the Core Banking Solution (CBS) system of the bank, resulting in avoidable hardship to the pensioners. It is, therefore, advised that banks shall ensure that when a Life Certificate is submitted in any branch, including a non-home branch, of the pension paying bank, the same is updated/ uploaded promptly in CBS by the receiving branch itself, to avoid any delay in credit of pension.

**(c) Cheque Book Facility**

- (i) Banks shall issue cheque books to customers, whenever a request is received, through a requisition slip which is part of the cheque book issued earlier.
- (ii) Banks are advised to provide minimum 25 cheque leaves every year, if requested, in savings bank account, free of charge.
- (iii) Banks shall not insist on physical presence of any customer including senior citizens and differently abled persons for getting cheque books.
- (iv) Banks may also issue cheque books, on requisition, by any other mode as per bank's laid down policy.

It is further clarified that providing such facility in BSBDA will not render the account to be classified as non-BSBDA (c.f. Bank's response to query number 14 and 24 of our circular "DBOD.No. Leg. BC.52/09.07.005/2013-14 dated September 11, 2013 on Financial Inclusion - Access to Banking Services - BSBDA - FAQs").

**(d) Automatic conversion of status of accounts**

Presently, in some banks, even fully KYC - compliant accounts are not automatically converted into 'Senior Citizen Accounts' on the basis of date of birth maintained in the bank's records. Banks are advised that a fully KYC compliant account should automatically be converted into a 'Senior Citizen Account' based on the date of birth available in bank's records.

**(e) Additional Facilities to visually impaired customers**

Banks are advised that the facilities provided to sick/old/incapacitated persons vide Paragraph 9 of our Master Circular DBR.No.Leg.BC.21/09.07.006/2015-16 dated July 1, 2015 on Customer Service in Banks (regarding operations of accounts through identification of thumb/toe impression/mark by two independent witnesses and authorising a person who would withdraw the amount on behalf of such customers) shall also be extended to the visually impaired customers.

**(f) Ease of filing Form 15G/H**

Banks are advised to provide senior citizens and differently abled persons Form 15G/H once in a year (preferably in April) to enable them to submit the same, where applicable, within the stipulated time.

**(g) Door Step Banking**

We have issued instructions on Doorstep Banking vide circular DBOD.No.BL.BC.59/22.01.010/2006-2007 dated February 21, 2007 under Section 23 of Banking Regulation Act, 1949. However, in view of the difficulties faced by senior citizens of more than 70 years of age and differently abled or infirm persons (having medically certified chronic illness or disability) including those who are visually impaired, banks are advised to make concerted effort to provide basic banking facilities, such as pick up of cash and instruments against receipt, delivery of cash against withdrawal from account, delivery of demand drafts, submission of Know Your Customer (KYC) documents and Life certificate at the premises/ residence of such customers.

3. Banks are advised to implement these instructions by December 31, 2017 in letter and spirit and give due publicity in their bank branches and website.

Yours faithfully

(Saurav Sinha)  
Chief General Manager

**Statement on Developmental and Regulatory Policies, Reserve Bank of India issued by the Governor on October 4, 2017**

**8. Banking Facility for Senior Citizens and Differently abled Persons**

It has been reported that banks are discouraging or turning away senior citizens and differently abled persons from availing banking facilities in branches. Notwithstanding the need to push digital transactions and use of ATMs, it is imperative to be sensitive to the requirements of senior citizens and differently abled persons. It has been decided to instruct banks to put in place explicit mechanisms for meeting the needs of such persons so that they do not feel marginalised. Ombudsmen will also be advised to pay heed to complaints in this context. Necessary instructions in this regard will be issued by end-October 2017.

# INCOME TAX UPDATES

Circular No.28/2017

F.No.500/10/2017-FT&TR-IV  
Government of India  
Ministry of Finance  
Department of Revenue  
Central Board of Direct Taxes

Dated, the 7<sup>th</sup> of November, 2017.

**Sub: Clarification on Indirect Transfer provisions in case of redemption of share or interest outside India under the Income-tax Act, 1961**

Under the provisions contained in section 9(1) (i) of the Income-tax Act, 1961 ('Act'), all income accruing or arising, whether directly or indirectly, through or from any business connection in India, or through or from any property in India, or through or from any asset or source of income in India or through the transfer of a capital asset situate in India, shall be deemed to accrue or arise in India. Explanations 5, 6 and 7 of section 9(1) (i) further define the scope of said provision.

2. Concerns have been expressed by investment funds, including private equity funds and venture capital funds, that on account of the extant indirect transfer provisions in the Act, non-resident investment funds investing in India, which are set up as multi-tier investment structures, suffer multiple taxation of the same income at the time of subsequent redemption or buyback. Such taxability arises firstly at the level of the fund in India on its short term capital gain/business income and then at every upper level of investment in the fund chain on subsequent redemption or buyback. The Board has received representations to exclude investors above the level of the direct investor, who is already chargeable to tax in India on such income, from the ambit of indirect transfer provisions of the Act.

3. Addressing such concerns in his Budget speech on 1<sup>st</sup> February, 2017, the Finance Minister had stated that Category I and Category II Foreign Portfolio Investors (FPI) will be exempted from indirect transfer provisions. It was also stated that a clarification will be issued that indirect transfer provisions shall not apply in case of redemption of shares or interests outside India as a result of or arising out of redemption or sale of investment in India which is chargeable to tax in India.

4. Vide Finance Act, 2017, Category I and Category II FPIs have already been exempted from indirect transfer provisions of the Act through insertion of proviso to *Explanation 5* to section 9(1)(i) of the Act, with effect from 01.04.2015.

5. There could be situations in multi-tiered investment structures, where interest or share held indirectly by a non-resident in an Investment Fund or a Venture Capital Company or a Venture Capital Fund (hereinafter referred to as 'specified funds'), is redeemed in an upstream entity outside India in consequence of transfer of shares or securities held in India by the specified funds, the income of which have been subject to tax in India. In such cases, application of indirect transfer provisions on redemption of share or interest in the upstream entity may lead to multiple taxation of the same income. In respect of Category I and Category II FPIs though, such multiple taxation will not take place on account of the insertion of proviso to *Explanation 5* to section 9(1)(i) of the Act, vide Finance Act, 2017.

6. The matter has been examined by the Board and it has been decided that the provisions of section 9(1)(i) of the Act read with *Explanation 5* thereof shall not apply in respect of income accruing or arising to a non-resident on account of redemption or buyback of its share or interest held indirectly (i.e. through upstream entities registered or incorporated outside India) in the specified funds if such income accrues or arises from or in consequence of transfer of shares or securities held in India by the specified funds and such income is chargeable to tax in India. However, the above benefit shall

be applicable only in those cases where the proceeds of redemption or buyback arising to the non-resident do not exceed the pro-rata share of the non-resident in the total consideration realized by the specified funds from the said transfer of shares or securities in India. It is further clarified that a non-resident investing directly in the specified funds shall continue to be taxed as per the extant provisions of the Act.

For the purposes of this Circular,

- (i) "Investment fund" shall have the meaning assigned to it in clause (a) of *Explanation 1* to section 115UB of the Act.
- (ii) "Venture Capital Company" and "venture capital fund" shall have the meanings respectively assigned to them in *Explanation* to clause (23FB) of section 10 of the Act.

(Amrit Agrahari)  
Under Secretary [FT&TR-IV (1)]

## CUSTOM UPDATES

GOVERNMENT OF INDIA  
MINISTRY OF FINANCE  
(DEPARTMENT OF REVENUE)  
(CENTRAL BOARD OF EXCISE AND CUSTOMS)  
**Notification No.104/2017 - Customs (N.T.)**

Dated the 6<sup>th</sup> November, 2017  
15 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 amendments in the Notification of the Central Board of Excise and Customs No.103/2017-CUSTOMS (N.T.), dated 2<sup>nd</sup> November, 2017, with effect from 7<sup>th</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 to Indian rupees	
(1)	(2)	(3)	
		(a)	(b)
		(For Imported Goods)	(For Exported Goods)
12.	Qatari Riyal	18.25	17.25

[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.105/2017 - Customs (N.T.)**

Dated the 7<sup>th</sup> November, 2017  
16 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 amendments in the Notification of the Central Board of Excise and Customs No.104/2017-CUSTOMS (N.T.), dated 6<sup>th</sup> November, 2017, with effect from 8<sup>th</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 equipment to Indian rupees	
(1)	(2)	(3)	
		(a)	(b)
		(For Imported Goods)	(For Export Goods)
12.	Qatari Riyal	17.55	16.15

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

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

Circular No. 42/2017-Customs

F. No: 450/119/2017-Cus.IV (Pt. I)  
Govt. of India  
Ministry of Finance  
Dept. of Revenue  
Central Board of Excise and Customs  
\*\*\*\*

Room No. 229-A, North Block,  
New Delhi, 7<sup>th</sup> November, 2017

To,

All Principal Chief Commissioners of Customs / Customs (Prev.).  
All Chief Commissioners of Customs / Customs (Prev.).  
All Principal Commissioners of Customs / Customs (Prev.).  
All Commissioner of Customs of Customs / (Prev.).

**Subject: Refunds of IGST paid on export of goods under Rule 96 of CGST Rule, 2017**

The GST Council in its 22<sup>nd</sup> Meeting had approved a major relief package for exporters. The Council was unanimous that it is in the national interest to take all possible measures to support the exporting community, which earns valuable foreign exchange and provided significant employment especially in the small and medium sector. The council approved that by 10.10.2017 the refund of IGST paid on goods exported in July would begin to be paid and refunds for subsequent months would be handled expeditiously. In line with the government's commitment, CBEC has already issued suitable instructions to expeditiously disburse the refund of IGST paid on goods exported out of India. Also, with effect from 10<sup>th</sup> October, 2017, the refund is getting disbursed for the export of goods made in July 2017. In cases where the exporters has filed GSTR 3B and the information furnished by the exporters in the GSTR 1 and GSTR 3B is matching with the details filed by them in Shipping bills, the refunds have already been disbursed. But there are many cases where the refund of IGST could not be done due to errors in the EGM / GSTR 1 return/Shipping Bill. The analysis of the common errors that are hindering the disbursal of IGST refund, and decision taken to address such errors are as follow:

**A. IGST refunds for the exports of goods in the month of July, 2017**

**i) Incorrect SB number in GSTR 1**

There are cases where the shipping bill number quoted in GSTR 1 either does not exist or it pertains to another exporter. In respect of these claims, the only way out is to amend the GSTR 1 (Amendments to taxable outward supply details furnished in returns for earlier tax periods) and enter the correct shipping bill number. In these cases, the amendments for information in GSTR 1 for July 2017 need to be filed in Table 9A of GSTR 1 for August 2017. GSTN has been asked to provide for immediate implementation of this Table so that all such claims can be processed once amendment is filed.

**ii) Invoice number and IGST paid amount mis-match**

Analysis of data revealed that exporters have quoted different invoice numbers for GST and Customs purposes. Also, IGST paid amount indicated in GSTR 1 is not tallying with IGST paid amount indicated in shipping bill. As the same transaction is being reported under GST Act and under Customs Act, the exporters may take care to ensure the details of invoice,

such as Invoice number, IGST paid etc, under GSTR 1 and shipping bill match with each other.

**iii) EGM Error**

Due to either mismatch in information furnished in Export General Manifest (EGM) vis-à-vis shipping bill or non-filing of EGM in certain cases, the compliance of 'exported out of India' requirement in Rule 96(2) of Central Goods and Service Tax (CGST) Rules, 2017 remained unfulfilled. It is also noticed that Gateway EGM in case of many ICD's Shipping Bills have been manually filed, due to which the system is unable to match the EGM details. Hence it is to be ensured that all the shipping lines operating in ICDs/Gateway ports file EGM online. All ICDs and Gateway ports have already been instructed to ensure that shipping lines file supplementary EGM online for the consignments exported in July 2017 by 31<sup>st</sup> October. For subsequent months also, the ICDs must ensure that the shipping lines in variably file the Gateway EGM online .In cases where supplementary EGM have been filed successfully, refunds are already bring given.

**iv) Wrong Bank Account given to Customs**

In some cases, bank account details available with Customs have been invalidated by PFMS. Reports on such accounts/ IECs have been provided to the Commissionerates by the Directorate of Systems in ICES and by email. Exporters may be advised that if the account details frequently so as to avoid delay in refund payment.

**B. IGST Refunds for the export of goods in the month of August, 2017:**

GSTN has provided the utility to declare Table 6A in GSTR1 for exporters to fill in information related to Zero Rated Supplies. Once exporters file Table 6A, it would be possible to sanction refunds for the exports made in August 2017. Thus Public/Trade notices may be issued emphasizing the need to fill Table 6A online by exporters to claim refunds against exports made in August 2017. Exporters have already been provided an option to view their Shipping Bill data online on ICEGATE website, so that they can ensure filing of their Table 6A without any error. All necessary steps may be taken to make exporters aware that the common error that hindered disbursal of IGST refunds in July are not repeated in subsequent months.

2. The GST council in its 22<sup>nd</sup> meeting has also approved the GST rate of 0.1% for supplies to merchant exporters and Notification No. 41/2017 -Integrated Tax (Rate), Notification No.40/2017- CGST (Rate) and Notification No. 40/2017- UT GST (Rate), all dated 23<sup>rd</sup> October, 2017 have been issued to that effect. The said benefit is subject to the conditions mentioned in aforementioned notifications. The merchant exporters are advised to take following precautions to avail the benefit of the scheme:

- i) The Name and GSTIN of the Registered Supplier should be provided against each item in Third Party details column of Shipping Bill. The GST Invoice details of the registered supplier of each item should be declared in the ARE Certificate and Date columns in the Shipping Bill format. Necessary changes have already been done in ICES application. The third party details would be printed in the shipping bill copies for fulfilment of the notification conditions.
- ii) Further in case of an export consignment containing multiple supplies by registered suppliers, the registered recipient(merchant exporters) need to

provide details of all registered suppliers and corresponding invoices against each item in the Shipping bills..

- iii) For the purpose of above mentioned notifications concerning supply to registered recipient at concessional GST, registered principal place of business or registered additional place of business shall be deemed to be a “registered warehouse”.
- iv) Registered recipient (Merchant exporters) may, if required, exclude commercially sensitive information while providing copies of Shipping Bills to registered suppliers.

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

(Maninder Kumar)  
OSD (Cus-IV)

[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. 84 /2017-Customs

New Delhi, the 8<sup>th</sup> November, 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, Ministry of Finance (Department of Revenue), No. 50/2017-Customs, dated the 30<sup>th</sup> June, 2017, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), vide number G.S.R. 785(E), dated the 30<sup>th</sup> June, 2017, namely:-

In the said notification, in the Table,-

- (i) against serial number 20, for the entry in column (3), the entry "Pulses except Peas (*Pisum sativum*) and Tur" shall be substituted;
- (ii) after serial number 20 and the entries relating thereto, the following serial number and the entries shall be inserted, namely:-

(1)	(2)	(3)	(4)	(5)	(6)
"20A	07131000	Peas ( <i>Pisum Sativum</i> )	50%	-	-";

- (iii) against serial number 37, for the entry in column (4), the entry "20%" shall be substituted.

[F.No. 354/68/2006- TRU]

(Mohit Tewari)  
Under Secretary to the Government of India

Note: The principal notification No.50/2017-Customs, dated the 30<sup>th</sup> June, 2017 was published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i) vide number G.S.R. 785(E), dated the 30<sup>th</sup> June, 2017 and last amended vide notification No.77/2017-Customs, dated the 13<sup>th</sup> October, 2017, published vide number G.S.R. 1298 (E), dated the 13<sup>th</sup> October, 2017.

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

**Notification No.106/2017 - Customs (N.T.)**

Dated the 8<sup>th</sup> November, 2017  
17 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 amendments in the Notification of the Central Board of Excise and Customs No.105/2017-CUSTOMS (N.T.), dated 7<sup>th</sup> November, 2017, with effect from 9<sup>th</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 to Indian Rupees	
		(a)	(b)
(1)	(2)	(3)	
		<b>(For Imported Goods)</b>	<b>(For Exported Goods)</b>
12.	Qatari Riyal	18.35	17.35

[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.107/2017 - Customs (N.T.)**

Dated the 9<sup>th</sup> November, 2017  
18 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 amendments in the Notification of the Central Board of Excise and Customs No.106/2017-CUSTOMS (N.T.), dated 8<sup>th</sup> November, 2017, with effect from 10<sup>th</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 to Indian Rupees	
(1)	(2)	(3)	
		(a)	(b)
		(For Imported Goods)	(For Exported Goods)
12.	Qatari Riyal	17.75	16.25

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

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

# GST UPDATES

Circular No. 14/14 /2017 - GST

**F. No. 349/21/2016 GST (Policy Wing)  
Government of India  
Ministry of Finance  
Department of Revenue  
Central Board of Excise and Customs  
GST Policy Wing**

New Delhi, dated the 6<sup>th</sup> November, 2017

To,  
The Principal Chief Commissioners / Chief Commissioners / Principal Commissioners /  
Commissioners of Central Tax (All)  
The Principal Director Generals / Director Generals (All)

Madam/Sir,

**Sub - Procedure regarding procurement of supplies of goods from DTA by Export Oriented Unit (EOU) / Electronic Hardware Technology Park (EHTP) Unit / Software Technology Park (STP) Unit / Bio-Technology Parks (BTP) Unit under deemed export benefits under section 147 of CGST Act, 2017 - reg.**

In accordance with the decisions taken by the GST Council in its 22<sup>nd</sup> meeting held on 06.10.2017 at New Delhi to resolve certain difficulties being faced by exporters post- GST, it has been decided that supplies of goods by a registered person to EOUs etc. would be treated as deemed exports under Section 147 of the CGST Act, 2017 (hereinafter referred to as 'the Act') and refund of tax paid on such supplies can be claimed either by the recipient or supplier of such supplies. Accordingly, Notification No. 48/2017-Central Tax dated 18.10.2017 has been issued to treat such supplies to EOU / EHTP / STP / BTP units as deemed exports. Further, rule 89 of the CGST Rules, 2017 (hereinafter referred to as 'the Rules') has been amended vide Notification No. 47/2017- Central Tax dated 18.10.2017 to allow either the recipient or supplier of such supplies to claim refund of tax paid thereon.

2. For supplies to EOU / EHTP / STP / BTP units in terms of Notification No. 48/2017- Central Tax dated 18.10.2017, the following procedure and safeguards are prescribed -

(i) The recipient EOU / EHTP / STP / BTP unit shall give prior intimation in a prescribed proforma in "Form-A" (appended herewith) bearing a running serial number containing the goods to be procured, as pre-approved by the Development Commissioner and the details of the supplier before such deemed export supplies are made. The said intimation shall be given to -

- (a) the registered supplier;
- (b) the jurisdictional GST officer in charge of such registered supplier; and
- (c) its jurisdictional GST officer.

(ii) The registered supplier thereafter will supply goods under tax invoice to the recipient EOU / EHTP / STP / BTP unit.

(iii) On receipt of such supplies, the EOU / EHTP / STP / BTP unit shall endorse the tax invoice and send a copy of the endorsed tax invoice to -

- (a) the registered supplier;
- (b) the jurisdictional GST officer in charge of such registered supplier; and
- (c) its jurisdictional GST officer.

(iv) The endorsed tax invoice will be considered as proof of deemed export supplies by the registered person to EOU / EHTP / STP / BTP unit.



(v) The recipient EOU / EHTP / STP / BTP unit shall maintain records of such deemed export supplies in digital form, based upon data elements contained in "Form-B" (appended herewith). The software for maintenance of digital records shall incorporate the feature of audit trail. While the data elements contained in the Form-B are mandatory, the recipient units will be free to add or continue with any additional data fields, as per their commercial requirements. All recipient units are required to enter data accurately and immediately upon the goods being received in, utilized by or removed from the said unit. The digital records should be kept updated, accurate, complete and available at the said unit at all times for verification by the proper officer, whenever required. A digital copy of Form - B containing transactions for the month, shall be provided to the jurisdictional GST officer, each month (by the 10th of month) in a CD or Pen drive, as convenient to the said unit.

3. The above procedure and safeguards are in addition to the terms and conditions to be adhered to by a EOU / EHTP / STP / BTP unit in terms of the Foreign Trade Policy, 2015- 20 and the duty exemption notification being availed by such unit.

4. It is requested that suitable trade notices may be issued to publicize the contents of this circular.

5. Difficulty, if any, in implementation of the above instructions may please be brought to the notice of the Board. Hindi version would follow.

(Upender Gupta)  
Commissioner (GST)

**Form - A**

(Intimation for procurement of supplies from the registered person by Export Oriented Unit (EOU)/Electronic Hardware Technology Park (EHTP) Unit/ Software Technology Park (STP) unit/ Bio-Technology Parks (BTP) Unit under deemed export benefits under section 147 of CGST Act,2017 read with Notification No. 48/2017-Central Tax dated 18.10.2017)

(as per Circular ----- dated -----)

Running Sr. No. of intimation and Date \_\_\_\_\_  
LOP No. ----- and valid upto ----- .  
GSTIN -----

We the, M/s .....(Name of EOU/EHTP/STP/BTP unit and address) wish to procure the Goods namely(Tariff description, Quantity and value) -----, as allowed under Foreign Trade Policy and Handbook of Procedures 2015-2020, and approved by Development Commissioner from M/s ----- (Name of supplier, address and Goods & Services Tax Identification Number(GSTIN)). Such supplies on receipt would be used in manufacturing of goods or rendering services by us. We would also abide by procedure set out in Circular no. ----- dated ----.

Signatures of the owner of  
EOU/EHTP/STP/BTP unit or his  
Authorised officer

To:

1. The GST officer having Jurisdiction over the EOU/EHTP/STP/BTP unit.
2. The GST officer having Jurisdiction over the registered person intending to supply the goods.
3. The registered person intending to supply goods to EOU/EHTP/STP/BTP unit.

For the month of.....

**FORM- B**

**Form to be maintained by EOU/EHTP/STP/BTP unit for the receipt, use and removal of goods received under deemed export benefit under section 147 of CGST Act,2017 read with Notification No. 48/2017-Central Tax dated 18.10.2017.  
(as per Circular----- dated-----)**

**Name of EOU/EHTP/STP/BTP unit and address**

**GSTIN No.**

**Address of Jurisdiction GST Officer**

Sr. No.	Date of prior intimation given for procuring deemed export supplies	Details of registered person			Jurisdictional GST officer details of registered person		Invoice no. and date of registered person		Details of supplies received			Amount of GST paid by supplier				Date of sending endorsed copy of tax invoice by EOU
		Name	Address	GSTIN	Designation	Jurisdictional Identifier such as Division name/No.	No. of Invoice	Date	Description	Value	Quantity	Central tax	State Tax / Union territory Tax	Integrated tax	Cess	
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17

Removal for processing			Remarks (The goods removed for processing shall be accounted in a manner that enables the verification of input-output norms, extent of waste, scrap generated etc)	Other removals/Returns				Balance in stock	
Date & time of Removal	Quantity	Value		Purpose of removal	Date & time	Quantity	value	Quantity	Value
18	19	20	21	22	23	24	25	26	27

Circular No.15 /15/2017 - GST

**F.No. 349/164/2017-GST  
Government of India  
Ministry of Finance  
Department of Revenue  
Central Board of Excise and Customs  
GST Policy Wing**

New Delhi, Dated the 6<sup>th</sup> November, 2017

To,

The Principal Chief Commissioners / Chief Commissioners / Principal Commissioners /  
Commissioners of Central Tax (All)  
The Principal Director Generals / Director Generals (All)

Madam/Sir,

**Sub -Due date for generation of FORM GSTR-2A and FORM GSTR-1A in accordance with the extension of due date for filing FORM GSTR-1 and GSTR-2 respectively - reg.**

Please refer to Notification No. 30/2017-Central Tax dated 11<sup>th</sup> September 2017, and Notification 54/2017-Central Tax, dated 30<sup>th</sup> October, 2017 whereby the dates for filing **FORM GSTR-1**, **FORM GSTR-2** and **FORM GSTR-3** for the month of July, 2017 were extended. Queries have been received regarding the due dates for the generation of **FORM GSTR-2A** and **FORM GSTR-1A** in light of the said extension of dates. Therefore, in exercise of the powers conferred by sub-section (1) of section 168 of the Central Goods and Services Tax Act, 2017 (hereinafter referred to as 'the Act'), for the purpose of uniformity in the implementation of the Act, the following is clarified:

1. Sub-section (1) of section 37 of the Act read with sub-rule (3) of rule 59 of the CGST Rules, 2017 (hereinafter referred to as 'the Rules') provides that the details furnished in **FORM GSTR-1** by the supplier shall be made available electronically to the registered person (hereinafter referred to as 'the recipient') in **FORM GSTR-2A** after the due date for filing of **FORM GSTR-1**. Sub-section (2) of Section 38 read with sub-rule (1) of rule 60 of the said Rules provides for furnishing of details in **FORM- GSTR-2** after the 10<sup>th</sup> but before the 15<sup>th</sup> of the month succeeding the tax period. Further, sub-section (1) of section 38 read with sub-rule (1) of rule 60 provides that on the basis of the details contained in **FORM GSTR-2A**, the recipient shall prepare and furnish the details of inward supply in **FORM GSTR-2** after verifying, validating, modifying or deleting, the details, if required. Since the due dates for furnishing the details in **FORM GSTR-1** and **FORM GSTR-2** have been extended, it is hereby clarified that the due date of **FORM GSTR-2A** is also extended. The details furnished in **FORM GSTR-1** are available to the recipient in **FORM GSTR-2A** from 11<sup>th</sup> of October, 2017. These details are also available in **FORM GSTR-2** and can be verified, validated, modified or deleted to prepare details in **FORM GSTR-2** which is required to be furnished not later than the 30<sup>th</sup> November, 2017. It is further clarified that the details in **FORM GSTR-2A** are also available in his **FORM GSTR-2** and the recipient may take necessary action on the same, prior to furnishing the details in his **FORM GSTR-2**. **FORM GSTR-2A** is a read-only document made available to the recipient electronically so that he has a record of all the invoices received from various suppliers during a given tax period.
2. Sub-section (3) of section 38 of the Act read with sub-rule (4) of rule 59 of the Rules provides that the details of inward supplies added, corrected or deleted by the recipient in **FORM GSTR-2** shall be made available to the concerned supplier electronically in **FORM GSTR-1A**. Further, sub-section (2) of section 37 of the Act read with sub-rule (4) of rule 59 of the Rules provides that once these details are made available electronically through the common portal to the supplier in **FORM GSTR-1A**, the supplier shall either accept or reject the modifications made by the recipient on or before the 17<sup>th</sup> day of the month succeeding

the tax period but not before the 15th day, and accordingly, **FORM GSTR-1** shall stand amended to the extent of modifications accepted by the supplier. In this regard, it is hereby clarified that as the dates for furnishing the details in **FORM GSTR-1** and **FORM GSTR-2** have been extended, the due date for furnishing of **FORM GSTR-1A** for July 2017 is also extended. Therefore, the details in **FORM GSTR-1A** shall be made available to the supplier from the 1<sup>st</sup> of December to the 6<sup>th</sup> of December, 2017 for the month of July 2017.

3. It is requested that suitable trade notices may be issued to publicize the contents of this circular.

4. Difficulty, if any, in implementation of the above instructions may please be brought to the notice of the Board. Hindi version would follow.

**(Upendar Gupta)**  
**Commissioner (GST)**



**BMC ADVISORS**  
DESTINATION FOR PERFECTION

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