



## BMC Advisors

Corporate Laws and Intellectual Property Rights Consultants



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# *WEEKLY UPDATES*

*JANUARY 8<sup>TH</sup>, 2018- JANUARY 14<sup>TH</sup>, 2018*



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# SEBI UPDATES

## CIRCULAR

CIR/MRD/DRMNP/008/2018

January 08, 2018

### All Recognised Clearing Corporations

Dear Sir/Madam,

#### Sub: Margin provisions for intra-day crystallised losses

1. The margining system of Clearing Corporations currently levies margin based on net buy value (Buy - Sales value of underlying) of unsettled trades in the cash segment and based on the net open positions (Open Interest) in the derivatives segments. As such, the risk of crystallised obligations (Profit/Loss on trade) incurred due to intra-day trades does not get fully captured in the margining system and consequently in the clearing corporation's risk management system for the purpose of providing further exposure to the clearing member.
2. In this regard, the issue of risk arising out of accumulation of crystallised obligations incurred on account of intra-day squaring off of positions was discussed in SEBI's Risk Management Review Committee meeting. Based on the recommendation of the Risk Management Review Committee, in order to mitigate such risk, the following has been decided:
  - (a) The intra-day crystallised losses shall be monitored and blocked by Clearing Corporations from the free collateral on a real-time basis only for those transactions which are subject to upfront margining. For this purpose, crystallised losses can be offset against crystallised profits at a client level, if any.
  - (b) If crystallised losses exceed the free collateral available with the Clearing Corporation, then the entity shall be put into risk reduction mode as specified in Para 7 of SEBI Circular no. CIR/MRD/DP/34/2012 dated December 13, 2012.
  - (c) Crystallised losses shall be calculated based on weighted average prices of trades executed.
  - (d) Adjustment of intraday crystallised losses shall not be done from exposure free liquid networth of the clearing member.
3. The recognised Clearing Corporations are advised to:-
  - (a) implement the directions of this circular latest within three months from the date of issue of this circular.
  - (b) bring the provisions of this circular to the notice of its clearing members and also to disseminate the same through their website ; and
  - (c) communicate to SEBI, the status of implementation of this circular in the Monthly Development Reports to SEBI.
4. This circular is 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.
5. This circular is available on SEBI website at [www.sebi.gov.in](http://www.sebi.gov.in).

Yours faithfully,

**Sanjay Puroo**  
General Manager  
Email: [sanjayp@sebi.gov.in](mailto:sanjayp@sebi.gov.in)



**CIRCULAR**

CIR/HO/MIRSD/MIRSD2/CIR/P/2018/09

January 11, 2018

**To**  
**All recognized Stock Exchanges**

Dear Sir/ Madam,

**Sub: Prevention of Unauthorised Trading by Stock Brokers**

1. SEBI vide circular no. CIR/HO/MIRSD/MIRSD2/CIR/P/2017/108 dated September 26, 2017 had prescribed guidelines for prevention of unauthorised trading by stock brokers and issued subsequent clarification vide CIR/HO/MIRSD/MIRSD2/CIR/P/2017/124 dated November 30, 2017.
2. SEBI has now received representations from BSE Brokers Forum and Association of National Exchanges Members of India, expressing difficulties faced by stock brokers in the implementation of the aforesaid circulars and seeking extension for the implementation of the same.
3. In view of the above, it has been decided to make the aforesaid circulars effective from April 01, 2018. Other provisions shall remain unchanged and no further extension shall be granted for the implementation of the said circulars.
4. The Stock Exchanges are directed to:
  - a. bring the provisions of this circular to the notice of the Stock Brokers and also disseminate the same on their websites
  - b. make necessary amendments to the relevant bye-laws, rules and regulations for the implementation of the above directions in co-ordination with one another to achieve uniformity in approach
  - c. communicate to SEBI, the status of the implementation of the provisions of this circular in their Monthly Development Reports.
5. This circular is issued in exercise of the powers conferred by Section 11 (1) of Securities and Exchange Board of India Act, 1992 to protect the interest of investors in securities and to promote the development of, and to regulate, the securities market.

Yours faithfully,

**Surabhi Gupta**  
**Deputy General Manager**  
**Email id: surabhig@sebi.gov.in**

## RBI UPDATES

RBI/2017-18/119

IDMD.CDD.No.1728/13.01.299/2017-18

January 08, 2018

The Chairman & Managing Director  
State Bank of India & 18 Nationalised Banks  
Axis Bank Ltd., ICICI Bank Ltd., HDFC Bank Ltd.,  
Stock Holding Corporation of India Ltd.(SHCIL)

Dear Sir/Madam,

### **7.75% Savings (Taxable) Bonds, 2018 - Amendments**

Please refer to our Circular RBI/2017-18/114 IDMD.CDD.No.1671/13.01.299/2017-18 January 03, 2018, informing you about the issuance of 7.75% Savings (Taxable) Bonds, 2018 with effect from January 10, 2018 in terms of GoI notification F.No.4(28) - W&M/2017 dated January 03, 2018.

2. The GoI, has now issued a revised Notification F.No.4(28) - W&M/2017 dated January 08, 2018, notifying amendments to their original Notification dated January 03, 2018, the contents of which are self-explanatory. Receiving Offices may take note of these amendments while accepting subscriptions under the Scheme.

Yours faithfully

(Shyni Sunil)  
Deputy General Manager



RBI/2017-18/120  
DGBA.GBD.1781/15.02.005/2017-18

January 11, 2018

All Agency Banks handling Small Saving Schemes

Dear Sir

**Interest rates for Small Savings Schemes**

Please refer to our circular DGBA.GBD.954/15.02.005/2017-18 dated October 12, 2017 on the above subject. The Government of India, had vide their Office Memorandum (OM) No.F.No.01/04/2016-NS dated December 27, 2017 advised the rate of interest on various small savings schemes for the fourth quarter of the financial year 2017-18 (copy enclosed).

2. The contents of this circular may be brought to the notice of the branches of your bank operating Government Small Saving Schemes for necessary action. These should also be displayed on the notice boards of your branches for information of the subscribers to these Schemes.

Yours faithfully

(Harsha Vardhan)  
Manager

# INCOME TAX UPDATES

Circular No. 01/2018

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

North Block, New Delhi, the 10<sup>th</sup> of January, 2018

## Order under section 119 of the Income-tax Act, 1961

**Subject: Processing of income-tax returns under section 143(1) of the Income-tax Act which were filed in Forms ITR-1 to 6 & applicability of section 143(1)(a)(vi)-reg.-**

Sub-clause (vi) of clause (a) of sub-section (1) of section 143 of the Income-tax Act, 1961 ('Act') as introduced vide Finance Act, 2016, w.e.f. 01.04.2017, while processing the return of income, prescribes that the total income or loss shall be computed after making adjustment for addition of income appearing in Form 26AS or Form 16A or Form 16 (the three Forms) which has not been included in computing the total income in the return. In this regard, CBDT has issued Instruction No.(s) 9/2017 dated 11.10.2017 & 10/2017 dated 15.11.2017 for identification of instances in which section 143(1)(a)(vi) of the Act may be invoked by CPC-ITR, Bengaluru on the basis of information contained in the ITR Forms 1 to 6.

2. As intimations proposing adjustments in identified returns under section 143(1)(a)(vi) of the Act would be shortly issued by the CPC-ITR, Bengaluru, the process to be followed by the taxpayers for filing the response is as under:

2.1 Since section 143(1)(a)(vi) of the Act is being applied for the first time while processing the returns, it has been decided that before issuing an intimation of the proposed adjustment, initially an awareness campaign would be carried out to draw the attention of the taxpayer to such differences. This would be in form of an e-mail and SMS communication to the concerned taxpayer informing him about the variation in the tax-return vis-a-vis the information available in the three Forms and requesting him to submit response to the variation within one month of receiving the communication electronically. In case the taxpayer does not respond within the available time-frame or the response is not satisfactory, a formal intimation u/s 143(1)(a)(vi) proposing adjustment to the returned income would be issued to him. As per the second proviso to section 143(1)(a)(vi) of the Act, in a case where no response is received from the taxpayer within thirty days of issue of such an intimation, the proposed adjustment shall be made to the returned income. Therefore, it is of utmost necessity that the concerned taxpayer files a prompt, timely and satisfactory response to the awareness campaign or subsequent intimation proposing adjustment u/s 143(1)(a)(vi) of the Act.

2.2 The manner for furnishing response by the taxpayer is as under:

For furnishing the response electronically, taxpayer is required to login in his account in the e-filing site and choose the option (View>Returns/Forms). In a case where communication/intimation has been issued to the taxpayer u/s 143(1)(a)(vi) of the Act, the status will be displayed in the dashboard as

*'Response to Communication/intimation u/s 143(1)(a) is pending'. The taxpayer can click on the same and submit his response.*

2.3 The scenario(s) for furnishing response are as under:



- I. Where upon receiving the awareness message or formal intimation u/s 143(1)(a)(vi) of the Act, if the taxpayer fully agrees with the proposed adjustment, he is required to file a revised return in response .
  - II. Where upon receiving the awareness message or formal intimation u/s 143(1)(a)(vi) of the Act, if the taxpayer partially agrees with the proposed adjustment, he is required to (i) file a revised return for the part of the proposed adjustment with which he is in agreement & (ii) file a reconciliation statement (in the format to be provided by CPC-ITR on the e-filing site) for the part of the proposed adjustment with which he is not in agreement.
  - III. Where upon receiving the awareness message or formal intimation u/s 143(1)(a)(vi) of the Act, the taxpayer disagrees with the proposed adjustment, he is required to file a reconciliation statement (in the format to be provided by CPC-ITR on the e-filing site) in support of his contention.
3. Based upon response of the taxpayer as indicated in para 2.3 above and the information so available with the CPC-ITR, thereafter, such returns shall be taken up for processing by CPC-ITR as per provisions of section(s) 143(1), 143(1)(a)(vi) read with Instruction No.s 9 & 10/2017 of CBDT.

**(Rohit Garg)**  
**Director- (ITA. II), CBDT**

**(F. No. 225/333/ 2017-ITA.II)**

Copy to:-

- 1) PS to FM/OSD to FM/PS to MoS(F)/OSD to MoS(F)
- 2) PS to Secretary (Revenue)
- 3) Chairman, CBDT & All Members, CBDT
- 4) All Pr. CCsIT/ Pr. DsGIT
- 5) All Joint Secretaries/ CsIT, CBDT
- 6) CIT (M&TP), Official Spokesperson of CBDT
- 7) O/o Pr. DGIT(Systems) for uploading on official website
- 8) JCIT (Database Cell) for uploading on departmental website

**(Rohit Garg)**  
**Director- (ITA. II), CBDT**

## 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  
(CENTRAL BOARD OF EXCISE AND CUSTOMS)

Notification  
No. 03 /2018- Customs (N.T.)

New Delhi, the 10th January, 2018

G.S.R. (E).-In exercise of the powers conferred by sub-section (1) of section 4 of the Customs Act, 1962 (52 of 1962), the Central Board of Excise and Customs, hereby makes the following further amendments in the notification of the Government of India, Ministry of Finance (Department of Revenue) No. 82/2017-Customs (N.T.), dated the 24th August, 2017, published vide number G.S.R. 1064(E), dated the 24th August, 2017, namely: –

In the said notification, –

(a) in Table -1, –

(i) serial number 2 relating to Chief Commissioner of Customs, Delhi shall be renumbered as serial number 1 and against serial number 1 as so renumbered, in column(3), for item (i), the following shall be substituted, namely: –

“(i) Commissioner of Customs(Airport), Delhi;  
(i a) Commissioner of Customs (General), Delhi;”

(ii) against serial number 3, for item(iv), in column (3), the following shall be substituted, namely: –

“(iv) Commissioner of Customs (Export-I), Mumbai Zone-I;  
(iv a) Commissioner of Customs (Export-II), Mumbai Zone-I; and”;

(iii) against serial number 7, after item (iv), in column(3), the following shall be inserted, namely: –

“(iv a) Commissioner of Customs (VI), Chennai;”

(iv) against serial number 11, for the entries in column (3), the following shall be substituted, namely: –

“(i) Commissioner of Customs, Cochin; and  
(ii) Commissioner of Customs (Preventive), Cochin.”;

(b) in Table-2, –

(i) against serial number 1, for item (i) in columns (3) and (4), the following shall respectively be substituted, namely: –

“(i) Commissioner of Customs(Airport), Delhi;  
(i a) Commissioner of Customs (General), Delhi;”;

(ii) for serial number 6 and the entries relating thereto, the following shall be substituted, namely: –



Sl. No.	Area	Designation of Officer	
(1)	(2)	(3)	(4)
“(6)	(i) Port of Mumbai;  (ii) Inland Container Depot, Mulund;  (iii)The area under the jurisdiction of following districts of Maharashtra: Mumbai City, Mumbai Suburban, Palghar, Thane and Raigad;  (iv) Continental Shelf and Exclusive Economic Zone of India facing the baseline in the State of Maharashtra to which the Customs Act, 1962 has been extended vide Ministry of External Affairs’ notification number S.O. 189 (E), dated the 7th February, 2002.	Principal Commissioner of Customs (General), Mumbai, Zone-I.	Additional Commissioners, or Joint Commissioners, or Deputy Commissioners, or Assistant Commissioners, of Customs working under the control of Principal Commissioner of Customs (General), Mumbai Zone-I.
		Commissioner of Customs (Import-I) Mumbai, Zone-I.	Additional Commissioners, or Joint Commissioners, or Deputy Commissioners, or Assistant Commissioners, of Customs working under the control of Commissioner of Customs (Import -I), Mumbai Zone-I.
		Commissioner of Customs (Import- II), Mumbai, Zone I.	Additional Commissioners, or Joint Commissioners, or Deputy Commissioners, or Assistant Commissioners, of Customs working under the control of Commissioner of Customs (Import-II), Mumbai Zone-I.
		Commissioner of Customs (Export-I), Mumbai, Zone-I.	Additional Commissioners, or Joint Commissioners, or Deputy Commissioners, or Assistant Commissioners, of Customs working under the control of Commissioner of Customs (Export-I), Mumbai Zone-I.
		Commissioner of Customs (Export-II), Mumbai, Zone-I.	Additional Commissioners, or Joint Commissioners, or Deputy Commissioners, or Assistant Commissioners, of Customs working under the control of Commissioner of Customs (Export-II), Mumbai Zone-I.”

(iii) against serial number (7), for item (ii) in column (2), the following shall be substituted, namely:

“(ii) Continental Shelf and Exclusive Economic Zone of India facing the baseline in the State of Maharashtra to which the Customs Act, 1962 has been extended vide Ministry of External Affairs’ notification number S.O. 189 (E), dated the 7<sup>th</sup> February, 2002.”;

(iv) against serial number (9), in column (2), the entry shall be renumbered as item

(i) and after item (i) as so renumbered, the following shall be inserted, namely: –

“(ii) Continental Shelf and Exclusive Economic Zone of India facing the baseline in the State of Maharashtra to which the Customs Act, 1962 has been extended vide Ministry of External Affairs’ notification number S.O. 189 (E), dated the 7<sup>th</sup> February, 2002.”;

(v) against serial number (11), in column (2), after item(ii), the following shall be inserted, namely:

“(iii) Continental Shelf and Exclusive Economic Zone of India facing the baseline in the State of West Bengal and Union territory of Andaman and Nicobar Islands to which the Customs Act, 1962 has been extended vide Ministry of External Affairs’ notification number S.O. 189 (E), dated the 7<sup>th</sup> February, 2002.”;

(vi) for serial number (12) and the entries relating thereto, the following shall be substituted, namely:

Sl. No.	Area	Designation of Officer	
(1)	(2)	(3)	(4)
“(12)	(i) Port of Chennai, Port of Ennore (Kamarajar Port), Minor Port Kattupalli, the Anna International Airport and the area under the jurisdiction of the Chennai Corporation and Ambattur, Gummidipoondi, Poonamallee and Ponneri Taluks of Thiruvallur District, Tambaram Taluk and Inland Container Depots at Sriperumpudur Taluk of Kancheepuram District;	Principal Commissioner of Customs (I), Airport, Chennai.	Additional Commissioners, or Joint Commissioners, or Deputy Commissioners, or Assistant Commissioners, of Customs working under the control of Principal Commissioner of Customs (I), Airport, Chennai.
		Commissioner of Customs (II), Chennai	Additional Commissioners, or Joint Commissioners, or Deputy Commissioners, or Assistant Commissioners, of Customs working under the control of Commissioner of Customs (II), Chennai.
	(ii) Continental Shelf and Exclusive Economic Zone of India facing the baseline in the State of Tamil Nadu to which the Customs Act, 1962 has been extended vide Ministry of External Affairs’ notification		



<p>number S.O. 189 (E), dated the 7th February, 2002;</p> <p>(iii) Chennai Special Economic Zone.</p>	<p>Principal Commissioner of Customs (III), Chennai.</p>	<p>Additional Commissioners, or Joint Commissioners, or Deputy Commissioners, or Assistant Commissioners, of Customs working under the control of Principal Commissioner of Customs (III), Chennai.</p>
	<p>Commissioner of Customs (IV), Chennai.</p>	<p>Additional Commissioners, or Joint Commissioners, or Deputy Commissioners, or Assistant Commissioners, of Customs working under the control of Commissioner of Customs (IV), Chennai.</p>
	<p>Commissioner of Customs (VI), Chennai;</p>	<p>Additional Commissioners, or Joint Commissioners, or Deputy Commissioners, or Assistant Commissioners, of Customs working under the control of Commissioner of Customs (VI), Chennai;</p>
	<p>Principal Commissioner of Customs (VII), Air Cargo Complex, Chennai.</p>	<p>Additional Commissioners, or Joint Commissioners, or Deputy Commissioners, or Assistant Commissioners, of Customs working under the control of Principal Commissioner of Customs (VII), Air Cargo Complex, Chennai.</p>
	<p>Commissioner of Customs (VIII) (General), Chennai</p>	<p>Additional Commissioners, or Joint Commissioners, or Deputy Commissioners, or Assistant Commissioners, of Customs working under the control of Principal Commissioner of Customs (VIII) (General), Chennai."</p>

(vii) against serial number (14), in column (2), for the entry, the following shall be substituted, namely: –

“(i) The whole of the areas in the districts of Uttar Kannada, Dakshina Kannada, Kodugu, Hassan, Chickmagalur, Shimoga, Belgaum, Bijapur, Udupi, Gadag, Dharwad, Koppal, Bellary, Raichur, Bagalkot, Gulbarga, Bidar and Yadgir in the State of Karnataka including areas under Mangalore Port;

(ii) Continental Shelf and Exclusive Economic Zone of India facing the baseline in the State of Karnataka to which the Customs Act, 1962 has been extended vide Ministry of External Affairs’ notification number S.O. 189 (E), dated the 7th February, 2002.”;

(viii) for serial number (17) and the entries relating thereto, the following shall be substituted, namely: –

Sl. No.	Area	Designation of Officer	
		(3)	(4)
(1)	(2)	(3)	(4)
“(17)	<p>(a) The whole of the State of Tamil Nadu excluding the areas falling under the jurisdiction of –</p> <p>(i) Principal Commissioner of Customs (I), Airport, Chennai;</p> <p>(ii) Commissioner of Customs (II) Chennai;</p> <p>(iii) Principal Commissioner of Customs (III), Chennai;</p> <p>(iv) Commissioner of Customs (IV), Chennai;</p> <p>(iv a) Commissioner of Customs (VI), Chennai;</p> <p>(v) Principal Commissioner of Customs (VII) Air Cargo Complex, Chennai;</p> <p>(vi) Commissioner of Customs, (VIII) (General), Chennai;</p> <p>(b) The Union territory of Puducherry excluding Mahe Commune and Yanam Territory;</p> <p>(c) Continental Shelf and Exclusive Economic Zone of India facing the baseline in the State of Tamil Nadu</p>	Commissioner of Customs (Preventive), Tiruchirappalli.	Additional Commissioners, or Joint Commissioners, or Deputy Commissioners, or Assistant Commissioners, of Customs working under the control of Commissioner of Customs (Preventive), Tiruchirappalli.”;



	to which the Customs Act, 1962 has been extended vide Ministry of External Affairs' notification number S.O. 189 (E), dated the 7 <sup>th</sup> February, 2002.		
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(ix) against serial number (18), in column (2), for the entry, the following shall be substituted, namely:—

“(i) Port of Tuticorin and the area under the jurisdiction of the district of Tuticorin;

(ii) Continental Shelf and Exclusive Economic Zone of India facing the baseline in the State of Tamil Nadu to which the Customs Act, 1962 has been extended vide Ministry of External Affairs' notification number S.O. 189 (E), dated the 7<sup>th</sup> February, 2002.”;

(x) for serial numbers (19) and (20) and the entries relating thereto, the following shall respectively be substituted, namely: —

Sl. No.	Area	Designation of Officer	
(1)	(2)	(3)	(4)
“(19)	(a) Port of Cochin, Cochin Airport, Cochin Special Economic Zone and Customs formations under the area under the jurisdiction of Greater Cochin Development Authority.  (b) Continental Shelf and Exclusive Economic Zone of India facing the baseline in the State of Kerala to which the Customs Act, 1962 has been extended vide Ministry of External Affairs' notification number S.O. 189 (E), dated the 7 <sup>th</sup> February, 2002.	Commissioner of Customs, Cochin	Additional Commissioners, or Joint Commissioners, or Deputy Commissioners, or Assistant Commissioners, of Customs working under the control of the Commissioner of Customs, Cochin.
(20)	The whole of the — (i) State of Kerala;  (ii) Union territory of Lakshadweep;  (iii) Mahe Commune of the Union territory of Puducherry  (iv) ) Continental Shelf and Exclusive Economic Zone of India facing the baseline in the State of Kerala to which the Customs Act, 1962 has been extended vide Ministry of External Affairs' notification number S.O. 189 (E), dated the 7 <sup>th</sup> February, 2002.	Commissioner of Customs (Preventive), Cochin	Additional Commissioners, or Joint Commissioners, or Deputy Commissioners, or Assistant Commissioners, of Customs working under the control of the Commissioner of Customs (Preventive), Cochin.”



(xi) against serial number (21), in column(2), after item (c), the following shall be inserted, namely:

—

“(d) Continental Shelf and Exclusive Economic Zone of India facing the baseline in the State of Gujarat to which the Customs Act, 1962 has been extended vide Ministry of External Affairs’ notification number S.O. 189 (E), dated the 7th February, 2002.”;

(xii) against serial number (22), in column (2), for items (i) and (ii), the following shall be substituted, namely: —

“(i)The whole of the area in the districts of Surendranagar (except Dasada Taluka), Rajkot, Porbandar, Devbhumi Dwarka, Jamnagar, Morbi, Amreli, Bhavnagar, Gir Somnath and Junagadh in the State of Gujarat;

(ii) Diu of the Union territory of Daman and Diu.

(iii) Continental Shelf and Exclusive Economic Zone of India facing the baseline in the State of Gujarat to which the Customs Act, 1962 has been extended vide Ministry of External Affairs’ notification number S.O. 189 (E), dated the 7<sup>th</sup> February, 2002.”;

(xiii) against serial number (23), in column (2), the entry shall be renumbered as item (i) and after item (i) as so renumbered, the following shall be inserted, namely: —

“ (ii) Continental Shelf and Exclusive Economic Zone of India facing the baseline in the state of Gujarat to which the Customs Act, 1962 has been extended vide Ministry of External Affairs’ notification number S.O. 189 (E), dated the 7th February, 2002.”;

(xiv) against serial number (27), in column (2), the entry shall be renumbered as item (i) and after item (i) as so renumbered, the following shall be inserted, namely: —

“ (ii) Continental Shelf and Exclusive Economic Zone of India facing the baseline in the State of Odisha to which the Customs Act, 1962 has been extended vide Ministry of External Affairs’ notification number S.O. 189 (E), dated the 7th February, 2002.”;

(xv) against serial number (29) in column (2), for the entry, the following shall be substituted, namely:

—

“(i) Port of Vishakhapatnam, Gangavaram Port, Visakhapatnam International Airport, Container Freight Station at Bayyavaram Village, Kasimkota Mandal, Vishakhapatnam District, Vishakhapatnam, Special Economic Zone and areas under the Greater Vishakhapatnam Municipal Corporation of Vishakhapatnam in the state of Andhra Pradesh;

(ii)Continental Shelf and Exclusive Economic Zone of India facing the baseline in the State of Andhra Pradesh to which the Customs Act, 1962 has been extended vide Ministry of External Affairs’ notification number S.O. 189 (E), dated the 7th February, 2002.”;

(xvi) against serial number (30), in column (2), the entry shall be renumbered as item (i) and after item (i) as so renumbered, the following shall be inserted, namely: —

“(ii) Yanam district of Union territory of Puducherry;

(iii) Continental Shelf and Exclusive Economic Zone of India facing the baseline in the State of Andhra Pradesh to which the Customs Act, 1962 has been extended vide Ministry of External Affairs’ notification number S.O. 189 (E), dated the 7th February, 2002.”;

(xvii) against serial number (31), in column (2), the entry shall be renumbered as item (i) and after item (i) as so renumbered, the following shall be inserted, namely: —



“(ii) Continental Shelf and Exclusive Economic Zone of India facing the baseline in the State of Maharashtra to which the Customs Act, 1962 has been extended vide Ministry of External Affairs’ notification number S.O. 189 (E), dated the 7th February, 2002.”;

(xviii) against serial number (32), in column (2), the entry shall be renumbered as item (i) and after item (i) as so renumbered, the following shall be inserted, namely: –

“(ii) Continental Shelf and Exclusive Economic Zone of India facing the baseline in the State of Goa to which the Customs Act, 1962 has been extended vide Ministry of External Affairs’ notification number S.O. 189 (E), dated the 7th February, 2002.”.

[F. No. 450/100/2017 – Cus-IV]

(Zubair Riaz)  
Director (Customs)

**Note:** The principal notification No. 82/2017-Customs (N.T.), dated the 24th August, 2017 was published in the Gazette of India, Extraordinary vide number G.S.R.1064 (E), dated the 24th August, 2017 and was last amended notification No. 119/2017-Customs (N.T.), dated the 26th December, 2017, published in the Gazette of India, Extraordinary vide number G.S.R. 1589(E), dated the 28th December, 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  
(CENTRAL BOARD OF EXCISE AND CUSTOMS)

Notification  
No. 04/2018- Customs (N.T.)

New Delhi, the 10th January, 2018

G.S.R. (E).-In exercise of the powers conferred by sub-section (1) of section 4 of the Customs Act, 1962 (52 of 1962), the Central Board of Excise and Customs, hereby makes the following further amendments in the notification of the Government of India, Ministry of Finance (Department of Revenue) No. 92/2017-Customs (N.T.), dated the 28th September, 2017, published vide number G.S.R. 1210(E), dated the 28th September, 2017, namely : –

In the said notification, in the Table, in column (3), –

(a) against serial number 1, for item (i), the following shall be substituted, namely: –

“(i) Commissioner of Customs(Airport), Delhi;  
(i a) Commissioner of Customs (General), Delhi;”;

(b) against serial number 2, for item (iv), the following shall be substituted, namely: –

“(iv) Commissioner of Customs (Export-I), Mumbai Zone I;  
(iv a) Commissioner of Customs (Export-II), Mumbai Zone I.”;

(c) against serial number 5, after item (iv), the following shall be inserted, namely: –

“(iv a) Commissioner of Customs (VI), Chennai;”;

(d) against serial number 16, for the entries, the following shall be substituted, namely: –

“(i) Commissioner of Customs, Cochin; and  
(ii) Commissioner of Customs (Preventive), Cochin.”.

[F. No. 450/100/2017 – Cus-IV]

(Zubair Riaz)  
Director (Customs)

Note: The principal notification No. 92/2017-Customs (N.T.), dated the 28th September, 2017, was published in the Gazette of India, Extraordinary vide number G.S.R. 1210(E), dated the 28th September, 2017 and was last amended by notification No. 119/2017-Customs (N.T.), dated the 26th December, 2017, published in the Gazette of India, Extraordinary vide number G.S.R. 1589(E), dated the 28th December, 2017.



Circular No. 01/2018 - Customs

**F.No. 711/4/2011-Cus (AS)**

Government of India  
Ministry of Finance Department of Revenue  
Central Board of Excise & Customs  
(Anti-Smuggling Unit)

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Room No. 512, 5<sup>th</sup> Floor, Hudco Vishala Building,  
R. K. Puram, New Delhi, dated 11<sup>th</sup> January 2018

To

- (i) All Principal Chief/ Chief Commissioners of Customs/ Customs (Preventive),
- (ii) All Principal Chief/ Chief Commissioners of Customs & Central Excise/Central Tax,
- (iii) All Principal Commissioners/ Commissioners of Customs/ Customs (Preventive),
- (iv) All Principal Commissioners/Commissioners of Customs & Central Excise/Central Tax,
- (v) Webmaster, CBEC Website.

**Subject: Guidelines for the sale of seized/ confiscated gold - reg**

Madam/Sir,

I am directed to refer to the procedure for disposal of seized/ confiscated gold prescribed vide Ministry's letter F.No.711/164/93-CUS (AS) dated 08.08.2005 and Board's Circular No. 57/2016-Customs dated 01.12.2016.

2. In this context, I am directed to state that in addition to the centre(s), viz, Mumbai, New Delhi, Calcutta, Chennai, Ahmedabad, Jaipur, Cochin, Bangalore and Shillong, the sale of seized / confiscated gold found ripe for disposal can be done at all the centres of State Bank of India, all Public Sector Banks (approved by RBI to import and sell gold), MMTC Ltd. and STC Ltd which also have authorisation from their competent authorities / head offices to dispose/sell the seized/confiscated gold handed over to them.
3. All the other conditions prescribed in the Ministry's letter vide F.No.711/164/93-CUS (AS) dated 08.08.2005 shall be followed.
4. Board desires that all Custom Houses should take urgent steps to dispose of seized / confiscated gold as per the guidelines above.

Yours faithfully,

(Rohit Anand)

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. 3/2018 - Customs**

New Delhi, the 12th January, 2018

**G.S.R. (E).**- In exercise of the powers conferred by sub-section (1) of section 25 of the Customs Act, 1962 (52 of 1962), the Central Government, being satisfied that it is necessary in the public interest so to do, hereby makes the following amendments in each of the notifications of the Government of India in the Ministry of Finance (Department of Revenue), specified in column (2) of the Table below, which shall be further amended in the manner specified in the corresponding entry in column (3) of the said Table, namely:-

**Table**

<b>Sl. No.</b>	<b>Notification number and date</b>	<b>Amendments</b>
<b>(1)</b>	<b>(2)</b>	<b>(3)</b>
1.	91/2009-CUSTOMS, dated the 11th September, 2009, published vide number G.S.R. 657(E), dated the 11th September, 2009.	In the said notification, in condition (iv), for the word "Dharamtar", the words "Dhamra, Dharamtar, Dighi," shall be substituted.
2.	92/2009-CUSTOMS, dated the 11th September, 2009, published vide number G.S.R. 658(E), dated the 11th September, 2009.	In the said notification, in condition (iv), for the word "Dharamtar", the words "Dhamra, Dharamtar, Dighi," shall be substituted.
3.	93/2009-CUSTOMS, dated the 11th September, 2009, published vide number G.S.R. 659(E), dated the 11th September, 2009.	In the said notification, in condition (iv), for the word "Dharamtar", the words "Dhamra, Dharamtar, Dighi," shall be substituted.
4.	94/2009-CUSTOMS, dated the 11th September, 2009, published vide number G.S.R. 660(E), dated the 11th September, 2009.	In the said notification, in condition (iv), for the word "Dharamtar", the words "Dhamra, Dharamtar, Dighi," shall be substituted.
5.	95/2009-CUSTOMS, dated the 11th September, 2009, published vide number G.S.R. 661(E), dated the 11th September, 2009.	In the said notification, in condition (iv), for the word "Dharamtar", the words "Dhamra, Dharamtar, Dighi," shall be substituted.
6.	96/2009-CUSTOMS, dated the 11th September, 2009, published vide number G.S.R. 662(E), dated the 11th September, 2009.	In the said notification, in condition (vii), for the word "Dharamtar", the words "Dhamra, Dharamtar, Dighi," shall be substituted.
7.	97/2009-CUSTOMS, dated the 11th September, 2009, published vide number G.S.R. 663(E), dated the 11th September, 2009.	In the said notification, in condition (iv), for the word "Dharamtar", the words "Dhamra, Dharamtar, Dighi," shall be substituted.
8.	98/2009-CUSTOMS, dated the 11th September, 2009, published vide number G.S.R. 664(E), dated the 11th September, 2009.	In the said notification, in condition (vi), for the word "Dharamtar", the words "Dhamra, Dharamtar, Dighi," shall be substituted.
9.	99/2009-CUSTOMS, dated the 11th September, 2009, published vide number G.S.R. 665(E), dated the 11th September, 2009.	In the said notification, in condition (vii), for the word "Dharamtar", the words "Dhamra, Dharamtar, Dighi," shall be substituted.
10.	100/2009-CUSTOMS, dated the 11th September, 2009, published vide number	In the said notification, in paragraph 2, in condition (10), for the word "Dharamtar", the



	G.S.R. 666(E), dated the 11th September, 2009.	words "Dhamra, Dharamtar, Dighi," shall be substituted.
11	101/2009-CUSTOMS, dated the 11th September, 2009, published vide number G.S.R. 667(E), dated the 11th September, 2009.	In the said notification, in paragraph 2, in condition (13), for the word "Dharamtar", the words "Dhamra, Dharamtar, Dighi," shall be substituted.
12	102/2009-CUSTOMS, dated the 11th September, 2009, published vide number G.S.R. 668(E), dated the 11th September, 2009.	In the said notification, in paragraph 2, in condition (12), for the word "Dharamtar", the words "Dhamra, Dharamtar, Dighi," shall be substituted.
13	103/2009-CUSTOMS, dated the 11th September, 2009, published vide number G.S.R. 669(E), dated the 11th September, 2009.	In the said notification, in paragraph 2, in condition (9), for the word "Dharamtar", the words "Dhamra, Dharamtar, Dighi," shall be substituted.
14	104/2009-CUSTOMS, dated the 14th September, 2009, published vide number G.S.R. 674(E), dated the 14th September, 2009.	In the said notification, in condition (6), for the word "Dharamtar", the words "Dharamtar, Dhamra and Dighi," shall be substituted.
15	112/2009-CUSTOMS, dated the 29th September, 2009, published vide number G.S.R. 710(E), dated the 29th September, 2009.	In the said notification, in condition (vii), for the word "Dharamtar", the words "Dhamra, Dharamtar, Dighi," shall be substituted;
16	05/2013-CUSTOMS, dated the 18th February, 2013, published vide number G.S.R. 99(E), dated the 18th February, 2013.	In the said notification, in Table 2, against serial number 1, in the third column, for the word "Dharamtar", the words "Dhamra, Dharamtar, Dighi," shall be substituted.
17	06/2013-CUSTOMS, dated the 18th February, 2013, published vide number G.S.R. 100(E), dated the 18th February, 2013.	In the said notification, in Table 2, against serial number 1, in the third column, for the word "Dharamtar", the words "Dhamra, Dharamtar, Dighi," shall be substituted.
18	22/2013-CUSTOMS, dated the 18th April, 2013, published vide number G.S.R. 248(E), dated the 18th April, 2013.	In the said notification, in Table 2, against serial number 1, in the third column, for the word "Dharamtar", the words "Dhamra, Dharamtar, Dighi," shall be substituted.
19	23/2013-CUSTOMS, dated the 18th April, 2013, published vide number G.S.R. 249(E), dated the 18th April, 2013.	In the said notification, in Table 2, against serial number 1, in the third column, for the word "Dharamtar", the words "Dhamra, Dharamtar, Dighi," shall be substituted.
20	16/2015-CUSTOMS, dated the 1st April, 2015, published vide number G.S.R. 252(E), dated the 1st April, 2015.	In the said notification, in Table 2, against serial number 1, in the third column, for the word "Dharamtar", the words "Dhamra, Dharamtar, Dighi," shall be substituted.

(F.No.609/79/2016-DBK)

(Dharmvir Sharma)

Under Secretary to the Government of India

**Note:**

(1) The principal notification No. 91/2009-Customs, dated the 11th September, 2009 was published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), vide number G.S.R. 657 (E), dated the 11th September, 2009 and was last amended by notification No. 26/2017-Customs, dated the 29th June, 2017 published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), vide number G.S.R. 727(E), dated the 29th June, 2017.

(2) The principal notification No. 92/2009-Customs, dated the 11th September, 2009 was published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), vide number G.S.R. 658 (E), dated the 11th September, 2009 and was last amended by notification No. 26/2017-Customs, dated the 29th







(12) The principal notification No. 102/2009-Customs, dated the 11th September, 2009 was published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), vide number G.S.R. (E), dated the 11th September, 2009 and was last amended by notification No. 26/2017-Customs, dated the 29th June, 2017 published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), vide number G.S.R. 727(E), dated the 29th June, 2017.

(13) The principal notification No. 103/2009-Customs, dated the 11th September, 2009 was published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), vide number G.S.R. 668 (E), dated the 11th September, 2009 and was last amended by notification No. 26/2017-Customs, dated the 29th June, 2017 published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), vide number G.S.R. 727(E), dated the 29th June, 2017.

(14) The principal notification No. 104/2009-Customs, dated the 14th September, 2009 was published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), vide number G.S.R. 674 (E), dated the 14th September, 2009 and was last amended by notification No. 26/2017-Customs, dated the 29th June, 2017 published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), vide number G.S.R. 727(E), dated the 29th June, 2017.

(15) The principal notification No. 112/2009-Customs, dated the 29th September, 2009 was published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), vide number G.S.R. 710 (E), dated the 29th September, 2009 and was last amended by notification No. 26/2017-Customs, dated the 29th June, 2017 published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), vide number G.S.R. 727(E), dated the 29th June, 2017.

(16) The principal notification No. 05/2013-Customs, dated the 18th February, 2013 was published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), vide number G.S.R. 99 (E), dated the 18th February, 2013 and was last amended by notification No. 26/2017-Customs, dated the 29th June, 2017 published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), vide number G.S.R. 727(E), dated the 29th June, 2017.

(17) The principal notification No. 06/2013-Customs, dated the 18th February, 2013 was published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), vide number G.S.R. 100 (E), dated the 18th February, 2013 and was last amended by notification No. 26/2017-Customs, dated the 29th June, 2017 published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), vide number G.S.R. 727(E), dated the 29th June, 2017.

(18) The principal notification No. 22/2013-Customs, dated the 18th April, 2013 was published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), vide number G.S.R. 248 (E), dated the 18th April, 2013 and was last amended by notification No. 26/2017-Customs, dated the 29th June, 2017 published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), vide number G.S.R. 727(E), dated the 29th June, 2017.

(19) The principal notification No. 23/2013-Customs, dated the 18th April, 2013 was published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), vide number G.S.R. 249 (E), dated the 18th April, 2013 and was last amended by notification No. 26/2017-Customs, dated the 29th June, 2017 published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), vide number G.S.R. 727(E), dated the 29th June, 2017.

(20) The principal notification No. 16/2015-Customs, dated the 1st April, 2015 was published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), vide number G.S.R. 252 (E), dated the 1st April, 2015 and was last amended by notification No. 79/2017-Customs, dated the 13th October, 2017 published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), vide number G.S.R. 1299(E), dated the 13th October, 2017.



## GST UPDATES

Circular No. 28/02/2018-GST

**F. No. 354/03/2018**  
Government of India  
Ministry of Finance  
Department of Revenue  
Tax research Unit  
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**Room No. 156, North Block,  
New Delhi, 08th January 2018**

To,

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

Madam/Sir,

**Subject: Clarifications regarding GST on College Hostel Mess Fees - reg.**

Queries have been received seeking clarification regarding the taxability and rate of GST on services by a college hostel mess. The clarification is as given below:

2. The educational institutions have mess facility for providing food to their students and staff. Such facility is either run by the institution/ students themselves or is outsourced to a third person. Supply of food or drink provided by a mess or canteen is taxable at 5% without Input Tax Credit [Serial No. 7(i) of notification No. 11/2017-CT (Rate) as amended vide notification No. 46/2017-CT (Rate) dated 14.11.2017 refers]. It is immaterial whether the service is provided by the educational institution itself or the institution outsources the activity to an outside contractor.
3. Difficulty if any, in the implementation of this Circular may be brought to the notice of the Board.

Yours Faithfully,

Rachna  
Technical Officer (TRU)  
Email: rachna.irs@gov.in





# BMC ADVISORS

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