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RBI/FEMA

1) **RBI PRESCRIBES SEPARATE LIMIT IN IRFS FOR FPIS**

Currently, the FPI limit for Government Securities (G-secs) is fungible between investments in G-secs and investment in IRF. FPI long positions in IRF are not allowed on G-sec limit utilisation reaching 90%. In order to facilitate further market development and to ensure that access of FPIs to IRFs remains uninterrupted, RBI has decided to allocate FPIs a separate limit of Rs.5,000 crore for long position in IRFs. – *[FMRD.DIRD.6/14.03.001/2017-18, dated 1st March, 2018]*

2) **NOTIFICATION OF THE HEDGING OF COMMODITY PRICE RISK AND FREIGHT RISK IN OVERSEAS MARKETS (RESERVE BANK) DIRECTIONS, 2018**

The RBI has notified the Hedging of Commodity Price Risk and Freight Risk in Overseas Markets (Reserve Bank) Directions, 2018. These directions have come into effect from 1st April, 2018. Under these new directions, commodities whose price risk

can be hedged in the case of direct exposure include all commodities except gold, gems and precious stones. Residents (non-individuals) hedging their commodity price risks and freight risks under a specific approval from RBI given under the approval-route based on the previous set of guidelines would be permitted to continue hedging under the said approval till June 30, 2018 or till the last date specified in the approval, whichever is earlier. – *[A.P. (DIR Series) Circular No. 19, dated 12th March, 2018]*

3) **DISCONTINUATION OF LETTERS OF UNDERTAKING (LoUs) AND LETTERS OF COMFORT (LoCs) FOR TRADE CREDITS**

In the backdrop of PNB fraud, the RBI has discontinued the practice of issuance of LoUs/LoCs for Trade Credits for imports into India by the banks with immediate effect. It has also been clarified that Letters of Credit and Bank Guarantees for Trade Credits for imports into India may continue to be issued subject to compliance with the stipulated provisions. – *[A.P. (DIR Series) Circular No. 20, dated 13th March, 2018]*

4) **SUBMISSION OF RETURNS BY THE GOVERNMENT-OWNED NON-BANKING FINANCIAL COMPANIES (NBFCs)**

The RBI has decided to apply the Master Direction – Non-Banking Financial Company Returns (Reserve Bank) Directions, 2016 dated September 29, 2016, to all the NBFCs, being Government Companies and registered with the RBI. Accordingly, it has been directed that all such NBFCs shall put in place a reporting system for filing periodic returns with the Bank, as detailed in the aforesaid Master Directions, to the extent applicable to them (as per their size and whether they accept public deposits). The returns should be

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compiled on the basis of the figures available in the books of accounts of such NBFCs and filed with the RBI on-line (using the COSMOS software package) by an authorised official of the NBFC, who shall be specifically authorised in this regard by the Board of Directors of such NBFC concerned. The name of the authorised official may be informed to the RBI. – *[DNBS.PD.CC.No.1925/66.08.001/2017-18, dated 15th March, 2018]*

5) FBIL TO ADMINISTER VALUATION OF GOVERNMENT SECURITIES FROM NOW ON

It was proposed that Financial Benchmark India Pvt. Ltd. (FBIL) would assume the responsibility for administering the valuation of Government securities (issued by both the Centre and States) currently being done by FIMMDA. Accordingly, the RBI has advised that FBIL will assume the responsibility for administering valuation of Government securities with effect from March 31, 2018. From that date, FIMMDA shall cease to publish prices/yield of Government securities and this role shall be taken over by FBIL. FBIL will commence publication of the G-Sec and SDL valuation benchmarks based on the extant methodology. – *[FMRD.DIRD.7/14.03.025/2017-18, dated 31st March, 2018]*

FOREIGN TRADE

1) MERCHANDISE EXPORTS FROM INDIA SCHEME (MEIS) BENEFIT FOR BENGAL-GRAM

The MEIS benefit is notified for 'Bengal-gram' under ITC (HS) code 07132000 for a period of 3

months for exports made from the date of this Public Notice. Further, the entry pertaining to HS Code 07132000 is placed at Annexure to Public Notice No.62 dated 16.02.2018 for processing of MEIS applications. – *[Public Notice No. 66/2015-2020, 21st March, 2018, (DGFT)]*

2) AMENDMENT IN IMPORT POLICY AND POLICY CONDITION OF PEPPER

Import of pepper over and above CIF Rs. 500/ per kilogram is free and import below CIF Rs. 500/ is prohibited. – *[Notification No. 53/2015-2020, 21st March, 2018, (DGFT)]*

3) AMENDMENTS TO FOREIGN TRADE POLICY 2015-2020 - EXTENSION OF INTEGRATED GOODS AND SERVICE TAX (IGST) AND COMPENSATION CESS EXEMPTION UNDER ADVANCE AUTHORISATION AND EPCG SCHEME TILL 01.10.2018.

(A) Exemption from Integrated Tax and Compensation Cess under Advance Authorization Scheme under Para 4.14 of FTP 2015-20 is extended upto 01.10.2018.

(B) Exemption from Integrated Tax and Compensation Cess under EPCG Scheme under Para 5.01 (a) of FTP 2015-20 is extended upto 01.10.2018. – *[Notification No. 54/2015-2020, 22nd March, 2018, (DGFT)]*

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CORPORATE

1) FUGITIVE ECONOMIC OFFENDERS BILL, 2018

The Union Cabinet has approved Finance Ministry's proposal to introduce Fugitive Economic Offender's Bill, 2018. The Bill lays down measures to deter economic offenders from evading the process of Indian law by remaining outside the jurisdiction of Indian courts. The highlights of the bill are:-

(i) The cases which involve total value in such offences as Rs. 100 crore or higher, come under the purview; (ii) a special forum shall be created for expeditious confiscation of the proceeds of crime, in India or abroad, to coerce the fugitive to return to India to submit to the jurisdiction of courts in India; (iii) application before a Special Court for declaration that an individual is a fugitive economic offender; (iv) attachment and confiscation of the property of a fugitive economic offender; (v) disentitlement of the fugitive economic offender from defending any civil claim; (vi) appointment of an administrator to manage and dispose of the confiscated property under the Act; and (vii) if the fugitive returns back to India and submits to the appropriate jurisdictional court, the proceedings under the proposed act shall cease. *—[Union Cabinet press release, March 1, 2018 (Ministry of Finance)]*

2) NATIONAL FINANCIAL REPORTING AUTHORITY (NFRA).

The Union Cabinet has approved the establishment of National Financial Reporting Authority (NFRA) for investigation of chartered accountants and their firms under Section 132 of the Income Tax Act and listed companies and large unlisted public

companies. The Central Government may refer entities for investigation where public interest is involved. The inherent regulatory role of ICAI as provided under the Chartered Accountants Act, 1949 shall continue. *—[Union Cabinet press release, March 1, 2018 (Ministry of Finance)]*

3) NCLAT HOLDS THAT MORATORIUM WILL NOT ONLY BE APPLICABLE TO THE PROPERTY OF THE 'CORPORATE DEBTOR' BUT ALSO ON THE 'PERSONAL GUARANTOR'.

National Company Law Appellate Tribunal (NCLAT) in the case, has held that the moratorium on sale of assets applies not just to corporate debtors but also to personal guarantors under the Insolvency and Bankruptcy Code (IBC).

Mr. V. Ramakrishnan (1st Respondent), Director of M/s Vecons Energy Systems Private Limited ("Corporate Debtor") had given personal guarantee and the mortgagor of collateral securities of his assets with the Appellants bank- State Bank of India ("Financial Creditor") against the facilities availed by the "Corporate Debtor". SBI invoked its right under SARFAESI against the personal guarantor in August 2015 for recovery of Rs. 61.1 crore. The notice was challenged by the corporate debtor in the Madras High Court, which was dismissed with costs in November 2016. Following this, SBI issued a possession notice and took symbolic possession of the secured assets. The "Corporate Debtor" invoked Section 10 of the IBC which was admitted, order of "Moratorium" was passed and an Interim Resolution Professional was appointed. Even after declaration of the "Moratorium", SBI continued to take measures under SARFAESI and proceeded against the property of the 'personal guarantor' and issued sale notice in July, 2017. The personal

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guarantor filed an application in NCLT-Chennai for stay of proceedings under the SARFAESI, including auction notice dated July 12, 2017. The Tribunal restrained SBI from proceeding against the personal guarantor till the moratorium period is over.

The NCLAT reviewed various provisions of the IBS and observed as follows:-

(i) As per Part II of the IBC, 'Insolvency Resolution' and 'Liquidation Proceedings' can be initiated only against the 'Corporate Persons' and not against an individual, including 'Personal Guarantor', as defined under Section 5(22) of the IBC; (ii) for the purpose of Section 5(8) of the IBC, through counter-indemnity obligation in respect of a guarantee, if disbursed against the consideration for the time value of money comes within the meaning of "Financial Debt", no insolvency and liquidation proceedings can be initiated against the "Personal Guarantor" under Part II; (iii) it is apparent from S.60(2) and (3) of the IBC, that in case where proceeding has been initiated against the "Corporate Debtor", if simultaneous proceeding is to be initiated against the "personal guarantor" for bankruptcy proceedings, an application relating to the "Insolvency Resolution or Bankruptcy" of a "personal guarantor" of such "corporate debtor" is required to be filed before the same Adjudicating Authority (NCLT) hearing the "insolvency Resolution Process" or "Liquidation Proceedings" of the "Corporate Debtor".

Therefore, a "Financial Creditor", including SBI, if it intends to proceed against the "personal guarantor" of the "Corporate Debtor", may file an application relating to "bankruptcy" of the "personal guarantor" before the same Adjudicating Authority (Division Bench Chennai, here). Though, Part III of the IBC has not yet been notified but the Adjudicating Authority is vested with all the powers of the Debt Recovery Tribunal (Adjudicating

Authority under Part III) as contemplated under the Part III of the IBC for the purpose of S.60(2).

On a perusal of S.14 of the IBC it is clear that not only institution of suits or continuation of pending suits or proceedings against the "Corporate Debtor" are prohibited from proceedings, in terms of Section 14(1)(b), transfer, encumbrance, alienation or disposal of any of its assets of the "Corporate Debtor" and/or any legal right or beneficial interest therein are prohibited too. Section 14(1)(c) and (d) prohibit recovery or enforcement of any security interest created by the corporate debtor in respect of its property including the property occupied by it or in the possession of the "Corporate Debtor".

From the IBC provisions, it is clear that resolution plan, if approved by the committee of creditors and if the same meets the requirements as referred to S.30(2) and once approved by the adjudicating authority, is not only binding on the corporate debtor, but also on its employees, members, guarantors and other stakeholders involved in the resolution plan, including the personal guarantor. – **[State Bank of India v. V Ramakrishnan and Vecons Energy Limited, (NCLAT)]**

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SECURITIES

1) SEBI ALLOCATES RS. 5000 CRORE SEPARATE IRF INVESTMENT WINDOW FOR FPIs

In order to attract more foreign funds, SEBI has decided to allocate separate limit of Rs. 5000 crore to Foreign Portfolio Investors (FPIs) for taking long position in Interest Rate Futures (IRFs). The decision follows RBI's statement on Developmental

and Regulatory Policies, released on August 02, 2017 and RBI Circular dated March 1, 2018. Accordingly, SEBI has modified para 13 (d) of Annexure 1 to SEBI Circular dated December 05, 2013 and para 13 (c) of Annexure 1 to SEBI Circular dated June 12, 2015. The Circular provides that:-

(1) for each interest rate futures instrument, position of FPIs with a net long position will be aggregated, FPIs with a net short position in the instrument will not be reckoned; (2) No FPI can acquire net long position in excess of INR 1,800 crore at any point of time; (3) stock exchanges shall aggregate net long position in IRF of all FPIs taken together at end of the day and shall jointly publish the same on their website on daily basis; (4) upon utilisation of 90% of the limit, the exchanges will put in place mechanism to get alerts and publish on their websites the available limit, on a daily basis; (5) in case there is breach of the threshold limit, the FPIs whose investment caused the breach would have to square off their excess position within five (5) trading days or by expiry of the contract, whichever is earlier. – *[IMD/FPIC/CIR/P/2018/46, 8th March, (SEBI)]*

2) SEBI AMENDS MUTUAL FUND REGULATIONS INTRODUCING PROVISIONS ON CROSS SHAREHOLDING CAP.

In order to avoid conflict of interest, SEBI has amended the Mutual Funds Regulations to introduce a new provision for a 10% cross-shareholding cap in mutual funds. Accordingly a new Regulation 7A has been added, which provides that-

(i) a sponsor of a mutual fund, its associates, group company and its asset management company (AMC) will be restricted from holding 10% or more of the share-holding or voting rights in the AMC or

the trustee company of any other mutual fund; (ii) any shareholder owning at least 10% stake in the AMC will not be allowed to have 10% or more of the share-holding or voting rights in the AMC or the trustee company of any other mutual fund; (iii) also, such entities will be barred from having representation on the board of another mutual fund house; (iv) SEBI has provided a period of one year from the date of the coming into force of this regulation to comply with the above; (v) further a proviso has been added to clause 2 of the seventh schedule (restrictions on investment). Clause 2 provides that no mutual fund under all its schemes should own more than 10% of any company's paid up capital carrying voting rights. The proviso states that the investment in the AMC or the trustee company of a mutual fund shall be governed by regulation 7B (1)(a). *–[SEBI/LAD-NRO/GN/2018/02, 13th March 2018 (SEBI)]*

3) SEBI RAISES CURRENCY DERIVATIVE TRADE LIMIT TO \$100 MILLION.

SEBI by its Circular dated June 20, 2014, specified limits for USD-INR, EUR-INR, GBP-INR and JPY-INR currency derivatives contracts beyond which market participants were required to establish proof of underlying exposure. SEBI has raised the exposure limits under exchange traded currency derivatives (ETCD) trading for residents and Foreign Portfolio Investors (FPIs) to USD 100 million across all currency pairs involving the Indian rupee. Accordingly, SEBI has amended its Circular dated 8th April, 2015, as follows:-

(i) domestic clients/FPIs may take long or short positions without having to establish existence of underlying exposure, up to a single limit of USD 100 million equivalent, across all currency pairs involving INR, put together and combined across all the stock exchanges; (ii) FPIs shall ensure that

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their short positions at all stock exchanges across all contracts in FCY-INR pairs do not exceed USD 100 million. In the event a FPI breaches the short position limit, stock exchanges shall restrict the FPI from increasing its existing short position in the currency pair till such time FPI complies with the said requirement; (iii) to take long positions in excess of USD 100 million in all contracts in FCY-INR pairs, FPIs shall be required to have an underlying exposure in the Indian debt or equity securities, including units of equity/debt mutual funds; (iv) domestic clients may take long positions in excess of USD 100 million in all contracts in FCY-INR pairs, subject to the conditions specified in the RBI Circular dated June 20, 2014 and RBI Circular dated March 31, 2015; (v) the onus of complying with the provisions of this decision rests with the participant in the exposure limit under the exchange traded (ETCD) market. In case of any contravention the participant shall be liable to any action that may be warranted as per the provisions of Foreign Exchange Management Act. These limits shall be monitored by stock exchanges and clearing corporations and breaches, if any would need to be reported to the RBI. –
[SEBI/HO/MRD/DP/CIR/P/2018/50, 15th March, 2018, (SEBI)]

COMPETITION

1) CCI IMPOSES PENALTIES UPON AIRLINES FOR CONCERTED ACTION IN FIXING FUEL SURCHARGE (FSC) ON CARGO TRANSPORT

The Competition Commission of India (CCI) has imposed penalties upon 3 airlines for concerted action in fixing and revising Fuel Surcharge (FSC) - a component of freight charges.

The final order was passed by CCI on March 7, 2018 on an information filed by Express Industry Council of India against Jet Airways (India) Ltd., InterGlobe Aviation Limited, Spice Jet Limited, Air India Limited and Go Airlines (India) Limited alleging cartelisation.

The CCI noted in its order that the aforesaid Airlines acted in a concerted manner in fixing and revising the FSC rates and thereby contravened the provisions of Section 3 of the Act which prohibits anticompetitive agreements including cartels.

Accordingly, penalties of Rs. 39.81 crore, Rs. 9.45 crore and Rs. 5.10 crore were imposed upon Jet Airways (India) Ltd., InterGlobe Aviation Limited and Spice Jet Limited respectively. Besides, a cease and desist order was also issued against the Airlines.

While imposing penalties, the Commission applied the principle of relevant turnover and based the penalties on the revenue generated by the Airlines from air cargo transport services only. Considering the financial position of Airlines at the relevant time and noting that FSC constitutes about 20-30% of cargo revenue, penalty was imposed by the Commission @ 3 % of their average relevant turnover of the last three financial years.

The CCI deprecated the Airlines for using FSC as a pricing tool which was essentially introduced to mitigate the fuel price volatility. The final order has been passed by CCI pursuant to the directions issued by the erstwhile Competition Appellate Tribunal remanding the matter back while setting aside the original order of CCI. –**[Express Industry Council of India v. Jet Airways (India) Limited & Others, 7th March, 2018, (CCI)]**

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INDIRECT TAXES

a. CUSTOMS

1) EXTENSION OF EXEMPTION FROM IGST AND COMPENSATION CESS TO EOUs ON IMPORTS

Notification No. 52/2003- Customs dated 31.03.2003 amended so as to extend the exemption from IGST and Compensation Cess to EOUs on imports till 01.10.2018. – *[Notification No. 33/2018-Customs, dated 23rd March, 2018]*

2) AMENDMENTS IN THE EXEMPTION RATES OF SPECIFIC GOODS WHEN IMPORTED INTO INDIA FROM JAPAN

The CBEC has amended Notification No. 69/2011- Customs, dated the 29th July, 2011 so as to amend the rates regarding exemption to specific goods when imported into India from Japan w.e.f. 1st April, 2018. – *[Notification No.34/2018 – Customs, dated 27th March, 2018]*

3) EXEMPTION FROM IGST AND COMPENSATION CESS ON IMPORT OF GOODS UNDER ADVANCE AUTHORISATION/EPCG SCHEMES

The CBEC has amended various Customs exemption Notifications to exempt Integrated Goods and Services Tax and Compensation Cess on import of goods under Advance Authorisation / EPCG Schemes till 01.10.2018.

4) AMENDMENTS TO COURIER IMPORTS AND EXPORTS (ELECTRONIC DECLARATION AND PROCESSING) REGULATIONS, 2010

The CBEC has amended the Courier Imports and Exports (Electronic Declaration and Processing) Regulations, 2010 vide the Courier Imports and Exports (Electronic Declaration and Processing) Amendment Regulations, 2018. – *[Notification No. 28/2018-Customs (N.T.), dated 28th March, 2018]*

5) ADD ON 'O-ACID'

Anti-dumping duty imposed on imports of 'O-Acid' originating in or exported from China PR for a period of 3 years (unless revoked, amended or superseded earlier) from the date of imposition of the provisional anti-dumping duty, that is, the 13th July, 2017. – *[Notification No. 6/2018-Customs (ADD), dated 12th March, 2018]*

6) ADD ON "SULPHONATED NAPHTHALENE FORMALDEHYDE"

Definitive anti-dumping duty imposed on the imports of "Sulphonated Naphthalene Formaldehyde" originating in or exported from China PR for a period of five years (unless revoked, superseded or amended earlier). – *[Notification No. 7/2018-Customs (ADD), dated 13th March, 2018]*

7) ADD ON 'OFLOXACIN'

Anti-dumping duty imposed on imports of 'Ofloxacin' originating in or exported from China PR for a period of three years (unless revoked, superseded or amended earlier). – *[Notification No.8/2018-Customs (ADD), dated 15th March, 2018]*

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8) ADD ON 'DIMETHYLACETAMIDE'

Anti-dumping duty imposed on imports of 'Dimethylacetamide' originating in or exported from China PR and Turkey for a period of five years (unless revoked, superseded or amended earlier). – *[Notification No.12/2018-Customs (ADD), dated 20th March, 2018]* **b. GST**

9) ADD ON 'RESORCINOL'

Anti-dumping duty imposed on imports of 'Resorcinol' originating in or exported from China PR and Japan for a period of three years. – *[Notification No.13/2018-Customs (ADD), dated 21st March, 2018]*

10) ADD ON VENEERED ENGINEERED WOODEN FLOORING

Anti-dumping duty imposed on Veneered Engineered Wooden Flooring, originating in or exported from China PR, Malaysia, Indonesia and the European Union. – *[Notification No.17/2018-Customs (ADD), dated 27th March, 2018]*

11) EGM ERRORS RELATED TO IGST REFUND ON EXPORTS

IGST refunds in many cases have been delayed due to non-filing of EGM at the gateway port or information mismatch between local and gateway EGM's. The Shipping Lines / agents have been filing EGM electronically for exports from gateway ports, but for cargo from ICD's, shipping lines/ Agents filed EGM in manual mode. Therefore, absence of electronic EGM's and their integration with local EGM's has been a hindrance in processing of IGST refunds from ICD's. To overcome this issue, the CBEC has proposed few steps to be undertaken by Jurisdiction officers

(ICD's and gateway ports)/ Shipping lines. – *[Circular No. 6/ 2018- Customs, dated 16th March, 2018]*

1) CGST (SECOND AMENDMENT) RULES, 2018

The CBEC has notified the CGST (Second Amendment) Rules, 2018, mainly to amend/ revise Rules 138, 138A, 138B, 138C and 138D relating to generation of E-way Bill system and Procedures for Intra/ Inter-state movement of Goods, including to amend Forms GST EWB-01, EWB-02, EWB-03, EWB-04, GST INV-1, GST RFD-01A, etc. There rules have come into effect from the 1st April, 2018. – *[Notification No.12/2018 – Central Tax, dated 7th March, 2018 & Notification No.15/2018 – Central Tax, dated 23rd March, 2018]*

2) CGST (THIRD AMENDMENT) RULES, 2018

The CBEC has notified the CGST (Third Amendment) Rules, 2017 applicable w.e.f. 1 July 2017. Rules 44, 96, 117 and 119 have been amended. Besides, new Rules have been inserted, like Rules 139 to 141 (Chapter XVII: Inspection, Search and Seizure), Rules 142 to 161 (Chapter XVIII: Demands and Recovery) and Rule 162 (Chapter XIX: Offences and Penalties) along with Forms GST RFD-01 to 11, GST INS-01 to 05, GST DRC-01 to 25 and GST CPD-01 to 02. – *[Notification No. 14/2018 – Central Tax, dated 23rd March, 2018]*

3) DUE DATES FOR FILING VARIOUS FORMS PRESCRIBED

- FORM GSTR-3B – For the month of April, May and June, 2018 the last date for filing of return is 20th May, 20th June and 20th July, 2018 respectively. – *[Notification No. 16 /2018 – Central Tax, dated 23rd March, 2018]*
- FORM GSTR-1 for those taxpayers with aggregate turnover of upto Rs.1.5 crore – For the quarter April to June, 2018 till the 31st day of July, 2018. – *[Notification No. 17 /2018 – Central Tax, dated 23rd March, 2018]*
- FORM GSTR-1 for those taxpayers with aggregate turnover of more than Rs. 1.5 crores - For the month of April, May and June, 2018 the last date for filing of return is 31st May, 10th June and 10th July, 2018 respectively. – *[Notification No. 18 /2018 – Central Tax, dated 28th March, 2018]*

4) REVERSE CHARGE MECHANISM U/S 9(4) OF CGST ACT SUSPENDED TILL 30.06.2018

The CBEC has provided exemption to registered persons from paying CGST under reverse charge on supply of goods or services from unregistered person to registered person till 30.06.2018. – *[Notification No. 10/2018 – Central Tax (Rate), dated 23rd March, 2018]*

Similar notifications were issued under the IGST Act and UT GST Act. – *[Notification No. 11/2018 – Integrated Tax (Rate), dated 23rd March, 2018 & Notification No. 10/2018 – Union Territory Tax (Rate), dated 23rd March, 2018]*

5) CLARIFICATIONS REGARDING GST IN RESPECT OF CERTAIN SERVICES

The CBEC has provided clarifications on the applicability of GST with respect to certain services like activity of bus body building, retreading of tyres, Priority Sector Lending Certificates (PSLCs), activities carried by DISCOMS against recovery of charges from consumers under State Electricity Act and guarantee provided by State Government to state owned companies against guarantee commission. – *[Circular No. 34/8/2018-GST, dated 1st March, 2018]*

6) CLARIFICATION REGARDING TAXABLE SERVICES PROVIDED BY THE MEMBER OF THE JOINT VENTURE(JV) TO THE JV AND VICE VERSA AND INTER SE BETWEEN THE MEMBERS OF THE JV

The CBEC has clarified that the law with regard to levy of GST on service supplied by member of an unincorporated joint venture (JV) to the JV or to other members of the JV, or by JV to the members, essentially remains the same as it was under service tax law. Thus, it is clarified that the clarification given vide Board Circular No. 179/5/2014 – ST dated 24.09.2014 ibid in the context of service tax is applicable for the purpose of levy of GST also. – *[Circular No. 35/9/2018-GST, dated 5th March, 2018]*

7) CLARIFICATION ON ISSUES RELATED TO JOB WORK

The CBEC vide the present circular has clarified various issues related to Job Work like the Scope / ambit of job work; Requirement of registration for a principal / job worker; Supply of goods by the principal from the job worker's place of business / premises; Movement of goods from the principal to

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the job worker and the documents and intimation required thereof; Liability to issue invoice, determination of place of supply and payment of GST; and Availability of input tax credit to the principal and the job worker. – **[Circular No.38/12/2018, dated 26th March, 2018]**

8) CLARIFICATION ON APPLICABLE RATE OF GST TO SUPPLY OF FOOD AND DRINK IN TRAINS

The CBEC has clarified that the GST rate on supply of food and / or drinks by the Indian Railways or Indian Railways Catering and Tourism Corporation Ltd. or their licensees, whether in trains or at platforms (static units), will be 5% without ITC. – **[F.No. 354/03/2018-TRU, dated 31st March, 2018]**

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INTELLECTUAL PROPERTY RIGHTS

1) DELHI HIGH COURT DIRECTED YOUTUBE TO GIVE THE DETAILS ABOUT THE IDENTITY OF THE PERSON WHO HAS UPLOADED VIDEOS INFRINGING THE COPYRIGHT OF THE PLAINTIFF

Present suit is filed by the plaintiff seeking a decree in favour of the plaintiff and against the defendants for permanent injunction thereby permanently injunctioning the defendants from reposting the videos including the 101 video lectures as already posted and from further posting any other video under any name or guise on the website of defendant No.2 or any other social media or publically accessible online platform. It was pleaded that defendant No.1 has

infringed the copyright of the plaintiff. Defendant No.2 is YouTube LLC.

The Court observed that the unknown entity cannot be permitted to defeat the copyright rights of the plaintiff in this manner, i.e., by reloading the video after it is disabled by defendant No.2 on the request of defendant No.1. Keeping in view the peculiar facts and circumstances of this case, the Court directed the defendant No.2 to give the details and to provide information to the extent that such information or data is in its possession and readily available and resolves to India about the identity of the person who has uploaded these URLs which have already been disabled by the defendant No. 2 on instructions / notice of the plaintiff that they are violating the copyright of the plaintiff. – **[Shri Rakesh Kumar Mehta v. Shri Dushyant Kumar & Anr., dated 13th March, 2018 (Delhi HC)]**

CONSUMER

1) AIR FRANCE PENALISED FOR DENYING BOARDING DUE TO ITS PRACTICE OF OVER BOOKING.

The apex consumer commission has asked Air France to pay a compensation of Rs. 4,00,000/- to each of its three passengers for causing inconvenience and harassment to them for denying boarding on a Paris-Delhi flight in 2002. The National Consumer Disputes Redressal Commission (NCDRC) held that not permitting a passenger holding a confirmed ticket to board a flight amounted to deficiency of service on part of the airline.

The NCDRC has directed the premier French national carrier to compensate three officials of the Sahara Group after they alleged that they were not

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allowed to board a flight from Paris to Delhi despite having legitimate boarding passes. Air France, on its part, claimed that as per the accepted practice the passengers were given 300 Euros each (equivalent to approximately Rs. 53,600) besides free accommodation at a hotel with meals, two telephone vouchers and nine telephone cards for denying boarding. After availing these facilities, the complainants had filed the complaint in order to take undue advantage of the situation. – *[Air France v. O.P. Srivastava & Others, March 22, 2018, (NCDRC)]*

ENVIRONMENT

1. SC APPOINTS JUSTICE JAWAD RAHIM AS ACTING CHAIRPERSON OF NGT

The Supreme Court has appointed Justice Jawad Rahim, judicial member of National Green Tribunal (NGT), as the acting chairperson of the green panel. – *[The Times of India, dated 27th March, 2018]*

2. PM'S PET RS 12K CR-CHAR DHAM PROJECT HITS NGT HURDLE

The NGT banned further felling of trees in the Rs. 12,000 crore all-weather Char Dham road project, a pet initiative of Prime Minister Narendra Modi. The felling of trees has been banned till the next hearing of the matter although the tribunal did not order a stay on the project as was being demanded by environmentalists. – *[The Times of India, dated 21st March, 2018]*

3. NGT FINES DELHI GOVT RS 2 LAKH ON CROP BURNING ISSUE

The NGT rapped the Delhi government for not filing its action plan on air pollution with respect to crop burning and imposed a fine of Rs. 2 lakh on the government. – *[The Times of India, dated 21st March, 2018]*

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