

[TO BE PUBLISHED IN PART II, SECTION 3, SUB-SECTION (i) OF THE GAZETTE
OF INDIA (EXTRAORDINARY)]
GOVERNMENT OF INDIA
MINISTRY OF FINANCE
DEPARTMENT OF REVENUE
(CENTRAL BOARD OF EXCISE AND CUSTOMS)

Notification No. 1/2017-CUSTOMS
New Delhi, 20th January, 2017

G.S.R (E) In exercise of the powers conferred by sub-section (1) of section 25 of the Customs Act, 1962 (52 of 1962), the Central Government being satisfied that it is necessary in the public interest so to do, hereby makes the following further amendments in the notification of the Government of India in the Ministry of Finance (Department of Revenue), No. 153/93-Customs, dated the 13th August, 1993, namely:-

In the said notification,

(1) in the paragraph for the conditions, the following conditions shall be substituted,-

- “ (i) the importer (hereinafter referred to as the Infrastructure Service Provider or the ISP) shall produce a certificate to the Assistant Commissioner or the Deputy Commissioner of Customs from the concerned Director of the Software Technology Parks Society set up by the Government of India, Department of Electronics, to the effect that the said imported goods are to be installed or used in the premises of the ISP and that the importer of such goods has been authorised by the said Inter-Ministerial Standing Committee for Hundred Percent Export Oriented Units in the Electronics Hardware Technology Parks (EHTP) and Software Technology Parks (STP) appointed by the notification of the Government of India in the Ministry of Industry, Department of Industrial Development No. S.O. 117(E), dated the 22nd February, 1993;
- (ii) the goods shall only be used for the purpose of export of software by the STP Units located in the premises of the ISP;
- (iii) the ISP executes a bond before the Assistant Commissioner or the Deputy Commissioner of Customs binding himself to,-
- (a) install the said goods in his premises and use them in connection with the export of software by the STP Units located in the premises;
- (b) not to remove the said goods from the premises without the approval of Assistant Commissioner or Deputy Commissioner of Customs;
- (c) pay on demand, an amount equal to the duty leviable on the said goods as are not proved to the satisfaction of the Assistant Commissioner or Deputy Commissioner of Customs to have been used for the purposes for which the said goods were imported; and

- (d) follow the procedure as may be prescribed by the Assistant Commissioner or Deputy Commissioner of Customs for the receipt, storage, use and removal of the goods;
- (iv) subject to the permission being granted by the Director of the Software Technology Park, the Assistant Commissioner or Deputy Commissioner of Customs, may allow an ISP to re-export the said goods;
- (v) without prejudice to any other provision contained in this notification, the Assistant Commissioner of Customs or Deputy Commissioner of Customs may, in accordance with the Foreign Trade Policy, allow the ISP to clear the goods specified in the Annexure to this notification on payment of duty on the depreciated value thereof and at the rate in force on the date of clearance. The depreciation shall be allowed in straight line method as specified below, namely: -

for every quarter in the first year @ 4%
for every quarter in the second year @ 3%
for every quarter in the third year @ 3%
for every quarter in the fourth and fifth year @ 2.5 %
and thereafter for every quarter @ 2%

Explanation, –

- (1) For the purpose of computing the rate of depreciation for any part of a quarter, a full such quarter shall be taken into account;
- (2) there shall be no upper limit for such depreciation and depreciation upto 100% could be allowed;
- (3) The period of depreciation shall be calculated:
- i. from the date of commencement of operations, as certified by the Director of the Software Technology Park, to the date of clearance of the goods; or
- ii. where such goods have been received in an operational ISP premises, from date of their installation as certified by the Director of the Software Technology Park, by a STP unit, to the date of clearance.”;
- (2) in the Annexure, under heading “V OTHER ITEMS”, against serial number 2, for the words, “Chief Executive” the word, “Director” shall be substituted.”.

F. No. DGEP/EoU/STP/28/2016

(Temsunaro Jamir)
Under Secretary to the Government of India

Note. - The principal notification No. 153/1993 Customs, dated the 13th August, 1993 was published in the Gazette of India, Extraordinary, Part II, section 3, Sub-section (i) *vide* number G.S.R. 554(E), dated the 13th August, 1993 and was last amended by Notification No.5/2007- Customs, dated 15th January, 2007, published in the Gazette of India, Extraordinary, Part II, section 3, Sub-section (i) *vide* number G.S.R. 27(E), dated 15th January, 2007.