

**Circular No. 54/98 - Customs
dated 31/ 7/ 1998**

F. No. 305 / 210/ 97- FTT

Government of India
Ministry of Finance
Department of Revenue
(Central Board of Excise & Customs), New Delhi

Subject : DTA sale of software through data communication / tele - communication links - clarification regarding

I am directed to say that Board's Notification No. 138/91- Cus. and 140/ 91-Cus. initially allowed DTA sale of software only in physical form and sales through data communication/ telecommunication lines was not permitted. These notification have since been amended by the notification No. 33/97-Cus., dated 1.4.97 allowing DTA sale through data communication link or telecommunication links.

2. Incidentally, the notification No. 53/97- Cus. governing the stand alone 100% EOUs, does not contain any provision restricting or allowing sale of software through telecommunication link. Now, some units working under 100% EOUs scheme have requested for sale of their software through telephone links under notification No. 53/ 97- Cus., dated 3.6.97.

3. The Board has examined the issue and it is clarified that EOUs working under Notification No. 53 /97- Cus may sell their software through data communication link or telecommunication link subject to the condition that the Director of STP would certify the valuation.

Sd/-
(O.P. Khanduja)
Sr. Technical Officer (FTT)
