

GENERAL EXEMPTION NO. 135

Exemption to specified equipments, instruments, raw materials, components, pilot plant and computer software when imported for R & D projects.

[Notfn. No. 50/96-Cus., dt. 23.7.1996 as amended by Notfn. Nos.74/96, 108/03 and 18/05, 44/17]

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 exempts **equipment, instruments, raw materials, components, pilot plant and computer software** (hereinafter referred to as the said goods) and falling within the First Schedule to the Customs Tariff Act, 1975 (51 of 1975), when imported into India, from the **whole of the duty of customs** leviable thereon which is specified in the said First Schedule when imported for any **Research and Development Project** (hereinafter referred to as the said project) undertaken by any company, subject to the following conditions, namely :-

(a) the said project is undertaken by any company having an in-house Research and Development unit recognised by the Department of Scientific and Industrial Research under the Ministry of Science and Technology;

(b) the said project is **funded by the Government of India** in a Ministry or Department or Council of Scientific and Industrial Research **under the New Millennium Indian Technology Leadership Initiative Scheme** as the case may be, and the **share of such Ministry** or Department or Council of Scientific and Industrial Research under the New Millennium Indian Technology Leadership Initiative Scheme is **not less than twenty per cent** of the total cost of the said project;

(c) a certificate from an officer not below the rank of a Deputy Secretary to the Government of India in the concerned Ministry or Department or Council of Scientific and Industrial Research or Indian Council of Medical Research or Indian Council of Agriculture Research or University Grants Commission or Defence Research and Development Organisation or All India Council for Technical Education as the case may be, funding the said project is produced to the Assistant commissioner of Customs, in each case, at the time of importation, indicating -

(i) the total cost of the project;

(ii) the cost of the project shared by such Ministry or Department or Council of Scientific and Industrial Research under the New Millennium Indian Technology Leadership Initiative Scheme as the case may be;

(iii) the value of the goods already imported under this notification;

(iv) that the goods are imported for the purposes of the said project;

(d) the goods shall not be sold or transferred to any person or other organisation for a period of five years from the date of their import:

Provided that the **exemption** under this notification shall be **available** to the said goods **only upto**

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a value equivalent to the **cost of the said project shared by the concerned Ministry** or Department or Council of Scientific and Industrial Research under the New Millennium Indian Technology Leadership Initiative Scheme.

