

***Legal Agreement For Software Technology Park Units
under STP Scheme***

An agreement made this Day day of Month, Two Thousand Eight between **Company Name**, a 100% export oriented unit, having its Registered office at Address and development center at Unit Address(1) and Unit Address (2) and ... (hereinafter referred to as “the Unit” which expression shall include its successors and assigns) of the one part and President of India acting through Officer-In-Charge, Software Technology Parks of India – Kolkata (hereinafter referred to as “the Government” which expression shall include his successors in office and assigns) of the other part.

WHEREAS the Government has communicated vide letter ref. no. LOP Number dated 31-12-2008, to the Unit, the terms and conditions for setting up of STP unit for the development and export of computer software and IT enabled services and the Unit has duly accepted the said terms and conditions vide their letter No. LOP Acceptance letter no. dated 31-12-2008.

AND WHEREAS the unit has been permitted to import Plant and Machinery, raw materials, components, spares and consumables free of Import duty as per details given at Annexure I.

And whereas a license has been granted to the Unit by the Government, subject to the achievement of positive NFE as provided for in STP Scheme.

NOW THIS AGREEMENT WITNESSETH AS FOLLOWS:

1. The Unit shall achieve positive NFE cumulatively over a period of 5 years as provided in the STP Scheme.

2. Such performance shall be subject to annual monitoring by The Director / Officer-In-Charge, Software Technology Parks of India - Kolkata having jurisdiction over its activities under the guidelines issued by the Ministry of Commerce, Government of India from time to time and the unit shall be liable for penalty under the Foreign Trade (D&R) Act, 1992 as amended from time to time for failure to fulfill such obligation. For the purpose of counting NFE under the ST Scheme, exports to Nepal or Bhutan shall qualify, if payment is made in Foreign Exchange.
3. The Unit shall intimate the date of commencement of the production for export within one month of such date to the Officer-In-Charge, Software Technology Parks of India-Kolkata.
4. The Unit shall not dispose of its production in the domestic market except in terms of the provisions STP Scheme and/or when specifically allowed by the competent authority.
5. The Unit under implementation shall submit quarterly report to The Officer-In-Charge, Software Technology Parks of India – Kolkata in the prescribed format.
6. The Unit shall after the commencement of production / operation, submit to The Officer-In-Charge, Software Technology Parks of India – Kolkata, quarterly performance report in the prescribed format for the period ending March / June / September and December every year within 30 days of the close of quarter through e-mail giving details of the imports / exports effected and purchases made from the Domestic Tariff Area by the Unit during the period. An annual performance report shall also be submitted in the prescribed format within a period of 90 days following the close of financial year failing which further imports and DTA sale will not be permitted. Annual Performance Report shall be certified by a Chartered Accountant. In case of wrong submission of such information or failure to submit such information within the stipulated time, The Director / Officer-In-Charge, Software Technology Parks of India – Kolkata may withdraw the permission granted to the unit for operation. The unit shall submit any other periodical reports or provide information as and when required by The Director / Officer-In-Charge, Software Technology Parks of India – Kolkata.
7. In the event of the Unit failing to fulfill the terms & conditions of Letter Of Permission (LOP) / Letter Of Intent (LOI) and NFE as prescribed in the STP Scheme, except when the fulfillment of such conditions is prevented or delayed because of any law & order, proclamation, regulation / ordinance of the Government or the shortfall in fulfillment of NFE is within the permissible norms specified in the monitoring guidelines of the STP Scheme given in Foreign Trade Policy, the unit would be liable for penal action under the provisions of Foreign Trade (Development & Regulation) Act, 1992 and the Rules & Orders made there under.
8. The Unit shall also be subject to the conditions stipulated and required for availing exemption from duty of Customs under the relevant Customs Notifications and any Customs Duties and interest payable to / leviable by the Government for failure to fulfill such conditions shall also, without prejudice to any other mode of recovery be recoverable in accordance with the provisions of Section 142 of the Customs Act 1962/Section II of the Central Excise Act 1944 and rules made there under and/or from any payment due to the Unit from the Government.
9. Any order issued by the Government in this regard shall be final and binding and the Unit thereby undertakes to comply unconditionally with such an order.
10. The Unit shall be bound by the changes made in the provisions of STP Scheme from time to time.
11. The Unit shall have an operational Website and a permanent e-mail address.
12. Any changes in the telephone number, e-mail address, Website, Passport no., Bank address and operational address shall be duly intimated by the unit within a fortnight.

13. Any Stamp Duties payable on this document or any document executed there under shall be borne by the Unit.
14. The Unit shall submit Softex form & export invoice in a format and procedure presented by STPI / RBI for Software Export Certification.

In witness whereof the common seal of **Company Name**, has been hereunto affixed and, for and on behalf of, **Director's Name** has set and subscribed his hands hereunto.

Common seal of the within named unit has been affixed hereunto in the presence of

Signature: _____
Name: **Director's Name**
Res. Address: Address
Address

Director(s) / Authorized Signatory who have/has been duly authorized for the purpose by a resolution of Board of Directors of the Company passed at the meeting held on 31-12-2008 and who have signed in the presence of:

1. _____ Name: Name of witness-1
(Signature) Designation: Designation of witness-1
Address: Address
Kolkata Pin

2. _____ Name: Name of witness-2
(Signature) Designation: Designation of witness-2
Address: Address
Kolkata Pin

Signed for and on behalf of the President of India

Shri Manjit Nayak
Officer-In-Charge

In the presence of

1. _____ Name:
(Signature) Designation:
Software Technology Parks of India
Plot No: 5/1, Block-DP
Saltlake Electronics Complex, Sector-V
Bidhan Nagar, Kolkata-700091

2. _____ Name:
(Signature) Designation:
Software Technology Parks of India
Plot No: 5/1, Block-DP
Saltlake Electronics Complex, Sector-V
Bidhan Nagar, Kolkata-700091