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| Notification           | New Delhi, the 1 <sup>st</sup> March, 2007 |
| No. 2/2007-Service Tax | 10 Phalgun, 1928 (Saka)                    |

G.S.R. (E).- In exercise of the powers conferred by sections 93 and 94 of the Finance Act, 1994 (32 of 1994), the Central Government hereby makes the following rules further to amend the Export of Services Rules, 2005, namely :-

1. (1) These rules may be called the Export of Services (Amendment) Rules, 2007.  
(2) They shall come into force on the date of their publication in the Official Gazette.
2. In the Export of Services Rules, 2005, in rule 3, for sub-rule (2), the following sub-rule shall be substituted, namely:-  
(2) The provision of any taxable service specified in sub-rule (1) shall be treated as export of service when the following conditions are satisfied, namely:-
  - (a) such service is provided from India and used outside India; and
  - (b) payment for such service provided outside India is received by the service provider in convertible foreign exchange.

*Explanation.*- For the purposes of this rule "India" includes the designated areas in the continental shelf and Exclusive Economic Zone of India as declared by the notifications of the Government of India in the Ministry of External Affairs numbers S.O. 429(E), dated the 18<sup>th</sup> July, 1986 and S.O.643(E), dated the 19<sup>th</sup> September, 1996.'

[F. No. 334/1/2007-TRU]

(R. Sriram)  
Deputy Secretary to the Government of India

Note.- The principal rules were notified vide notification no. 9/2005-Service Tax, dated the 3rd March 2005 and published in the Gazette of India, Extraordinary vide number G.S.R.151 (E), dated the 3<sup>rd</sup> March 2005 and were last amended vide notification No. 13/2006-Service Tax, dated the 19<sup>th</sup> April, 2006 and published vide number G.S.R. 229 (E), dated the 19<sup>th</sup> April, 2006.