

**GUIDELINES FOR  
APPROVAL IN FORM 3CM  
OF IN-HOUSE R&D CENTRES RECOGNISED BY DSIR**

**AND**

**SUBMISSION OF REPORT IN FORM 3CL  
UNDER SECTION 35(2AB) OF IT ACT 1961**

**2016**

**DEPARTMENT OF SCIENTIFIC & INDUSTRIAL RESEARCH MINISTRY OF SCIENCE  
AND TECHNOLOGY TECHNOLOGY BHAVAN, NEW MEHRAULI ROAD NEW DELHI**

**Updated July, 2017**

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**GUIDELINES FOR APPROVAL IN FORM 3CM OF COMPANIES HAVING IN-HOUSE R&D CENTRES RECOGNISED BY DSIR AND SUBMISSION OF REPORT IN FORM 3CL UNDER SECTION 35(2AB) OF IT ACT 1961**

**PREAMBLE**

1. In order to encourage R&D initiatives by industry, and to make R&D an attractive proposition, the Finance Bill 1997 introduced a sub-section (2AB) in Section 35 of the IT Act 1961. Amended text of this sub-section can be seen at **Annexure-I** of these guidelines. This sub-section provides for weighted tax deduction of a sum equal to two times of any expenditure incurred on scientific research (not being expenditure in the nature of cost of any land or building) in certain areas specified by section 35(2AB) of IT Act, by companies on in-house R&D centres, approved by the 'Prescribed Authority'.

2. Secretary, DSIR has been designated as the 'Prescribed Authority' for purposes of Section 35(2AB) of I.T. Act, as per rule 6(1B), inserted vide Government of India, Department of Revenue' Notification S.O 259(E) dated 27th March 1998 (fifth amendment rules), effective from 1st day of April 1998. The text of this notification can be seen at **Annexure-II**.

**COMPANIES ELIGIBLE FOR APPROVAL**

3. Companies having In-house R&D centers, which satisfy the following conditions, are eligible to apply for approval of the 'Prescribed Authority':

- i) The company has well defined R&D programs; The company maintains proper documentation for the R&D programs taken up;
- ii) The R&D centres are holding valid recognition by DSIR;
- iii) The company shall be engaged in the business of Biotechnology or in the business of manufacturing or production of any article or thing other than those specified in the list of the Eleventh Schedule.
- iv) The company maintains separate accounts for the R&D expenditures and report the capital & recurring expenditures after duly audited by Statutory Auditors.
- v) The in-house R&D centre is located in a separate earmarked area/building and has exclusive R&D manpower of its own;
- vi) The R&D centres are exclusively engaged in research and development for production of any article or thing not being an article or thing specified in the list of the eleventh schedule of the Income Tax Act placed at **Annexure – VI**.

**CONDITIONS SUBJECT TO WHICH APPROVAL/ RENEWAL OF APPROVAL IS GIVEN:**

4. The approval is subject to the following conditions:
- i) The company should have necessary valid permits / licences, if these are required, from statutory authorities for its operations and for setting up the in-house R&D centre at the location where the R&D centre exists and the same should be renewed from time to time as required by the said authorities.

- ii) In case the company has applied to the Prescribed Authority for approval of more than one in-house R&D centre under section 35(2AB) of the I.T.Act, each of such centres should have a valid recognition by DSIR.
- iii) Company shall not claim deduction in respect of the expenditure written off under Section 35(2AB) under any other provision of the IT Act.
- iv) The company should also submit an undertaking as per Part C of Form No. 3CK to maintain separate accounts for each R&D centre approved under Section 35(2AB) by the Prescribed Authority, and to get the accounts duly audited every year by an Auditor as defined in sub-section (2) of section 288 of the IT Act 1961. (The statutory auditors of the Company should audit the R&D accounts. To facilitate this audit separate books of accounts for R&D should be maintained. Also, the statutory auditors should sign the auditors' certificate in the details required to be submitted as per **Section-C** of the guidelines to facilitate submission of Report in Form 3CL).
- v) The company should enter into an agreement with the 'Prescribed Authority' (Secretary, DSIR) for co-operation in such research and development facility and for audit of the accounts maintained for that facility, as per format given in Part B of Form 3CK.

Note: The word co-operation shall, inter-alia, mean that the first party shall be willing to undertake projects of national importance, as may be assigned to it by the Prescribed Authority, on its own, or in association with laboratories of CSIR, ICAR, ICMR, DRDO; DBT, MCIT, M/O Environment, DOD, DAE, Department of Space, Universities, Colleges or any other public funded institution(s). The First Party would be free to exploit the results of such R&D projects, subject however, to any conditions which may be imposed by Government of India, in view of national security or in public interest".

The company shall submit Undertaking on its Letter head to:

- a) Maintain separate accounts for each R&D centre and to reflect the expenditures in schedules/notes to accounts in the Annual Report after getting the same duly audited by Statutory Auditors.
- b) That they do not manufacture any product listed in Schedule 11 of IT Act.
- vi) The audited accounts for each year maintained separately for each approved centre shall be furnished to the Secretary, Department of Scientific & Industrial Research by 31st day of October of the succeeding year, along with information as per **Annexure-IV** of the Guidelines.
- vii) Assets acquired and products, if any emanating out of R&D work done in approved facility, shall not be disposed off without approval of the Secretary, DSIR. Sales realisation arising out of the assets sold shall be offset against the R&D expenditure of the R&D Centre claimed under section 35(2AB) for the year in which such sales realisation accrues under section 35(2AB) of IT Act, 1961. Expenditure claimed for deduction under the subsection shall be reduced to that extent.
- viii) The R&D facility should not relate purely to market research, sales promotion, quality control, testing, commercial production, style changes, routine data collection or activities of a like nature.

- ix) Expenditures, which are directly identifiable with approved R&D facility only, shall be eligible for the weighted tax deduction. However, expenditure in R&D on utilities which are supplied from a common source which includes services area or the pilot plant other than R&D may be admissible, provided they are metered and subject to certification by a Chartered Accountant.
- x) Expenditure on manpower from departments, other than R&D centre, such as manufacturing, quality control, tool room etc. and expenses incurred on manpower engaged in non R&D activities such as attending consultation meetings, ascertaining customer choice/response to new products under development and other liaison work shall not qualify for deduction under section 35(2AB) of I.T. Act 1961.
- xi) Capital expenditure on R&D, eligible for weighted deduction will include only plant and equipment or any other tangible item. Capitalized expenditure of intangible nature and **expenditure reported as Capital Work In Progress (CWIP)** will not be eligible for weighted deduction. Company to submit list of capital equipments, with date of purchase/installation & cost. Vehicles purchased for reference & testing purpose will not be admissible.
- xii) Grants/Gifts, donations, presents and payments obtained by the company for sponsored research in the approved in-house R&D centres shall be shown as credit to the R&D accounts for the purpose of Section 35(2AB) of I.T. Act, 1961, and the R&D expenditure claimed for deduction under the sub-section shall be reduced to that extent.
- xiii) Expenditure of general nature, such as, expenditure on production, maintenance and quality control departments, manufacturing overheads/ depreciation/ interest/ lease rentals on manufacturing/ quality control equipment, manpower expenditure in manufacturing/ service departments, head office expenditure, expenditure on security, guest house and canteen and other overheads of common nature, shall not be admissible under Section 35(2AB) of I.T. Act. The personnel with Degree / Diploma in Science or engineering discipline and above qualification will only be regarded as R&D manpower eligible for weighted tax deduction. Manpower under the category of retainership / trainees/ consultants and manpower on contract (may include trainees based on employment status) will not be admissible for weighted tax deduction.
- xiv) The remunerations paid to the members of the board of Directors, should not be included in the R&D expenditure for the purpose of Section 35 (2AB).
- xv) The R&D expenditure should necessarily be reported in the audited financial statement prepared for the purpose of published annual report or to be filed with the Registrar as per Companies Act 2013.
- xvi) The approval by the 'Prescribed Authority' of the R&D facility for weighted tax deduction shall be subject to the provisions of I.T. Act, as amended from time to time.
- xvii) Any commercial and R&D activity of the company should be in areas permitted by laws or rules and regulations in force and should be undertaken with due approvals from regulatory authorities wherever such approvals are necessary.

## 5. POLICY FOR APPROVAL IN FORM 3CM u/s 35(2AB) of IT Act, 1961

- i. Approval to the in-house R&D centers having valid recognition by DSIR are considered from 1st April of the year in which application is made in Form 3CK.
- ii. Approval is considered co-terminus with DSIR recognition.
- iii. For companies not having DSIR recognized in-house R&D centre, approval is considered from the date of recognition.
- iv. In case of firms having signed agreement of cooperation u/s 35 (2AB) with the Prescribed Authority for one or more R&D centers approved with DSIR which implies that they have been maintaining separate accounts for R&D: - the R&D centre newly setup by such firms may be approved from the year in which the recognition is granted provided the company submits Form 3CK before end of the financial year, to enable these companies to claim weighted tax deduction on eligible R&D expenditure of capital and revenue nature on the new centers.
- v. In case of firms, not having DSIR recognized R&D centre, but which have applied for approval u/s 35 (2AB) of an in-house R&D center on which they had made capital investments on R&D of more than Rs. one crore, excluding expenditure on land and building, in the financial year preceding the year in which the firm applied to the prescribed authority for the approval – capital expenditure on the R&D facility for which approval has been requested (excluding capital expenditure on land and building) incurred from the commencement of said preceding year, provided the company claims such capital expenditure in their I.T. return for concerned assessment year and the firm/R&D centre fulfils other conditions of approval, and provided the centre was subsequently recognized by DSIR.
- vi. In case of firms, having R&D centres already recognized by DSIR and who have applied for approval of an in-house R&D centre u/s 35 (2AB) and who have made capital investment on R&D of more than Rs. one crore, excluding capital expenditure on land and buildings, on such centre in the financial year preceding the year in which the firm applied to prescribed authority for the approval – such capital expenditure incurred in the said preceding year provided the company claims such capital expenditure in their I.T. returns for concerned assessment year and fulfils other conditions of approval **& eligibility for weighted deductions.**
- vii. ***For claiming benefit on capital expenditure as mentioned in para v and vi above, Companies should:***
  - ***Submit the request for claim of such expenditure in the covering letter at the time of application in Form 3CK for approval u/s 35(2AB) of IT Act, 1961.***
  - ***Provide complete break up & details of capital equipment investment on R&D of more than Rs one Crore excluding expenditure on land and building, in the financial year preceding the year in which the firm applied to the prescribed authority for the approval.***

## PROCEDURE FOR MAKING APPLICATION FOR APPROVAL IN FORM 3CM AND SUBMISSION OF REPORT IN FORM 3CL

6. The application (Form 3CK) needs to be submitted on-line and the print out of the same duly signed to be sent to the following address

**Secretary, DSIR  
C/o Head, Fiscal Incentives  
Department of Scientific & Industrial Research  
Ministry of Science & Technology,  
Technology Bhavan,  
New Mehrauli Road,  
New Delhi-110016**

***NOTE: Application should be tagged on the left corner and should not be spiral bound:***

7. Documents required to be submitted for **initial** approval in Form 3CM (**Single set**):-
- i. Application in Income Tax prescribed Form 3CK giving address of each in-house R&D centre recognised by DSIR duly signed by Managing Director and witness.
  - ii. Copy of DSIR recognition letter for each of in-house R&D centre.
  - iii. Clearly defined objectives of R&D not exceeding 6 lines.
  - iv. Latest audited financial statement along with annual report.
  - v. Additional information as per annexure – I of the guidelines (**page 18**).
  - vi. Additional information as per **Annexure-III** for **seed companies**.
  - vii. One page write-up clearly summarising the R&D activities taken up separately at each of the R&D centre/s recognised by DSIR.
  - viii. Confirmation that the company does not manufacture any product listed in Schedule 11 of IT Act.
  - ix. Total capital cost of in-house research facility, given break up of expenditure of complete research facility including cost of equipment, land & building as on 31st March of last completed financial year.
  - x. An undertaking that the company shall reflect the capital and revenue expenditure on R&D in the schedules / notes to accounts in the audited financial statement of the company prepared for the purpose of published annual report as well as for the purpose of Income Tax returns.
  - xi. A commitment that the company shall submit the desired information as per **Annexure II & Annexure III (Section-C)** of DSIR Guidelines (**pages 26 to 33**) every year for the approved period while filing the Income Tax returns.
8. Documents required to be submitted for **extension** of approval in Form 3CM (**1 set**): -
- i. Income Tax prescribed Form 3CK giving address of each in-house R&D centre recognized by DSIR duly signed by Managing Director and witness.
  - ii. Copy of recognition / renewal of recognition letter issued by DSIR.
9. Documents required to be submitted by 31<sup>st</sup> October of each succeeding year of approved period to facilitate submission of Report in Form 3CL (1 set):
- i. Complete details/documents as per **Section C** of DSIR guidelines (along with desired breakup of capital & revenue expenditure claimed for weighted deductions)

**Section - A****TEXT OF SECTION 35(2AB) OF I.T. ACT, 1961****Section - 35, Income-tax Act, 1961-2016***Expenditure on Scientific Research*

2AB)(1) Where a company engaged in the business of bio-technology or in any business of manufacture or production of any article or thing, not being an article or thing specified in the list of the Eleventh Schedule] incurs any expenditure on scientific research (not being expenditure in the nature of cost of any land or building) on in-house research and development facility as approved by the prescribed authority<sup>61</sup>, then, there shall be allowed a deduction of a sum equal to <sup>62</sup>[two] times of the expenditure so incurred.

**Following proviso shall be inserted to clause (1) of sub-section (2AB) of section 35 by the Finance Act, 2016, w.e.f. 1-4-2018:**

**Provided** that where such expenditure on scientific research (not being expenditure in the nature of cost of any land or building) on in-house research and development facility is incurred in a previous year relevant to the assessment year beginning on or after the 1st day of April, 2021, the deduction under this clause shall be equal to the expenditure so incurred.

*Explanation.*—For the purposes of this clause, "expenditure on scientific research", in relation to drugs and pharmaceuticals, shall include expenditure incurred on clinical drug trial, obtaining approval from any regulatory authority under any Central, State or Provincial Act and filing an application for a patent under the Patents Act, 1970 (39 of 1970).

(2) No deduction shall be allowed in respect of the expenditure mentioned in clause (1) under any other provision of this Act.

(3) No company shall be entitled for deduction under clause (1) unless it enters into an agreement with the prescribed authority for co-operation in such research and development facility and <sup>63</sup>[fulfils such conditions with regard to maintenance of accounts and audit thereof and furnishing of reports in such manner as may be prescribed].

(4) The prescribed authority shall submit its report in relation to the approval of the said facility to the <sup>64</sup>[Principal Chief Commissioner or Chief Commissioner or] <sup>65</sup>[Principal Director General or] Director General in such form and within such time as may be prescribed.

<sup>66</sup>[(5) No deduction shall be allowed in respect of the expenditure referred to in clause (1) which is incurred after the 31st day of March, 2017.]

(6) No deduction shall be allowed to a company approved under sub-clause (C) of clause (1) of sub-section (1) in respect of the expenditure referred to in clause (1) which is incurred after the 31st day of March, 2008.

**Amendment of section 35.**

**15.** In section 35 of the Income-tax Act, with effect from the 1st day of April, 2018,—

(i) in sub-section (1),—

(a) in clause (ii),—

(I) for the words "one and three-fourth", the words "one and one-half" shall be substituted;

(II) after the proviso, the following proviso shall be inserted, namely:—

**"Provided further** that where any sum is paid to such association, university, college or other institution in a previous year relevant to the assessment year beginning on or after the 1st day of April, 2021, the deduction under this clause shall be equal to the sum so paid;"

(b) in clause (iia), the words "an amount equal to one and one-fourth times of" shall be omitted;

(c) in clause (iii), the words "an amount equal to one and one-fourth times of" shall be omitted;

(ii) in sub-section (2AA),—

(A) in clause (a), for the words "two times", the words "one and one-half times" shall be substituted;

(B) after the proviso and before *Explanation 1*, the following proviso shall be inserted, namely:—

**"Provided further** that where any sum is paid to such National Laboratory or university or Indian Institute of Technology or specified person in a previous year relevant to the assessment year beginning on or after the 1st day of April, 2021, the deduction under this sub-section shall be equal to the sum so paid.";

(iii) in sub-section (2AB),—

(a) in clause (I), for the words "two times", the words "one and one-half times" shall be substituted;

(b) after clause (I) and before the *Explanation*, the following proviso shall be inserted, namely:—

**"Provided** that where such expenditure on scientific research (not being expenditure in the nature of cost of any land or building) on in-house research and development facility is incurred in a previous year relevant to the assessment year beginning on or after the 1st day of April, 2021, the deduction under this clause shall be equal to the expenditure so incurred.";

(c) clause (5) shall be omitted.

**Section -B**

**[TO BE PUBLISHED IN THE GAZETTE OF INDIA, EXTRAORDINARY, PART-II,  
SECTION 3, SUB-SECTION (ii)]**

**GOVERNMENT OF INDIA  
MINISTRY OF FINANCE  
(DEPARTMENT OF REVENUE)  
(CENTRAL BOARD OF DIRECT TAXES)**

**NOTIFICATION**

**New Delhi, the 28<sup>th</sup> April, 2016**

**INCOME-TAX**

**S.O. 1580 (E).**— In exercise of the powers conferred by section 35, read with section 295 of the Income-tax Act, 1961 (43 of 1961), the Central Board of Direct Taxes hereby makes the following rules further to amend the Income-tax Rules, 1962, namely:-

1. (1) These rules may be called the Income-tax (10<sup>th</sup> Amendment) Rules, 2016.  
(2) They shall come into force on the 1st day of July, 2016.
2. In the Income-tax Rules, 1962 (hereafter referred to as the said rules), in rule 6,—
  - (a) in sub-rule (7), for the words and brackets “Director General (Income-tax Exemptions)” wherever they occur, the words “Principal Chief Commissioner of Income-tax or Chief Commissioner of Income-tax or Principal Director General of Income-tax or Director General of Income-tax having jurisdiction over the sponsor” shall be substituted;
  - (b) in sub-rule (7A),—
    - (A) for clause (b), the following clauses shall be substituted, namely:-

“(b) The prescribed authority shall furnish electronically its report,—

      - (i) in relation to the approval of in-house research and development facility in Part A of Form No. 3CL;
      - (ii) quantifying the expenditure incurred on in-house research and development facility by the company during the previous year and eligible for weighted deduction under sub-section (2AB) of section 35 of the Act in Part B of Form No.3CL;
    - (ba) The report in Form No.3CL referred to in clause (b) shall be furnished electronically by the prescribed authority to the Principal Chief Commissioner of Income-tax or Chief Commissioner of Income-tax or Principal Director General of Income-tax or Director General of Income-tax having jurisdiction over such company within one hundred and twenty days,—

(i) of the grant of the approval, in a case referred to in sub-clause (i) of clause (b);

(ii) of the submission of the audit report, in a case referred to in sub-clause (ii) of clause (b);”;

(B) in clause (c), for the words, figures and letters “a copy thereof shall be furnished to the Secretary, Department of Scientific and Industrial Research by 31<sup>st</sup> day of October of each succeeding year”, the words, figures, letters and brackets “a report of audit in Form No.3CLA shall be furnished electronically to the Secretary, Department of Scientific and Industrial Research on or before the due date specified in *Explanation 2* to sub-section (1) of section 139 of the Act for furnishing the return of income, for each succeeding year” shall be substituted;

(c) after sub-rule (7A), the following sub-rule shall be inserted, namely:—

“8. For the purposes of this rule, the Principle Director General of Income-tax (Systems) shall specify the procedures, formats and standards for ensuring secure capture and transmission of data, and shall also be responsible for the day-to-day administration in relation to furnishing the information in the manner so specified.”.

3. In the said rules, in Appendix II,—

(a) in Form No.3CK,—

(i) in Part A, for item 3, the following shall be substituted, namely:—

“3. Address, phone number of the Principal Chief Commissioner of Income-tax or Chief Commissioner of Income-tax or Principal Director General of Income-tax or Director General of Income-tax having jurisdiction over the company.

3A. Please specify the nature and business/activity of the company—

(a) business of bio-technology

(b) manufacture/production of article or things (Please specify the product).”;

(ii) in Part B,—

(A) for items (ii) and (iii), the following shall be substituted, namely:—

“(ii) the above Research and Development facility shall be exclusively used by the First Party to carry out scientific research relating to bio-technology or manufacture or production of any eligible article or thing under sub-section (2AB) of section 35 of the Act,

(iii) the First Party shall provide full co-operation to the Second Party in carrying out the Research and Development work relating to bio-technology or manufacture or production of eligible article or thing under sub-section (2AB) of section 35 of the Act.”;

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(B) in item (v), for the words and brackets, "Director General of Income-tax (Exemptions) within a period of sixty days", the words "Principal Chief Commissioner of Income-tax or Chief Commissioner of Income-tax or Principal Director General of Income-tax or Director General of Income-tax having jurisdiction over the First Party within a period of one hundred and twenty days" shall be substituted;

(iii) in Part C, for items (iii) and (iv), the following shall be substituted, namely:—

"(iii) render full co-operation in carrying out the Research and Development work relating to bio-technology or manufacture or production of any eligible article or thing under sub-section (2AB) of section 35 of the Act;

(iv) ensure that the company does not manufacture any product listed in the Eleventh Schedule of the Act;

(v) ensure that the company shall reflect the capital and revenue expenditure on in-house research and development facility in the schedules/notes to accounts in the audited financial statement of the company prepared for the purposes of its annual report and for the purposes of computation of income-tax;

(vi) submit the information as per Annexure-I and Annexure-II every year for the approved period on or before the due date specified in *Explanation 2* to sub-section (1) of section 139 of the Act for furnishing the return of income;

(vii) ensure that the assets acquired by the approved facility will be utilised only for the approved purpose and shall not be disposed of without the approval of the Secretary, Department of Scientific and Industrial Research.";

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# INCOME-TAX RULES, 1962

## FORM NO. 3CK

Application form for entering into an agreement with the Department of Scientific and Industrial Research for cooperation in in-house Research and Development facility and for audit of the accounts maintained for that facility.

### PART A

- 1 Name and Address of the registered office of the company including Telex/Fax/Phone numbers
- 2 Permanent Account Number (PAN) of the company
- 3 *Address, phone number of the Principal Chief Commissioner of Income-tax or Chief Commissioner of Income-tax or Principal Director General of Income-tax or Director General of Income-tax having jurisdiction over the company.*
- 3A. Please specify the nature and business/activity of the company—
  - (a) *business of bio-technology*
  - (b) *manufacture/production of article or things*  
(Please specify the product).
- 4 Annual production of the eligible products of the company during the past three years.
- 5 Annual expenditure on scientific research of the company during the past three years, giving break-up of expenditure on land and buildings.
- 6 Please give details of nature of existing in-house Research and Development facilities including the address of the in-house Research and Development facility.
- 7 Registration number, date and validity of recognition granted by Department of Scientific and Industrial Research to the in-house Research and Development centre of the company.
- 8 Proposed objectives of scientific research contemplated by the company.

**PART B  
AGREEMENT**

Whereas,.....(hereinafter referred to as First Party) and the Department of Scientific and Industrial Research (hereinafter referred to as Second Party), have decided to enter into an agreement, that-

- (i) the First Party shall maintain an in-house Research and Development facility to be approved by the Second Party,
- (ii) the above Research and Development facility shall be exclusively used by the First Party to carry out scientific research relating to bio-technology or manufacture or production of any eligible article or thing under sub-section (2AB) of section 35 of the Act,
- (iii) the First Party shall provide full co-operation to the Second Party in carrying out the Research and Development work relating to bio-technology or manufacture or production of eligible article or thing under sub-section (2AB) of section 35 of the Act,
- (iv) the First Party shall maintain separate accounts for both revenue and capital expenditure on scientific research including that on in-house Research and Development facility, which shall be annually audited by an accountant as defined in section 288(2) of the Income-tax Act, 1961, and a copy of which has to be attached with the return of income under sub-section (1) of section 139 to claim deduction under section 35(2AB),
- (v) subject to the First Party meeting the conditions specified under sub-section(2AB) of section 35, and on being satisfied of the feasibility of the said in-house Research and Development facility in terms of its objectives and of the genuineness of the expenditure on said Research and Development facility by First Party, the Second Party shall submit its report in relation to the approval of the said facility to the Principal Chief Commissioner of Income-tax or Chief Commissioner of Income-tax or Principal Director General of Income-tax or Director General of Income-tax having jurisdiction over the First Party within a period of one hundred and twenty days from the date which the First Party makes application in the Form No. 3CK.

Agreed on the.....day of.....month of.....year.

First Party

Signature of the Principal Officer of the company

(Name, Designation and Address)

Place.....

Date.....

Witness

\_\_\_\_\_

Signature  
(Name and address)  
Place.....  
Date.....

Second Party

\_\_\_\_\_

Signature of/on behalf of the Secretary, Department of Scientific & Industrial Research

Place..... Date.....

Witness

signature  
(Name and address)  
Place.....  
Date.....

**PART C**

Certified that the above information is true to the best of our knowledge and belief.

We undertake to:

- (i) maintain separate accounts for both revenue and capital expenditure on scientific research including that on in-house Research and Development facility, which shall be annually audited by an accountant as defined in subsection (2) of section 288 of the Income-tax Act, 1961, and a copy of which has to be attached with the return of income under sub-section(1) of section 139 to claim deduction under sub-section(2AB) of section 35;
- (ii) submit annual progress reports to the Secretary, Department of Scientific and Industrial Research;
- (iii) render full co-operation to in carrying-out the Research and Development work relating to bio-technology or manufacture or production of any eligible article or thing under sub-section (2AB) of section 35 of the Act;
- (iv) ensure that the company does not manufacture any product listed in the Eleventh Schedule of the Act;
- (v) ensure that the company shall reflect the capital and revenue expenditure on in-house research and development facility in the schedules/notes to accounts in the audited financial statement of the company prepared for the purposes of its annual report and for the purposes of computation of income-tax;
- (vi) submit the information as per Annexure-I and Annexure-II every year for the approved period on or before the due date specified in Explanation 2 to sub-section (1) of section 139 of the Act for furnishing the return of income;
- (vii) ensure that the assets acquired by the approved facility will be utilised only for the approved purpose and shall not be disposed of without the approval of the Secretary, Department of Scientific and Industrial Research.

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Signature of the Principal Officer of the company  
(Name, Designation and address)

Place.....

Date.....

Notes:

1. Single set of duly filled applications are to be submitted to the Secretary, Department of Scientific & Industrial Research.
2. Copy of the latest Annual Report along with Balance Sheet has to be enclosed.
3. Enclose a copy of DSIR recognition of the in-house (R&D) centre.

FORM NO. 3CM

Order of approval of in-house research and development facility under section 35(2AB) of the Income-tax Act. 1961

- 1. Name, Address and PAN of the company
- 2. Nature of the business of the company – Manufacture/production of article or thing
- 3. Objectives of the scientific research to be conducted by in-house Research and Development facility
- 4. Address at which such Research & Development facility is located
- 5. Ref. No. and Date of the application
- 6. Registration number; date and validity of recognition granted by Department of Scientific and Industrial Research to the in-house Research and Development centre of the company

The above Research & Development facility is approved for the purpose of section 35(2AB), subject to the conditions underlined therein.

Place :.....

Date : ..... .....

(Signature)  
(Name)  
Secretary, DSIR  
(Seal)

File No.....

Order No.....

Copy to:

- (1) Company
- (2) The Principal Chief Commissioner of Income-tax or Chief Commissioner of Income-tax or Principal Director General of Income-tax or Director General of Income-tax having jurisdiction over the company

### Annexure-I

(a) Information to be furnished separately in respect of each research and development facility approved by prescribed authority under section 35(2AB) of the Act.

1. Name and address of the registered office of the company
2. Permanent Account Number of the company
3. Previous year
4. Assessment year
5. A brief note on progress of each of the projects shown in the application to the prescribed authority at the time of approval. Any changes with regard to the scope of the projects as originally envisaged may be highlighted.
6. Details of any additional projects taken up during the previous year.
7. Details of changes, if any, in the research and development infrastructure during the previous year.
8. Details of research and development achievements and technologies commercialised during the previous year.
9. Details of patents obtained and/or filed during the previous year.
10. Details of any other changes in the approved research and development centre.

I certify that the above details are true and correct to the best of my knowledge and belief.

*Signature of the Principal Officer of the company  
(Name, designation and address)*

Date :

Place :

### Appendix – 1 to Annexure - I

#### **DETAILS OF R&D PROGRAMMES/PROJECTS IN PROGRESS**

Sl.NO	Title & Scope of the R&D project	Name of the Project Leader	Year in which started	Duration of the project	Estimated Project Cost (Rs. in Lakh)				Remarks (indicate specific reasons, if any, for proposing the R&D project)
					Capital	Recurring	Total	F.E.	

**Appendix – 2 to Annexure - I**

**DETAILS OF PROPOSED R&D WORK (FOR THE NEXT THREE YEARS)**

Year	S. No.	Title & Scope of the project proposed	Name of the project leader	Duration of the Project	Total estimated project cost (Rs. in Lakh)				List of specialised equipment required to be purchased and indicate their cost	List of any special raw material required with cost	Remarks (indicate specific reasons, if any, for proposing the R&D project)
					Capital	Recurring	Total	F.E			

**Appendix – 3 to Annexure - I**

**ADDITIONAL INFORMATION TO BE SUBMITTED ALONG WITH FORM 3CK  
(Updated Renewal/ Recognition Application)  
PART-A: CORPORATE**

1. Details of DSIR recognition:
  - (a) Initial recognition date:
  - (b) Recognition valid up to:
  - (c) Recognition No.
2. Name of the company
3. Brief history of the company
4. Address:
  - (a) Head office
  - (b) Delhi office
  - (c) Factory/factories
  - (d) R&D laboratory (ies) recognized
  - (e) R&D laboratory (ies) applied for approval u/s 35(2AB) of IT Act
  - (f) R&D laboratory (ies) other than (d) and (e)
5. Nature of business
6. Company Structure
  - (a) Public/Private/Co-operative/Joint Sector/ Proprietary/Partnership concern/100%EOU
  - (b) Whether Foreign Equity Participation (Please give name of foreign equity participant and percentage thereof)
  - (c) Names of Directors of the Board/Proprietors
  - (d) Name and address of NRI(s), if any
7. Capital structure
  - (a) Authorised Capital
  - (b) Paid-up Capital
8. Category of the firm: Large / Medium / Small Scale Unit
9. Administrative Ministry Concerned:
10. Technical Collaboration, if any:
  - (a) Foreign

S.No.	Product	Name & Address of the Technical Collaborator	History of Collaboration

(b) Indian

S.No.	Product	Name & Address of the Technical Collaborator	History of Collaboration

(c) Details of R&D collaboration entered with/applied for

11. Annual turnover for the last 3 years (Rupees in Lakhs):

Year	Indigenous	Export	Total

12. Main products manufactured

S.No.	Product	Licensed Capacity, if any	Installed Capacity	Yearly Production for the last 3 Years		
				1	2	3

13. Total manpower employed by the firm including those of R&D:

(a)	Scientific & Technical having graduate degree in engineering/technology or Master's degree in Science and above	
(b)	Administrative (non-technical)	
(c)	Others	
<b>Total (a+b+c)</b>		

14. Total R&D expenditure of the company (year-wise figures for the past three years (actuals), current year (budgeted) and total estimated for the next three years.

Year	Past three years (Actuals)	Current year (Budgeted)	Year	Next three year (Estimated)

## **PART-B : RESEARCH & DEVELOPMENT**

**(In case application is for more than one R&D unit, Part 'B' of the application should be submitted separately for each R&D unit)**

1. Location of the R&D unit
2. Is the R&D unit has already been recognised with DSIR? If yes:
  - a. Year of initial recognition and its validity period
  - b. Current recognition letter No. and its validity period
  - c. Break in recognition, if any
3. Changes if any, since the last application for renewal of recognition Manpower Floor area R&D and pilot plant facilities Any other
4. Present status of the R&D projects reported in earlier application of recognition
5. Date of commencement of R&D work (in case of fresh recognition)
6. Main objectives of the R&D program
7. Whether R&D establishment is housed in a separate building inside/outside the factory premises?
8.
  - (a) Layout plan of the R&D unit
  - (b) Approx. floor area of the R&D Unit.
  - (c) Photographs of the major R&D facilities
  - (d) Are separate accounts maintained for R&D expenditure?
  - (e) Are the R&D activities separate from production and quality control?
  - (f) Details of environmental clearances obtained, if applicable
  - (g) Details of DCGI approval obtained in case of clinical trials, if applicable
9. List of major R&D equipment procured:
  - (a) Value of indigenous R&D equipment, as on date
  - (b) Value of imported R&D equipment, as on date
  - (c) Value of the pilot plant facilities, if applicable
  - (d) Cumulative value of all R&D assets, as on date
  - (e) Gross cumulative value of all quality control and testing facilities/equipment (other than R&D facilities), as on date.
10. Do you have a full time R&D Director/Head? if so,
  - (a) Name & Designation
  - (b) Qualification
  - (c) Experience
  - Date of appointment to the post
  - Contact Nos (Telephone, Mobile, Fax and Email)
11. Details of R&D achievements made during the past 3 years:
  - (a) New products developed

- (b) New processes developed
- (c) Improvement in existing production process(s)
- (d) Energy conservation
- (e) Pollution control
- (f) Import substitution (indicate items developed and foreign exchange earned).
- (g) Seminars/symposia attended by R&D staff (attach a separate sheet giving details)
- (h) Number of papers published (attach reprints if available)
- (i) Number of R&D personnel who attended R&D training (Give details in a separate sheet).

12. Patents filed in India or abroad during the last 3 years:

S.No.	Products/Process	Names of the Country	Year	Patent No.
1	2	3	4	5

13. Whether any of the new technologies developed by the company have been

- (a) commercialised by the company

S.No.	Technology	Year of commercialisation
1	2	3

- (b) exported

S. No.	Technology	Year	Exported to	
			Party	Country
1	2	3	4	5

- (c) sold to other parties in India/abroad

S. No.	Technology	Year	Party
1	2	3	4

14. Give particulars of R&D projects in progress, as per Appendix – 1 to Annexure - III

15. R&D project proposed during the next three years, as per Appendix– 2 to Annexure - III

16. R&D expenditure of the unit (year-wise figures for the past three years (actual), current year (budgeted) and estimated for the next three years.

Past three years Year ↓ (Actual)			Current year (Budgeted)		Next three years Year ↓ (Estimated)		
	Capital		Capital			Capital	
	Recurring					Recurring	
	Total					Total	
	Capital		Recurring			Capital	
	Recurring					Recurring	
	Total					Total	
	Capital		Total			Capital	
	Recurring					Recurring	
	Total					Total	

17. Income-tax rebate availed on R&D expenditure under IT Acts / IT Rules, during the past three years:

Year	35(1) (i)	35(1) (iv)	35(2AB)	80- IB(8A)	35(2AA)	Rule 5(2)	Any other

18. Details of grants-in-aid / funds / loan / equity received for R&D programmes/commercialization of technologies from any central / state Govt. department(s) during the last three years

19. Sales turnover attributable to commercialization of R&D products/technologies developed during the last three years.

20. Educational status of the manpower engaged in R&D:

Qualification	Full-time (Number)	Part-time (Number)	Proposed Recruitment of R&D manpower in next three years
a) Doctorate Degree			
b) Master's Degree			
c) Graduates/ Engineering Graduates			
d) Diploma Holders			
e) Others			
<b>Total</b>			

21. (a) Have you obtained any assistance/purchased know-how from NRDC or any of the National laboratories/universities/IIT's/other institutions during the last 3 years? If so, please give details along with year and source.
- (b) Whether any of the items of R&D work in progress or proposed by you is being done elsewhere in country. If so, please indicate location.
22. Do you have necessity of collaborative R&D efforts for projects with CSIR or any other National Laboratories/institution?
23. Indicate briefly any incentives/benefit derived from the recognition of In-house R&D unit other than those mentioned in Column 18 &19.

I hereby certify to the best of my knowledge and belief that all the particulars furnished above are correct and complete. I agree to comply with the terms and conditions of recognition as laid down by the Department of Scientific & Industrial Research, Ministry of Science and Technology, New Delhi and via lotion of the same may lead to de-recognition automatically.

Signature

(To be signed by M.D./Chief Executive or Head of the organisation)

Name :

Designation :

Full Address :

Tel. Nos. :

Fax No. :

Email Address :

Mobile No :

Place:

Date:

**Section- C**

**Documents required to be submitted during October for each subsequent year of the approved period u/s 35 (2AB) of the Income Tax Act.**

*Important instructions: -*

- a *All documents submitted should be page numbered.*
  - b *Adequate specifications of equipment are furnished along with capitalized cost.*
  - c *Details of manpower cost needs to be submitted in **three** statements providing remunerations paid to each employee for the complete year i.e. alphabetic list of R&D employees for the complete year **along with designation & qualification**; employees joined during the year and employee left during the year.*
  - d **Only one copy is required to be submitted.**
1. A crisp write-up not exceeding one page on the thrust areas and significant achievements of each In-house R&D facility duly signed by the head R&D along with his contact phone number and e-mail ID to be submitted.
  2. Details of Expenditure for each approved R&D centre separately as per **Annexure II** of DSIR guidelines duly certified by the company and the statutory auditors.
  3. Details of R&D progress for each approved In-house R&D facility as per **Appendix I to Annexure II** of DSIR guidelines
  4. **A table consolidating details of expenditure as per Annexure II** for all the approved In-house R&D facilities for companies having more than one approved facilities u/s 35 (2AB) of the Income Tax Act duly certified by statutory auditors.
  5. Duly filled Form **Auditor certificate, 3CL (Part A) and Form 3CLA** in the desired format.
  6. Published annual report/ **audited financial statement filed or to be filed with Registrar as per Companies Act, 2013 (stamped & signed by authorized signatory)** for the desired financial year clearly highlighting the capital and Revenue expenditures on R&D.
  7. Reconciliation statement of the claims made as per Annexure II (consolidated statement) with the expenditure reported in the relevant annual report/ audited financial statement signed by corporate auditors.  
(Note:- R&D figures reported in the Directors Report are not considered)
  8. Breakup of the capital assets as reported in the annual report/ audited financial statement as per the following table:

**(Amount in Rs. Lakhs)**

<b>Description</b>	<b>Manufacturing</b>	<b>Quality Control</b>	<b>R&amp;D</b>	<b>Total</b>
<b>As on 31<sup>st</sup> March 2012</b>				
<b>Additions during the year</b>				
<b>As on 31<sup>st</sup> March 2013</b>				

**(Note: The years mentioned above are only indicative.)**

9. Annual turnover of the company during the last three years on products launched based on technology developed in house as per the following table (in order to have an assessment on the effectiveness of R&D efforts):

**(Amount in Rs. Lakhs)**

Year	Total Annual Turnover	Total R&D Expenditure	Turnover based on products developed in house and launched during the last three years			Ratios	
			Domestic	Export	Total	6/2	6/3
1	2	3	4	5	6		
2012-13							

(Note: The year mentioned above is only indicative.)

10. ***Annual production (in units) of the eligible products of the company during the past three years.***

11. Hyperlink of latest annual report on website of the company.

**Declaration by the Head of R&D activities:**

It is certified that

- i. Proper logbooks are being maintained for all R&D assets for which weighted tax deduction is claimed.
- ii. Lab records are being maintained by all R&D scientists.
- iii. The submissions being made for the assessment year -----corresponding to the financial year -----comprise of -----pages and contain all the eight points mentioned above.

Signature  
Name & Designation  
Head of R&D activities of the company  
Phone No. ,Fax No. ,Mobile No. ,Email ID,Website

Name, designation, phone, fax, Mobile No. and e-mail ID of nodal officer for providing any clarifications.

**Annexure-II****Details of expenditure incurred on the research and development facility centre approved by the prescribed authority under section 35(2AB) of the Act.**

1. Assessment year :

2. Previous year :

3. Location of the research and development facility:

4. Details of expenditure: (in Rs. Lakhs)

A. (i) Land

(ii) Buildings

B. Capital Expenditure (attach a separate sheet giving item-wise break-up of items costing more than Rs. 1 lakh)

.(i) Equipment

.(ii) Others

.(a) .....

.(b) .....

.(c) .....

(iii) Total

C. Revenue expenditure\* (R&amp;D manpower salary/wages, materials/consumables, utility &amp; Any other expenditure directly related to R&amp;D) Give item-wise details of items costing more than Rs. 50,000/- each in separate sheet

.(a) .....

.(b) .....

.(c) .....

Total

D. Total expenditure on the approved research and development centre (excluding land and building)

E. Details of assets disposed off/transferred.

I certify that above expenditure claimed is as per the guidelines issued by Department of Scientific and Industrial Research and is true and correct to the best of my knowledge and belief.

Signature of the Principal Officer of the  
company

(Name, designation and address)

Place :

Date :

**NOTE:** The totalled cost should tally the claim amount.

\*The expenditure on each utility should be given separately. The expenditure shall be claimed only if the utility is exclusively meant for the R&D centre or the consumption of the utility by R&D is separately metered and recorded.

**Additional Information to be submitted separately for each R & D Centre approved by the Prescribed Authority U/S 35(2AB) of I.T. Act at the time of reporting of the expenditure by secretary DSIR as per Form 3CL**

**Accounting Year:**

**Assessment Year:**

1. A brief note on progress of each of the projects shown in application to Prescribed Authority at the time of approval. Any changes with regard to the scope of the projects as originally envisaged and the manpower working on the project may be highlighted.
2. Details of any additional projects taken up during the year.
3. Details of changes if any in the R&D infrastructure/and staff along with bio-data of any new R&D staff recruited and qualification-wise break-up of existing staff.
4. Details of R&D achievements and technologies commercialized during the year.
5. Details of patents obtained and/or filed during the year.
6. Details of any other changes in the approved R&D centre.

I certify that the above details are correct as per my knowledge and belief.

Signature of the Managing Director

Date:

Place:

## AUDITOR'S CERTIFICATE

I have audited the accounts of the in-house R&D Centre of M/s \_\_\_\_\_ located at \_\_\_\_\_ which is approved U/S 35(2AB) by the Prescribed Authority (Secretary, DSIR).

I certify that:

- a) The company has maintained separate accounts for the R&D Centre approved by DSIR U/S 35(2AB).
- b) The accounts have been satisfactorily maintained. The expenditure certified are also in consonance with DSIR guidelines.
- c) The firm has extended full co-operation to me in carrying out the audit of the accounts of the R&D Centre.

**The expenditure of Rs. ----- reported for the financial year -----relevant to the assessment year ----- as detailed out in Annexure II of Section C of DSIR guideline at para `4' is correct to the best of my knowledge and belief as per the result of the audit of the approved R&D Centre carried out by me. Also R&D capital expenditure is reflected on page ----and revenue expenditure on page ---- in the audited financial statement/annual report**

It is further certified that the expenditure claims **do not include** the following: -

- i. Expenditure on outsourced R&D activities.
- ii. Expenditure purely related to market research, sales promotion, quality control, testing, commercial production, style changes, routine data collection or activities of a like nature.
- iii. Lease rent paid for research farms or research labs.
- iv. Capitalized expenditure of intangible nature.
- v. Expenditure on foundation seeds multiplication, demonstration crops and grow out test etc. beyond breeder seed development.
- vi. Foreign patent filing expenditure.
- vii. Consultancy expenditure, retainership, contract manpower / labour.
- viii. Building maintenance, Municipal taxes and rental charges being paid.
- ix. Any interest component on loans for R&D.
- x. Clinical trial activities carried out outside the approved facilities.
- xi. Contract research expenses duly certified by chartered accountant.
- xii. Expenditure on any payments made to members of the board of Directors or any other part time employees working for R&D.

Signature & Seal of the Statutory Auditor

Date :

Place:

**FORM NO. 3CL**  
[SEE RULE 6]

**Report to be submitted by the prescribed authority to the Income-tax Authority  
specified under section 35(2AB) of the Income-tax Act, 1961**

1. Name and address of the registered office of the company including Telex/FAX/Phone No.
2. Permanent Account Number (PAN) of the company
3. Name and designation of the Principal Officer of the company
4. Nature of business/activity of the company
  - (i) Business of biotechnology
  - (ii) Manufacture/production of any eligible article or thing under sub-section (2AB) of section 35 of the Act. (Please specify)

**Part A**

1. Annual production of the eligible products of the company during the past three years.
2. Proposed objectives of scientific Research contemplated by the company.
3. Whether the nature of the business is related to the proposed objectives of the scientific research contemplated by the company.
4. Details of the nature of existing in-house Research and Development facilities specifying whether the in-house Research and Development facility is adequate for carrying out scientific research.
5. Registration number, date and validity of Recognition granted by Department of Scientific and Industrial Research to the In-house Research and Development centre of the company.
6. Whether agreement for co-operation and Research and Development facility and For audit of the accounts maintained for that facility entered into.

**Part B**

1. Assessment year
2. Previous year
3. Location of the research and development facility
4. Annual production of the eligible products during  
The year
5. Details of expenditure: (in Rs. Lakhs)
  - A.
    - (i) Land
    - (iii) Buildings
  - B. Capital expenditure:
    - (i) Equipment
    - (ii) Others
    - (iii) Total
  - C. Revenue expenditure:
    - (i) Expenditure directly related to research and development
      - (a) \_\_\_\_\_
      - (b) \_\_\_\_\_
      - (c) \_\_\_\_\_
    - (ii) Total
  - D. Total expenditure on the approved research and development centre  
(excluding land and building)
  - E. Details of assets disposed of/transferred

I certify that the above details are true and correct to the best of my knowledge and belief.

-----  
Signature of Secretary, Department of Scientific and Industrial Research

Date: -----  
Place: -----

**FORM No. 3CLA**

[See rule 6]

**Report from an accountant to be furnished under sub-section (2AB) of section 35 of the Act relating to in-house scientific research and development facility**

1. \* I/We have audited the accounts of the in-house research and development centre of M/s \_\_\_\_\_ located at \_\_\_\_\_ which is approved under section 35(2AB) of the Act by the prescribed authority (Secretary, Department of Scientific and Industrial Research), vide Order No. \_\_\_\_\_ dated \_\_\_\_\_.
2. \* I/We certify that:
  - (a) The company has maintained separate accounts for the research and development centre approved by Department of Scientific and Industrial Research under sub-section (2AB) of section 35 of the Act.
  - (b) The accounts have been satisfactorily maintained. The expenditure certified is also in consonance with Department of Scientific and Industrial Research guidelines.
3. The expenditure of Rs. \_\_\_\_\_ (Revenue Rs. \_\_\_\_; Capital Rs. \_\_\_\_; Land and Building Rs.\_\_\_\_; others Rs.\_\_\_\_) reported for the financial year \_\_\_\_\_ relevant to the assessment year \_\_\_\_\_ is correct to the best of my/our knowledge and belief as per the result of the audit of the approved research and development centre carried out by me/us. Also the research and development capital expenditure is reflected on page \_\_\_\_ and revenue expenditure on page \_\_\_\_ in the audited financial statement/annual report.

\_\_\_\_\_  
Signature of Accountant \*\*  
Name of the Accountant  
Address of Accountant  
Membership No.:

Date: \_\_\_\_\_  
Place: \_\_\_\_\_

Notes:

1. \* Delete whichever is not applicable.
2. \*\* This report has to given by Accountant –  
Accountant means an accountant as defined in the Explanation below sub-section (2) of section 288 of the Income-tax Act, 1961.

**A. The following documents along with application in Form 3CK and Annexure III of DSIR guidelines also need to be submitted for comprehensive assessment of R&D efforts of seed companies.**

1. Details of laboratory facilities available exclusively for R&D along with specialized lab facilities for precision in variety identification and other infrastructure available along with layout along with land available for research activities providing breakup of area/plot for nucleus seeds, sick farms, poly houses and cross breeding programs and any other such specified activities.
2. Manpower available for R&D indicating breeders for various crops, agronomists, pathologists, microbiologist, molecular biologist, virologist, information technology specialist for bioinformatics work, entomologists etc.
3. Crop wise character details of all the germplasm lines available and associated cross breeding research programs; Facilities available for storage of Germplasm; Disposal policy of the company for R&D crops.
4. Summary of independent test reports of research hybrids/varieties (developed at the recognized in-house R&D centres) carried out by authorized state/central government/ private agencies duly authenticated; Documentary evidence in support of permission to market research varieties (truthfully labeled seeds) by authorised central/state government agencies along with annual turnover of research varieties (truthfully labelled seeds) for the last three Financial Years along with breakup of turnover of own varieties and public notified varieties/hybrids.

**B. The R&D expenditure claims u/s 35 (2AB) of the Income Tax Act will be limited to expenditure incurred in the approved facilities/ farms up to breeder seed development only.**

**C. Lease rent paid for the approved research farms shall not be eligible for weighted tax deduction u/s 35(2AB) of IT Act.**

**THE ELEVENTH SCHEDULE**

**LIST OF ARTICLES OR THINGS**

1. Beer, wine and other alcoholic spirits.
2. Tobacco and tobacco preparations, such as, cigars and cheroots, cigarettes, biris, smoking mixtures for pipes and cigarettes, chewing tobacco and snuff.
3. Cosmetics and toilet preparations.
4. Tooth paste, dental cream, tooth powder and soap.
5. Aerated waters in the manufacture of which blended flavouring concentrates in any form are used.  
[*Explanation.* Blended flavouring concentrates shall include, and shall be deemed always to have included, synthetic essences in any form.]
6. Confectionery and chocolates.
7. Gramophones, including record-players and gramophone records.
8. <sup>14</sup> [\*\*\*]
9. <sup>15</sup> [Projectors.]
10. Photographic apparatus and goods.
- 11-21. <sup>14</sup> [\*\*\*]
22. Office machines and apparatus such as typewriters, calculating machines, cash registering machines, cheque writing machines, intercom machines and teleprinters.

*Explanation:* The expression office machines and apparatus includes all machines and apparatus used in offices, shops, factories, workshops, educational institutions, railway stations, hotels and restaurants for doing office work <sup>16</sup> [and for data processing (not being computers within the meaning of [section 32AB](#))].

23. Steel furniture, whether made partly or wholly of steel.
24. Safes, strong boxes, cash and deed boxes and strong room doors.
25. Latex foam sponge and polyurethane foam.
26. <sup>17</sup> [\*\*\*]
27. Crown corks, or other fittings of cork, rubber, polyethylene or any other material.
28. Pilfer-proof caps for packaging or other fittings of cork, rubber, polyethylene or any other material.
29. <sup>17</sup> [\*\*\*]