

**Subject: - Procedure for approval under Section 35 (2AB) of the Income-Tax Act.**

1. Only companies having in-house R&D centre(s) recognised by DSIR are eligible to make application for approval under section 35 (2AB) of the Income Tax Act.
2. Proforma for recognition by DSIR is available on DSIR website <http://www.dsir.gov.in/forms/irdpp/Application%20for%20R&D.pdf> and <http://www.dsir.gov.in/forms/irdpp/Application%20for%20R&D.rtf>.
3. Companies having identifiable R&D infrastructure comprising of analytical facilities, qualified manpower with well defined R&D programs are considered for DSIR recognition.
4. Procedure and guidelines for approval under section 35 (2AB) of the income tax act are available on DSIR website [http://www.dsir.gov.in/forms/irdpp/352ab\\_guide.pdf](http://www.dsir.gov.in/forms/irdpp/352ab_guide.pdf) and [http://www.dsir.gov.in/forms/irdpp/352ab\\_guide.rtf](http://www.dsir.gov.in/forms/irdpp/352ab_guide.rtf).
5. For approval Under Section 35 (2AB) of the Income tax act, companies having DSIR recognised in-house R&D centre(s) are required to submit application in **Form 3CK** (as prescribed in the Income tax rules) along with additional information as per annexure III of DSIR guidelines available as per the hyperlink specified above.
6. Approval of Secretary, DSIR the Prescribed Authority under section 35 (2AB) of the Income-tax act is conveyed in income-tax prescribed **Form 3CM** for a period as specified in para 6 page 5 of the DSIR guidelines.
7. Approved companies are required to submit progress of R&D activities and expenditure every year by 31st October for **each subsequent year** as per Annexure IV of DSIR guidelines **for the approved period** to enable submission of report to DG (ITE) by the Prescribed Authority i.e. Secretary, DSIR in Income-Tax prescribed **Form 3CL**.