

GUIDELINES

Recognition and Registration of In-house R&D units of Corporate Industries

Department of Scientific & Industrial Research (DSIR) Ministry of Science & Technology

1. The Department of Scientific & Industrial Research (DSIR) is operating a scheme for granting recognition & registration to in-house R&D units established by corporate industry.
2. The In-house R&D units applying for recognition to DSIR are expected to be engaged in innovative research & development activities related to the line of business of the firm, such as, development of new technologies, design & engineering, process/product/design improvements, developing new methods of analysis & testing; research for increased efficiency in use of resources, such as, capital equipment, materials & energy; pollution control, effluent treatment & recycling of waste products or any other areas of research.
3. It may be noted that market research, work & methods study, operations & management research, testing & analysis of routine nature for operation, process control, quality control and maintenance of day to day production, maintenance of plant are not considered as R&D activities.
4. This is the only scheme in the entire government set-up for benchmarking the industrial R&D. Government of India has announced a number of fiscal incentives for research and development by industry from time to time and many of these incentives are implemented through DSIR. In-house R&D units recognised by DSIR are not only eligible for these incentives (wherever applicable) but also for receiving funds for R&D from other government departments and agencies such as DST, DBT, Deity, MoEF, MNRE, MoFPI, CSIR, ICMR, ICAR, TDB where recognition to the in-house R&D centre by DSIR is a requirement.
5. **Eligibility criteria for Recognition of In-house R&D units of Corporate Industries**
 - i. The applicant should be a company registered under the Companies Act, 1956 or 2013.
 - ii. The company shall be eligible for consideration only after the completion of three financial years after formation.
 - iii. The applicant should have regular source of income at least during the last two years to sustain the business and this needs to be elaborated in the application.
 - iv. The companies seeking recognition to their in-house R&D units should be engaged in manufacture or production or in rendering technical services.
 - v. Companies fully engaged in contract research are also eligible for consideration provided independent infrastructure is available for research activities. Those engaged in research only at present but have plans to start

manufacture at a later date may also be considered for the recognition, if there is a potential.

- vi. The R&D unit(s) should not be located in residential areas but should be operating in premises authorized by the relevant Central/State Government. **(Proof for such authorization needs to be furnished).**
- vii. Independent infrastructure for research activities and adequate technically qualified manpower should be available **(Minimum area for the R&D activities should be at least 1000 Sq. ft.).**
- viii. At the time of application, the R&D unit(s) should be functional and should have well defined, time-bound R&D programmes leading to development of innovative products and/or technology(ies).

6. Biotechnology Start-ups:

To promote Entrepreneurship in Biotechnology sector, DSIR has announced relaxation in 3 years of existence for granting short term fresh recognition to Biotech start-ups established in Incubation Centre or Technology Parks. The start-ups desirous of seeking recognition of DSIR should send an email to rdi@nic.in giving the profile of the company with a request to allow submission of online application for recognition.

The company should submit the following profile:

- a. Name of the Company and Permanent Account Number (PAN No.)
- b. Registration number and date of incorporation under the Companies Act, 1956 or 2013
- c. Complete address of the R&D unit
- d. Brief write up on ongoing research activities and achievements
- e. Details of existing and proposed sources of funding and revenue

Eligibility criteria for recognition of Biotech start-ups

- a. The applicant should be a Biotech start-up company conducting high end research with a scope for generating IPs and revenues out of it.
- b. The start-up should have qualified R&D manpower and basic minimum R&D infrastructure.
- c. The Company should have focused research objectives based on innovative and recent advanced technologies, a clear business model and sources of funds for sustainability.
- d. The Company should furnish documents / details of collaborations, agreements, MOUs etc. with the Incubator Centre or Technology Parks.
- e. The Company should furnish a list of Biotechnology based project proposals submitted / approved for Government of India funding.

7. Other criteria for Recognition:

- The company must spell out a long term R&D policy which should be displayed prominently in the in-house R&D unit(s).
 - R&D activities should be separate from routine activities of the firm, such as, production and quality control. The units should have separate & identifiable infrastructure for carrying out R&D work.
 - It is preferable that the in-house R&D unit(s) be located outside the factory premises, or it may be located in a separate building within the factory premises or it may be located in a separate floor. In case of small companies, the R&D unit may be located in a separate room or area. The R&D activities should be clearly demarcated from the manufacturing/quality control activities.
 - The R&D units should have well defined, time bound R&D programmes. The unit should maintain proper record of its R&D activities in the form of documentation.
 - The units should have qualified staff exclusively engaged in R&D and should be headed by a full-time qualified & experienced R&D person who has direct access to the Chief Executive or to the Board of Directors, depending on the size of the company. The number of R&D manpower should be commensurate with the S&T manpower size of the company. The R&D units should maintain separate books of accounts for all the R&D expenditures.
 - Expenditure should be booked when incurred and not allocated. The company should reflect the R&D expenditure (both capital & revenue) in the Annual Report and Statement of Accounts of the company in separate schedules. The R&D expenditure incurred should be commensurate with the financial size of the company.
8. During the course of processing the applications, DSIR may hold discussions with the chief of the R&D unit and executives of the firm, in order to obtain first-hand information on R&D activities of the applicant firms. If needed the units may be visited by a team comprising of representatives of DSIR along with domain experts. Based on the discussion notes, visit reports, and the Department's own evaluation, final decision on recognition & registration would be taken by DSIR.
9. Notwithstanding any clause(s) in the criteria mentioned above, the Chairman of the Screening Committee can relax any of the given conditions for consideration of recognition.

10. Checklist for submissions

- I. Complete one e-application (.pdf, generated by the system) signed by the MD/whole-time Director of the company.
- II. A walk-in CD containing corporate presentation, a presentation covering R&D unit & its activities
- III. Latest annual report of the company

- IV. A note on the R&D activities of the R&D unit(s), highlighting the on-going & proposed research activities, details of past achievements/ completed research projects
- V. A brief write-up on some of the major past achievements, ongoing and future projects
- VI. Details of scientific personnel working in the R&D unit(s) along with qualifications & designation
- VII. Details of infrastructure available for research giving the date of installation & value of all major facilities
- VIII. Layout drawing of the R&D unit vis-à-vis the plant/production unit
- IX. A copy of the memorandum & Articles of Association of the company (in case of newly formed companies).
- X. All attachments to the online applications must be in the .pdf file format only.

How to Apply: Companies desirous of seeking recognition to their in-house R&D units should apply to DSIR online through DSIR website (www.dsir.gov.in) or through the Portal Link: (<http://dsir.csir.res.in/DSIRPrograms/Login/Default.aspx>). After successful submission of online application send one set of hard copy (PDF, generated by the system) signed by the MD/whole-time Director of the company to DSIR along with all uploaded annexures, The applications for Recognition & Registration should be sent by speed post to:

Shri K.V.S.P. RAO
Scientist 'G' and Head (RDI)
Department of Scientific & Industrial Research
Technology Bhavan, New Mehrauli Road
New Delhi-110 016
Phone: 011-26863805
Fax: 011-26529745

* For any software related problems please write to: dsirsupport@tekmindz.com or by clicking on the customer support on the right hand top corner.