

VII. EXEMPTION TO TECHNICAL, EDUCATIONAL AND RESEARCH INSTITUTES

GENERAL EXEMPTION NO. 35

Exemption to goods produced in a Technical, Educational or Research Institute during the course of training, experiment or research.

[Notfn. No. 167/71-CE., dt. 11.9.1971 as amended by Notfn. Nos. 6/79 and 96/95].

In exercise of the powers conferred by sub-rule (1) of rule 8 of the Central Excise Rules, 1944 and in supersession of the notification of the Government of India in the M.F. (D.R. & I.) No.75-E/67-Central Excises, dated the 3rd June, 1967, the Central Government hereby **exempts all excisable goods produced in a technical, educational and research institute** during the course of imparting technical training of an academic or vocational nature or carrying out experiments or research, from the **whole of the duty of excise** leviable thereon.

Provided that an officer not below the rank of an Assistant Commissioner of Central Excise is satisfied that the goods are produced in such institute during the course of imparting such training or carrying out such experiments or research:

Provided further that -

- (i) such certificate or evidence as may be required by an officer not below the rank of an Assistant Commissioner of Central Excise for verifying that goods have been produced only in the aforesaid manner is furnished;
- (ii) such records as may be prescribed by an officer not below the rank of an Assistant Commissioner of Central Excise are maintained; and
- (iii) such premises as may be desired to be inspected by an officer not below the rank of an Assistant Commissioner of Central Excise are allowed to be inspected by the officers of the Central Excise Department.

GENERAL EXEMPTION NO. 36

(Rescinded by Notification No. 9/17, dt. 30.6.2017.)

GENERAL EXEMPTION NO. 37

Exemption for 3 years to patented goods manufactured by an Indian owned company, National Lab, Public Funded Research Institution or University.

[Notfn. No. 13/99-CE., dt. 28.2.1999 as amended by Notfn. No. 22/99].

In exercise of the powers conferred by sub-section (1) of section 5A of the Central Excise Act, 1944 (1 of 1944), read with sub-section (3) of section 3 of the Additional Duties of Excise (Goods of Special Importance) Act, 1957 (58 of 1957) the Central Government, being satisfied that it is necessary in the public

interest so to do, hereby **exempts all goods of the description specified in the Annexure** appended to this notification (hereinafter referred to as the specified goods) from-

- (a) the **whole of the duty of excise** specified thereon under the First Schedule to the Central Excise Tariff Act, 1985(5 of 1986) ;
- (b) the **whole of the special duty of excise** specified thereon under the Second Schedule to the said Central Excise Tariff Act;
- (c) the **whole of the additional duty of excise** specified thereon under the Schedule to the said Additional Duties of Excise (Goods of Special Importance) Act,

subject to the following conditions, namely:-

- (i) the specified goods are designed and developed by an Indian owned company, national **laboratory, public funded research institution, or university**;
- (ii) the specified goods which are so designed and developed are patented by such **Indian owned company, national laboratory, public funded research institution, or university**, in any **two countries from amongst India, United States of America, Japan and any one country of the European Union**;
- (iii) the specified goods are **manufactured by a wholly Indian owned company**;
- (iv) the manufacturer produces a certificate from the Department of Scientific and Industrial Research to the effect that the specified goods are designed and developed by a wholly Indian owned company, national laboratory, public funded research institution, or university and are patented in any two countries from amongst India, United States of America, Japan and any one country of the European Union;
- (v) the procedure as prescribed by the jurisdictional Commissioner of Central Excise is followed;
- (vi) the **exemption** contained in this notification shall **not** apply to the goods which are **cleared** on or **after a period of three years** from the date of issue of the certificate by the Department of Scientific and Industrial Research referred to in condition (d) above.

Explanation.- For the purposes of this notification,-

- (a) "*national laboratory*" means a scientific laboratory functioning at the national level under the aegis of the Indian Council of Agricultural Research, the Indian Council of Medical Research, the Council of Scientific and Industrial Research, the Defence Research and Development Organisation, the Department of Electronics, the Department of Bio Technology or the Department of Atomic Energy;
- (b) "*public funded research institution*" means a research institution in the case of which not less than fifty percent of the recurring expenditure is met by the Central Government or the Government of any State or the Administration of any Union Territory;
- (c) "*university*" means a university established or incorporated by or under a Central, State or Provincial

(1)	(2)	(3)	(4)
	Act and includes -		
	(i)	an institution declared under section 3 of the University Grants Commission Act, 1956 (3 of 1956) to be a deemed university for the purposes of that Act;	
	(ii)	an institution declared by Parliament by law to be an institution of national importance;	
	(iii)	a college maintained by, or affiliated to, a university.	

ANNEXURE

All goods specified in the First Schedule to the Central Excise Tariff Act, 1985 (5 of 1986) other than the following, namely:-

- (i) tobacco and tobacco preparations;
- (ii) pan masala;
- (iii) arms and ammunition;
- (iv) narcotic drugs and psychotropic substances, as defined in clause (xiv) and clause (xxiii) respectively of section 2 of the Narcotic Drugs and Psychotropic Substances Act, 1985 (61 of 1985) other than those used for pharmaceutical purposes .

Reference : For exemption to computer and computer peripherals supplied by EOUs or Units in STPs, EHTPs to recognized non-commercial educational institutions, registered charitable hospitals, public libraries, public funded R & D establishments and organisations of State Govt. or UTs - please see para 8 of General Exemption No. 7