QUESTIONNAIRE FOR THE STUDY ON THE ACCOUNTING FOR
RESEARCH AND DEVELOPMENT EXPENDITURE IN THE CORPORATE SECTOR — THE INDIAN PANORAMA

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1. Name of the Organisation:

2. Year of incorporation:

3. Registered Office:

4. Is it a private, public or Joint Sector Organisation? (tick the correct one):

5. Is it a public or private limited Company? (tick the correct one):
6. Pattern of share holding (Percentage)
   (a) General Public
   (b) Institutional
   (c) Foreign
   (d) Government
      (i) Central
      (ii) State
   (e) Others
      (Please Specify)

7. Main Production lines

8. Annual Turnover (Last 5 years) : Year  Rs*
   1985-86
   1986-87
   1987-88
   1988-89
   1989-90

9. Percentage of Capacity Utilisation : Year  Percentage
   1989-90
   1988-89
   1987-88
   1986-87
   1985-86
10. Book values of Assets (as per Balance Sheets)

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11. Production Technology (tick the correct one)

12. In case of Foreign Technology
   Name of Country
   Years of patent right

13. Principal Markets for Company's product
   (a) Home market
   (b) Foreign market

14. Does the Company maintain a separate R & D wing

15. Is your Research Wing recognised by the department of Scientific and Industrial Research?

16. The status of the R & D department in the organisation hierarchy

17. What is the procedure of selection, recruitment and training of R & D personnel?
18. Nature of Research Project undertaken by the Company

(a) Basic or Fundamental Research
    : Yes/No

(b) Applied Research
    : Yes/No

19. What have been the duration of the Research Project?
    : Long time/Short time

20. What have been the objectives for undertaking the Research Projects in your Company?

(a) Reduction in consumption of raw materials/energy in production processes
    : Yes/No

(b) Improvements in product quality
    : Yes/No

(c) Substitution of scarce/costly raw materials and enlarging the raw material base
    : Yes/No

(d) Finding new uses for existing products
    : Yes/No

(e) Making different products from the same raw materials
    : Yes/No

(f) Developing new process for existing products
    : Yes/No
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(g) Developing totally new products : Yes/No
(h) Developing new equipment : Yes/No
(i) Developing new design methodologies : Yes/No
(j) Any other (please specify) : Yes/No

21. Has the establishment of your R & D Wing been forced by
(a) Competition ? : Yes/No

If Yes, was it
(i) from within the country? : Yes/No
(ii) from outside? : Yes/No
(iii) or both : Yes/No

(b) For reasons other than competition : Yes/No

(c) If yes, what has the reasons ? : Yes/No

22. What has been the budgeting practices in respect of Research and Development in your Company ?
(a) Do you have any regular budgetary allocations ? : Yes/No
(b) How are allocations made ?

23. Do you have any mechanism for exercising effective control of R & D activities ? What is the nature of such control mechanism ? : Yes/No
24. How the total R & D costs are treated in Profit & Loss account and Balance Sheet for reporting purposes?
   (a) is it fully capitalised?  
   (b) is it fully charged off?  
   (c) is it partly capitalised (included in fixed assets)
   and partly charged off? 

25. If R & D costs are fully expensed when incurred, are they treated as
   (i) Product cost?  
   (ii) Period cost?  
   (iii) Partly product cost and partly period cost?

26. If the answer to question No.25 is (iii) then how do you allocate the costs between the two?

27. Whether the Accounting Policy Statement contains any information about R & D 

28. What has been your expenditure in respect of Research and Development for the last five years?

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29. Whether the schedule of expenses forming a part of Profit and Loss account contains information in details on R & D as to its break up in the schedule?

30. Where a part of R & D costs is capitalised and carried to Balance Sheet, how is the capitalised cost shown in the list of assets?

31. Whether under the category of fixed assets in the schedule, the R & D items are shown as a separate one?

32. What has been the statutory disclosure requirement in respect of R & D and to what extent is this followed by the Companies in India?
   (a) is it forming a part of Directors' report u/s 217(1)(e) of the Companies Act, 1956?
   (b) is it not forming a part of Directors' report u/s 217(1) (e) of the Companies Act, 1956?
33. Whether there is any difference in respect of reporting practices centering round accounting treatment of R & D costs in the Public and Private Sector enterprises?

34. Whether R & D costs are shown in 'Notes on Accounts' schedule?

35. How do you evaluate your R & D costs? Do you calculate any rate of return from R & D expenditures? If so, how?

36. How do you deal with your research findings?
   (i) Used only by the organisation
   (ii) Sold in the form of a patent to an intending purchaser
   (iii) Sold to the other developing third world countries of Asia and Africa

37. Once your Research has been a success how do you value it for financial reporting purpose?
38. Whether the Corporate undertakings are following Accounting Standards issued by the IASC (IAS-9) and adopted by the ASB in India (AS-8) on accounting for R & D costs: Yes/No