(1) Iron and steel (metal), Ferro-alloys and special steels.

(2) Aluminium, copper, lead and zinc (metals).

(3) (Coal, lignite, iron ore), bauxite, manganese ore, dolomite, lime stone, magnesite and mineral oil.

(4) Industrial machinery specified under the heading 8. "Industrial machinery", sub-heading "A. Major items of specialised equipment used in specific industries", of the First Schedule to the Industries (Development and Regulation) Act, 1951 (65 of 1951).

(5) Boilers and steam generating plants, steam engines and turbines and internal combustion engines.

(6) Flame and drip proof motors.

(7) Equipment for the generation and transmission of electricity, including transformers, cables and transmission towers.

(8) Machine tools and precision tools (including their attachments and accessories, cutting tools and small tools), dies and jigs.

(9) Tractors, earth-moving machinery and agricultural implements.

(10) Motor trucks and buses.

(11) Steel castings and forging and malleable iron and steel castings.
(12) Cement and refractories.

(13) Fertilisers, namely, ammonium sulphate, ammonium sulphate nitrate (double salt), ammonium nitrate, calcium ammonium nitrate (nitroline stone), ammonium chloride, superphosphate, urea and complex fertilisers of synthetic origin containing both nitrogen and phosphorus, such as ammonium phosphates, ammonium sulphate phosphates and ammonium nitro-phosphate.

(14) Soda ash.

(15) Pesticides.

(16) Paper and pulp [including newsprint].

(17) Electronic equipment, namely, radar equipment, computers, electronic accounting and business machines, electronic communication equipment, electronic control instruments and basic components, such as valves, transistors, resistors, condensers, coils, magnetic materials and microwave components.

(18) Petrochemicals including corresponding products manufactured from other basic raw materials like calcium carbide, ethyl alcohol or hydrocarbons from other sources.

(19) Ships.

(20) Automobile ancillaries.

(21) Seamless tubes.

(22) Gears.

(23) Ball, roller and tapered bearings.

(24) Component parts of the articles mentioned in item Nos. (4), (5), (7) and (9), that is to say, such parts as are essential for the working of the
machinery referred to in the items aforesaid and have been given for that purpose some special shape or quality which would not be essential for their use for any other purpose and are incomplete finished form and ready for fitment.

(25) Cotton seed oil.

(26) Tea.

(27) Printing machinery.

(28) Processed seeds.

(29) Processed concentrates for cattle and poultry feed.

(30) Processed (including frozen) fish and fish products.

(31) Vegetables oils and oil-cakes manufactured by the solvent extraction process from seeds other than cotton seed.

(32) Textiles (including those dyed, printed or otherwise processed) made wholly or mainly or cotton, including cotton yarn, hosiery and rope.

(33) Textiles (including those dyed, printed and otherwise processed) made wholly or mainly of jute, including jute twine and jute rope.
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. [Projectors]
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 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.

27. Crowncorks, 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.
(i) Pulverised or micronised-barytes, calcite, steatite, pyrophyllite, wollastonite, zircon, bentonite, red or yellow oxide, red or yellow ochre, talc, quartz, feldspar, silica powder, garnet, silliminite, fireclay, ballclay, manganese dioxide ore.

(ii) Processed-or activated-bentonite, diatomaceous earth, fullers earth.

(iii) Processed-kaoline (china clay), whiting, calcium carbonate.

(iv) Beneficated-chromite, flourspar, graphite, vermiculite, ilminite, brown ilminite (lencoxene) rutile, monazie and other mineral concentrates.

(v) Mica blocks, mica splitings, mica condenser films, mica powder, micanite, silvered mica, punched mica, mica paper, mica tapes, mica flakes.

(vi) Exfoliated-vermiculite, calcined kyanite, magnesite, calcined magnesite, calcined alumina.

(vii) Sized iron ore processed by mechanical screening or crushing and screening through dry process or mechanical crushing, screening, washing and classification through wet process.

(viii) Iron ore concentrates processed through crushing, grinding or magnetic separation.

(ix) Agglomerated iron ore.

(x) Cut and polished minerals and rocks including cut and polished granite.
Explanation-For the purposes of this Schedule, “processed”, in relation to any mineral or ore, means-

(a) dressing through mechanical means to obtain concentrates after removal of gangue and unwanted deleterious substances or through other means without altering the mineralogical identity;

(b) pulverisation, calcination or micronisation;

(c) agglomeration from fines;

(d) cutting and polishing;

(e) washing and levigation;

(f) benefication by mechanical crushing and screening through dry process;

(g) sizing by crushing, screening, washing and classification through wet process;

(h) other upgrading techniques such as removal of impurities through chemical treatment, refining by gravity separation, bleaching, flotation or filtration.
SUB-SECTION

(1.) Agricultural Income

(2.) Income received by an individual as a member of a HUF

(2A) Partner's Share in the total income of the firm.

(3.) Caused and Non-recurring nature income up to Rs.5,000/-. 

(4.) Interest received by NRI on notified securities or bond or on Non-Resident(External)Account.

(4B) Interest received by NRI, being a Indian origin on notified savings certificate issued by Central Govt.

(5.) Leave Travel concession or assistance received

(5A) Remuneration received by NRI, not citizen of India for rendering any service in connection with shooting of cinematograph.

(5B) Salaries received by a NRI for the services in scientific research renders in the employment of the Government or any Corporation set up under any special law.

(6A) Income derived by the way of royalty or fees for technical services by foreign company from Government.

(6B) Income received by the foreign company, foreign Govt. from Govt. or an Indian concern if the Tax is paid by Govt. or Indian concern under an approved agreement.

(6C) Income arising to foreign company by ways of fees for technical services in or outside India in projects related with security of India.
(7.) Any allowances or perquisites paid or allowed as such outside India by the Government to a citizen of India

(8.) Remuneration received by an individual in connection with any cooperative technical assistance from foreign govt.

(8A) Remuneration or fees received by a consultant out of funds of international organisation and income received by him on which he has to pay any social security tax.

(8B) Remuneration received by an individual from a consultant referred in (8A) for rendering services referred in (8A).

(9.) Income received by member of the family referred in (8) (8A) and (8B) which accrues on arises outside India on which such person has to pay social security tax.

(10.) Death cum retirement gravity under specific scheme

(10A) Any payment in commutation of pension received or received from a fund under clause (23AAB).

(10AA) Encashment of unutilised earned leave by retiring employees.

(10B) Workman Compensation under Industrial Dispute Act, 1947.

(10BB) Payments made under the Bhopal Gas Leak Disaster.

(10C) Amount received by an employee of specified sector at the time of his voluntary retirement to extent of Rs.5 lakhs.

(10D) Sum received under a LIP (including Bonus on policy)

(11.) Payment from a provident fund set up under the Act or by the Central Government.

(12.) Accumulated balance due in a recognised provident fund

(13.) Payment from an approved superannuation fund.
(13A) Special Allowance paid by employer to his employee to meet the expenditure actually incurred.

(14.) Prescribed Allowances paid by the employer to meet expenses wholly, necessarily and exclusively incurred in performance of duties of Office.

(14A) Exchange Risk premium received by a public financial institution.

(15.) (i) Interest, premium on redemption or other payment on any securities or deposit notified by central Govt.

(ii) Interest on notified capital investment bond received by an Individual or HUF.

(iii) Interest on notified Relief Bond receivable by an individual or HUF.

(iid) Interest on notified bond arising to certain specified person.

(iii) Interest on securities held by the Issue of Central Bank of Ceylon.

(iiiia) Interest payable to any bank for performing Banking function outside India with the approval of the RBI.

(iv) INTEREST PAYABLE

(a) on loans or funds borrowed outside source by Government or local authority.

(b) to foreign financial institution under an approval loan agreement.

(c) on debt incurred in a foreign country for the purchase of raw materials or components or capital plant and machinery.
(d) by IFCI, IDBI, Exim-Bank or National Housing Bank, ICICI etc. on money borrowed from outside India

(e) by any other financial or Banking company on money borrowed from outside India

(f) by industrial undertaking on money borrowed in foreign currency outside India

(fa) by a schedule Bank, to a NRI or not ordinary resident on deposits in foreign currency

(g) by a public company, having the main object of providing long term finance for construction or purchase of residential house on money borrowed by it in foreign currency

(h) by any public sector company on notified bonds or debentures.

(i) by Government on deposits to its employee

(v) On securities held by the Welfare Commissioner, Bhopal Gas Victim and on deposit for the benefit of Bhopal Gas Victim.

(15A) Payment made by an Indian Company engaged in the business of aircraft operation to acquire an aircraft on lease from foreign state.

(16) Scholarships granted to meet the cost of education.

(17A) Any award instituted in public interest by the Government or any body approved by Government in this behalf.

(18A) Any ex-gratia payments made by the Central Government consequent on the abolition of privy purse.

(20.) Income of local authority
(20A) Income of authority constituted for the development of cities, towns and villages or for both.

(21.) Income of scientific research association.

(22.) Income of educational institutions.

(22A) Income of hospitals.

(22B) Income of specified news agency.

(23) Income of games association.

(23A) Income of professional institution.

(23AA) Income received on behalf of regimental funds.

(23AAA) Income received by a person on behalf of fund established for the welfare of employees or their dependents.

(23AAB) Income of fund set up by the L.I.C.

(23B) Income of Khadi & Village Industries.

(23BB) Income of Khadi & Village Industries Board.

(23BBA) Income of statutory bodies for the administration of Public charitable trust.

(23BBB) Income of European Economic Community.

(23BBC) Income of SAARC Fund for Regional Funds.

(23C) Income of certain National Funds.

(23D) Income of Mutual Fund.

(23E) Income of exchange risk administration fund.

(23F) Income by way of dividend and long term capital gains of venture capital funds and venture capital companies.

(23G) Income by way of dividends, interest or long term capital gains of an infrastructure capital fund / company.
(24) Income of trade unions.
(25) Income of provident funds.
(25A) Income of Employees State Insurance Fund.
(26) Income of a member of scheduled tribe.
(26B) Income of a corporation established by Central, State or Provincial Act or any other body formed for promoting interest of Scheduled Tribe, Scheduled Caste or backward classes or any two or all of them.
(26BB) Income of corporation established by Central/State Govt. for promoting interest of members of minority community.
(27) Income of Co-operative society formed for promoting interest of scheduled caste or scheduled tribe or both.
(29) Any income derived by authority for marketing of authorities from letting of godowns or warehouses.
(30) Subsidy received from Tea board from replantation or replacement of tea bushes or for renovation or consolidation of area for cultivation of tea.
(31) Subsidy received from concerned board for replantation or replacement of rubber, coffee, cardamom plants.
(32) Exemption up to Rs. 1,500/- for each minor child whose income is includible in income of assessee.

**SUB-SECTION**

(10A) Tax-holiday benefit available to newly established undertakings in free trade zones.
(10B) Tax-holiday benefit available to new established 100% Export-oriented undertaking.
1. Rent-Rates-Taxes-Repairs and Insurance for Building U/s.30
2. Repairs and Insurance of Machinery, Plant & Furniture- U/s 31.
3. Depreciation- U/s 32
4. Tea development Account- U/s 33 AB
5. Reserves for Shipping Business-U/s 33 AC
6. Expenditure on Scientific research-U/s 35
7. Expenditure on acquisition of patent/copy rights-U/s 35A
8. Expenditure on know-how- U/s 35 AB
9. Expenditure for obtaining license to operate telecommunication services-U/s 35ABB
10. Expenditure for promoting social/economic welfare or uplift of the public-U/s 35AC
11. Expenditure by way of payment to Associates & Institutions for carrying out rural development programmes-U/s 35CCA
12. Expenditure by way of payment to associations or institution for carrying out programmes of conservation of natural resources U/s 35CCB.
13. Amortisation of preliminary expenses U/s.35D
14. Insurance against risk of damage or destruction of stock, stores, cattle & on health of employees, U/s.36(1)(i),(ia) & (ib).
15. Bonus or commission paid to employee: U/s.36(1)(ii).
16. Interest on borrowed capital (U/s.36(1)(iii)
17. Contribution towards recognised provident fund or on approved superannuation fund. (U/s.36(1) (iv))

18. Contribution towards approved gratuity fund (U/s.36(1) v)

19. Contribution received from employees to any fund for welfare of the employees : (U/s.36(1) (va))

20. Deduction in respect of animal usec for business which have died or became permanently useless: (U/s.36(1) (vi))

21. Bad-debt (U/s.36(1) (vii) & 36(2)

22. Entertainment Expenditure (U/s.37 (2))

23. Advertisement Expenditure (U/s.37(2B) & 37(3))

24. Expenditure in respect of travelling etc. (U/s.37(3))

25. Expenditure on the maintenance of guest-house : (U/s.37(4) & (5))

26. Expenditure for earning commission by agents of L.I.C., etc.

27. General Expenditure (U/s.37)

(i) Audit fees.

(ii) Expenditure incurred by way of fees etc. in connection with the proceeding under the Income-tax Act.

(iii) Commission paid for securing business.

(iv) Subscriptions to business associations.

(v) Pensions paid to employees or retirement

(vi) Losses on account of embezzlement/theft

(vii) Premiums for insurance against loss of profits.

(viii) Expenses incurred in defending title to business premises.

(ix) Expenditure in connection with travelling by employees etc.
(x) Stipend paid to apprentices covered under the Apprentices Act, 1961.

(xi) Professional Tax paid by a person carrying on a business or profession.

(xii) Compensation paid by employer to his employee.

(xiii) Sales tax and expenses incurred in relation to the proceeding for assessment to Sales tax.

(xiv) Deposit made under the "Own your Telephone Scheme."

(xv) Deposit made under 'Tatkal Telephone Deposit Scheme.'

(xvi) Deposit for telex-communication.

(xvii) Expenditure incurred in connection with local festivals

(xviii) Expenditure incurred on civil defense measures.