



Payment of R&D CESS

EXTRACTS FROM RELEVANT SECTIONS/CLAUSES OF R&D CESS ACT, 1986 (AS AMENDED IN 1995) AND R&D CESS RULES 1996 AND OTHER USEFUL INFORMATION.

The TDB is the first organisation of its kind within the government framework with the sole objective of commercialising the fruit of indigenous research. The Board plays a pro active role by encouraging enterprises to take up technology oriented products.

1. Rate of CESS - Under Section (3) of the said Act, a CESS @ 5% is levied on all payments made towards the import of technology For the purpose of levy of CESS, "payment" shall include:

- Payment made towards import of technology as approved by the Central Government in terms of any foreign collaboration agreement, or approved in accordance with the Industrial Policy of the Government of India, in force, from time to time;
- Payment made towards the cost of drawings and designs in terms of any foreign collaboration agreement as approved by the Central Government or approved in accordance with the Industrial Policy of the Government of India, in force, from time to time;
- Payment made to foreign collaborators or to any other person for or in connection with deputation of technical personal to India in terms of any foreign collaboration agreement, in accordance with the approval granted by the Central Government or approved in accordance with the Industrial Policy of the Government of India, in force, from time to time;
- Any other payment made towards the import of technology approved by the Central Government.

2. Challan and Head of Account for Remittance

The fee payable can be deposited through Challan Form TR-6 (form enclosed), with Reserve Bank of India or State Bank of India, Union Bank of India (authorised Branches) under Central Government Account (Receipt & Payment) Rules, 1983 under following head of account:

Major Head - 0045 - Other Taxes & Duties on Commodities and Services.

Minor Head - 117 - Receipts under R&D CESS Act, 1986.

Accounts Officer :- **Pay & Accounts Office**
Department of Science & Technology,
A-Wing, Ground Floor, Vishwakarma Bhavan,
Shaheed Jit Singh Marg,
New Delhi - 110 016

3. Statistical and other information to be submitted to Technology Development Board

Under Section 8 of the R&D CESS Act read with Rule 5 of R&D CESS Rules, 1996, the industrial concern is required to furnish statistical and other information to the Secretary, Technology Development Board, Technology Bhavan, New Mehrauli Road, New Delhi-110016 in Form - A (copy enclosed) within a period of 30 days from the date of entering into the agreement. Any change or modification in the particulars furnished in Form - A shall be communicated by the industrial concern to the Board immediately but in no case later than 30 days from the date of effecting the modification or change.

4. Research and Development Cess Collections and Disbursements

The following table indicates the year-wise cess collection from 1996-97 (the year in which the Technology Development Board was constituted by the Government), allocations to TDB and payments to TDB.

Research and Development Cess Collections and Disbursements				
Year	Cess Collection (CGA's figure)	Budget Estimate	Revised Estimate	Payment to TDB
1996-97	80.13	30.00	30.00	29.97
1997-98	81.42	70.00	49.93	49.93
1998-99	81.10	50.00	20.00	28.00
1999-2000	88.93	70.00	50.00	50.00
2000-2001	98.91	70.00	63.00	62.79
2001-2002	95.30	63.00	57.00	57.00
2002-2003	99.47	58.00	56.00	56.00
TOTAL	625.26	411.00	325.93	333.69