Tea Act, 1953

Chapter V - Finance, Accounts and Audit

1[25. Imposition Of Cess On Tea Produced In India

(1) There shall be levied and collected as a cess for the purposes of this Act a duty of excise on all tea produced in India2[at such rate not exceeding fifty paise per kilogram as the Central Government may, by notification in the Official Gazette, fix]:

3[Provided that different rates may be fixed or different varieties or grades of tea having regard to the location of, and the climatic conditions prevailing in, the tea estates or gardens producing such varieties or grades of tea and any other circumstances applicable to such production.]

(2) The duty of excise levied under sub-section (1) shall be in addition to the duty of excise leviable on tea under the Central Excises and Salt Act, 1944, or any other law for the time being in force.

(3) The provisions of the Central Excises and Salt Act, 1944, and the rules made thereunder, including those relating to refund the exemption from duty, shall so far as may be, apply in relation to the levy and collection of the duty of excise under this section as they apply in relation to the levy and collection of the duty of excise on tea under the said Act.]

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1. Substituted for former Section 25 (which had levied a duty of customs on export of tea) by the Tea (Amendment) Act, 1967 (21 of 1967), Section 4 (w.e.f. 13-8-1967).

2. Substituted for the word "at the rate of four paise per kilogram" by Tea (Amendment) Act (24 of 1986), Section 2 (w.e.f. 15-8-86).

3. Substituted for proviso, by Tea (Amendment) Act (24 of 1986), Section 2 (w.e.f. 15-8-86).

Section 26 - Payment Of Proceeds Of Cess To The Board

The proceeds of the cess levied under sub-section (1) of section 25 shall first be credited to the Consolidated Fund of India, and the Central Government may thereafter, from time to time, pay to the Board from and out of such proceeds such sums of money as it may think fit after deducting the expenses of collection.

Section 26A - Grants And Loans By The Central Government To The Board

The Central Government may, after due appropriation made by Parliament by law in this behalf, pay to the Board by way of grants or loans such sums of money as the Central Government may consider necessary.]

Section 27 - Constitution Of Fund

(1) There shall be formed a Fund to be called the Tea Fund, and there shall be credited thereto--

(a) the proceeds of the cess made over to the Board by the Central Government;

1[(aa) any sum of money including dividend, if any, realised by the Board in carrying out any measure referred to in clause (jj) of sub-section (2) of section 10;

2[(ab) any sum of money that may be paid to the Board by way of grants or loans under section 26A;]

(b) all fees levied and collected in respect of licences, permits and permissions issued under this Act; and

(c) any other fee that may be levied and collected under this Act or the rules made thereunder.

(2) The Fund shall be applied towards meeting the expenses of the Board and the cost of the measures referred to in section 10.

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1. Clause (aa) re-lettered as clause (ab) and clause (aa) inserted by Tea Amendment Act (68 of 1980), Section 5.

2. Inserted by the Tea (Amendment) Act, 1970 (22 of 1970), section 3 (w.e.f. 25-5-1970).

Section 28 - Borrowing Powers Of Board

Subject to such rules as may be made in this behalf, the Board shall have power to borrow on the security of the Fund or any other asset for any purposes for which the Fund may be applied.

Section 28a - Writing Off Of LosseSection

1[28A. Writing Off Of Losses

Subject to such conditions as may be specified by the Central Government, where the Board is of opinion that any amount due to, or any loss, whether of money or of property, incurred by the Board is irrecoverable, the Board may, with previous approval of the Central Government, sanction the writing off finally of the said amount or loss:

Provided that no such approval of the Central Government shall be necessary where such irrecoverable amount or loss does not exceed in any individual case and in the agreement in any year such amounts as may be prescribed.]

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1. Inserted by Tea (Amendment) Act (24 of 1986), Section 3 (w.e.f. 15-8-1986).

Section 29 - Accounts And Audit

(1) The Board shall cause accounts to be kept of all money received and expended by it.

(2) The accounts shall be audited every year by auditors appointed in this behalf by the Central Government and such auditors shall disallow every item, which in their opinion is not authorized by this Act or any rule made or direction issued thereunder.

(3) The Board may, within three months from the date of communication to it of the disallowance of any item, as aforesaid appeal against such disallowance to the Central Government whose decision shall be final.