

**Bill No. XXVI of 2021**

THE COCONUT DEVELOPMENT BOARD (AMENDMENT) BILL, 2021

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BILL

*further to amend the Coconut Development Board Act, 1979.*

BE it enacted by Parliament in the Seventy-second Year of the Republic of India as follows:—

**1.** (1) This Act may be called the Coconut Development Board (Amendment) Act, 2021. Short title and commencement.

5 (2) It shall come into force on such date as the Central Government may, by notification in the Official Gazette, appoint.

5 of 1979. **2.** In section 3 of the Coconut Development Board Act, 1979 (hereinafter referred to as the principal Act), for clause (b), the following clauses shall be substituted, namely:— Amendment of section 3.

10 (b) "Chairman" means the non-executive Chairman of the Board appointed under clause (a) of sub-section (4) of section 4;

(ba) "Chief Executive Officer" means the Chief Executive Officer of the Board appointed under sub-section (1) of section 7;'

Amendment  
of section 4.

3. In section 4 of the principal Act, in sub-section (4),—

(A) for clause (a), the following clauses shall be substituted, namely:—

"(a) a non-executive Chairman, to be appointed by the Central Government;

(aa) the Chief Executive Officer, to be appointed by the Central Government; 5

(ab) the Joint Secretary to the Government of India, in-charge of Mission for Integrated Development of Horticulture, *ex officio*;"

(B) in clause (f), for sub-clause (ii), the following sub-clause shall be substituted, namely:— 10

"(ii) Consumer Affairs;"

(C) for clauses (g), (h) and (i), the following clauses shall be substituted, namely:—

"(g) four members to be appointed by the Central Government one each to represent the Governments of the States of Andhra Pradesh, Karnataka, Kerala and Tamil Nadu, being States where coconut is grown on a large scale; 15

(h) four members to be appointed by the Central Government by rotation in the alphabetical order to represent the States of Assam, Bihar, Chhattisgarh, Goa, Gujarat, Maharashtra, Nagaland, Odisha, Telengana, Tripura, West Bengal and the Union territories of Andaman and Nicobar Islands, Lakshadweep and Puducherry; 20

(i) six members to be appointed by the Central Government, two to represent the coconut growers of the State of Kerala and one each to represent the coconut growers of the States of Andhra Pradesh, Gujarat, Karnataka and Tamil Nadu;" 25

Substitution of  
new section  
for section 5.

4. For section 5 of the principal Act, the following section shall be substituted, namely:—

"5. The Chairman and members of the Board shall receive such allowances as may be fixed by the Central Government." 30

Allowances  
payable to  
Chairman and  
members.

Amendment  
of section 7.

5. In section 7 of the principal Act,—

(a) for sub-section (1), the following sub-sections shall be substituted, namely:—

"(1) There shall be a Chief Executive Officer of the Board, not below the rank of Joint Secretary to the Government of India, to be appointed by the Central Government. 35

(1A) The Chief Executive Officer shall exercise such powers and perform such duties as may be prescribed.

(1B) The salaries and allowances payable to, and other conditions of service of, the Chief Executive Officer shall be such as may be prescribed." 40

(b) in sub-section (2), for the word "Chairman", the words "Chief Executive Officer" shall be substituted;

(c) in sub-section (4), after the words "the Chairman", the words "or the Chief Executive Officer" shall be inserted;

(*d*) in sub-section (5), for the words "The Chief Coconut Development Officer", the words "The Chief Executive Officer, the Chief Coconut Development Officer" shall be substituted;

5 (*e*) in sub-section (7), for the words "the Chairman", the words "the Chief Executive Officer" shall be substituted.

**6.** In section 10 of the principal Act, in sub-section (2),—

Amendment of section 10.

(*A*) in clause (*b*), for the words "in India", the words "within or outside India" shall be substituted;

(*B*) in clause (*i*), the words "on a large scale" shall be omitted.

10 **7.** In section 19 of the principal Act, in sub-section (2), for clause (*d*), the following clauses shall be substituted, namely:—

Amendment of section 19.

"(*d*) the powers to be exercised and the duties to be performed by the Chief Executive Officer under sub-section (*IA*) of section 7;

15 (*da*) the salaries and allowances payable to, and other conditions of service of, the Chief Executive Officer under sub-section (*IB*) of section 7;"

## STATEMENT OF OBJECTS AND REASONS

The Coconut Development Board Act, 1979 was enacted to provide for the development of the coconut industry under the control of the Union and for matters connected therewith. The Coconut Development Board was established on 28th January, 1981 under the said Act. At present, the Board has an executive Chairman who is a Joint Secretary level officer in the Government of India, appointed by that Government on deputation basis from amongst officers of All India Services or officers in the Central Government or State Government or Union territory Administration or recognised research institutes or Agricultural Universities or public sector units.

2. For better management and administration of the Board and for the welfare of coconut growers at large, it is proposed to make the post of Chairman a non-executive one. It is also proposed to have a post of Chief Executive Officer of the Board to exercise all the executive powers hitherto exercised by the Chairman of the Board. Thus, the work load shall be shared between the non-executive Chairman and the Chief Executive Officer of the Board resulting in better and effective management and administration of Coconut Development Board.

3. The appointment of a non-executive Chairman would help in using his vast experience in the area of coconut cultivation, production, marketing, etc., for better governance and to take advantage of the new and emerging opportunities to keep pace with other economic entities. It may also facilitate the management of the Coconut Development Board to do business more innovatively and use resources in the most competitive and efficient manner and protect the interests of coconut growers.

4. Under section 10 of the Coconut Development Board Act, 1979, the production and marketing of coconut and its products and related activities are restricted to India only. It is necessary to expand such activities beyond India and to compete in the global market as India is already a member of International Coconut Community.

5. The Coconut Development Board (Amendment) Bill, 2021, *inter alia*, seeks to—

(i) make the post of Chairman a non-executive one so as to enable better management and administration of the Board and for the welfare of coconut growers;

(ii) rename the present executive post of the Chairman as the Chief Executive Officer, who shall exercise all the executive powers of the Board;

(iii) provide for other consequential matters relating thereto.

6. The Bill seeks to achieve the above objects.

NEW DELHI;

NARENDRA SINGH TOMAR.

The 19th July, 2021.

## FINANCIAL MEMORANDUM

Clause 3 of the Bill seeks to amend section 4 of the Coconut Development Board Act, 1979. Sub-clause (A) of said clause seeks to substitute clause (a) of sub-section (4) of said section with new clauses (a), (aa) and (ab) which respectively provide for the appointment of a non-executive Chairman, a Chief Executive Officer and an *ex officio* Joint Secretary to the Government of India, in-charge of Mission for Integrated Development of Horticulture, as member of the Board. Sub-clause (C) of said clause seeks to substitute clauses (g), (h) and (i) of said sub-section, respectively providing for the appointment of four members instead of existing three members, four members instead of existing five members and six members instead of existing four members.

2. Clause 4 of the Bill seeks to substitute a new section for section 5 of said Act, Section 5 as so substituted provides that the non-executive Chairman and Members of the Board shall receive such allowances as may be fixed by the Central Government.

3. Clause 5 of the Bill seeks to amend section 7 of the said Act. Sub-section (1B) of said clause provides for the salaries and allowances payable to, and other conditions of service of, the Chief Executive Officer.

4. However, the salary and allowances which are being paid to the existing Executive Chairman shall henceforth be paid to Chief Executive Officer. Further, the non-executive Chairman shall not be entitled to any salary, but to only allowances. Also, there is an addition of only two representatives of Coconut Growers from the States of Gujarat and Andhra Pradesh as non-official members who shall not be entitled to any salary, but to only allowances. The allowances so payable shall be for participation in the Board meetings, committee meetings, farm visits and other official meetings and such allowances shall be as fixed by Central Government in the rules made in this behalf.

5. This will involve expenditure of recurring nature, which would be a part of the administrative expenditure of the Ministry. The exact expenditure which will be involved under the proposed Bill will depend upon the number of meetings or visits to be attended by the members of the Board. Hence, it is not practicable to make an exact estimate of the recurring expenditure for the purpose at this stage.

## MEMORANDUM REGARDING DELEGATED LEGISLATION

Clause 7 of the Bill seeks to amend section 19 of the Coconut Development Board Act, 1979 to empower the Central Government to make rules for (i) the powers to be exercised and the duties to be performed by the Chief Executive Officer and (ii) the salaries and allowances payable to, and other conditions of service of, the Chief Executive Officer.

The matters in respect of which rules may be made are matters of procedure and administrative detail and it is not practicable to provide for them in the Bill itself. The delegation of legislative power is, therefore, of a normal character.

ANNEXURE

EXTRACTS FROM THE COCONUT DEVELOPMENT BOARD ACT, 1979

(5 OF 1979)

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3. In this Act, unless the context otherwise requires,— Definitions.

\* \* \* \* \*

(b) "Chairman" means the Chiirman of the Board;

\* \* \* \* \*

CHAPTER II

THE COCONUT DEVELOPMENT BOARD

4. (1) \* \* \* \* \* Establishment and

(4) The Board shall consist of the following members, namely:— constitution of the Board.

(a) a Chairman, to be appointed by the Central Government;

\* \* \* \* \*

(f) two members to be appointed by the Central Government to represent respectively the Ministries of the Central Government dealing with—

(i) Revenue; and

(ii) Civil Supplies and Co-operation;

(g) three members to be appointed by the Central Government one each to represent the Governments of the States of Kerala, Tamil Nadu and Karnataka, being States wherein coconut is grown on a large scale;

(h) five members to be appointed by the Central Government by rotation in the alphabetical order to represent the States of Andhra Pradesh, Assam, Maharashtra, Orissa and West Bengal and the Union territories of the Andaman and Nicobar Islands, Goa, Daman and Diu, Lakshadweep and Pondicherry;

(i) four members to be appointed by the Central Government, two to represent the coconut growers of the State of Kerala and one each to represent the coconut growers of the States of Tamil Nadu and Karnataka;

\* \* \* \* \*

5. (1) The Chairman shall be entitled to such salary and allowances and shall be subject to such conditions of service in respect of leave, pension, provident fund and other matters as may, from time to time, be fixed by the Central Government. Salary and allowances and other conditions of service of Chairman and allowances of members.

(2) The members of the Board shall receive such allowances as may be fixed by the Central Government.

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7. (1) The Chairman shall be the chief executive of the Board and shall exercise such powers and perform such duties as may be prescribed. Officers of the Board and other staff.

(2) The Central Government shall appoint a Chief Coconut Development Officer to exercise such powers and perform such duties as may be prescribed or as may be delegated to him by the Chairman.

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(4) The Central Government shall appoint a Secretary to the Board who shall exercise such powers and perform such duties as may be prescribed or as may be delegated to him by the Board or the Chairman.

(5) The Chief Coconut Development Officer and the Secretary shall be entitled to such salary and allowances and shall be subject to such conditions of service in respect of leave, pension, provident fund and other matters as may, from time to time, be fixed by the Central Government.

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(7) The Chairman, the Chief Coconut Development Officer, the Secretary and other officers and employees of the Board shall not undertake any work unconnected with their duties under this Act except with the permission of the Central Government.

\* \* \* \* \*

**10. (1)** \* \* \* \* \*

Functions of Board.

(2) Without prejudice to the generality of the provisions of sub-section (1), the measures referred to therein may provide for—

\* \* \* \* \*

(b) recommending measures for improving the marketing of coconut and its products in India;

\* \* \* \* \*

(i) financing suitable schemes in consultation with the Central Government and the Governments of the States where coconut is grown on a large scale, so as to increase the production of coconut and to improve its quality and yield; and for this purpose evolving schemes for award of prizes or grant of incentives to growers of coconut and the manufacturers of its products and for providing marketing facilities for coconut and its products;

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**19. (1)** \* \* \* \* \*

Power to make rules.

(2) In particular and without prejudice to the generality of the foregoing power, such rules may provide for all or any of the following matters, namely:—

\* \* \* \* \*

(d) the powers which may be exercised and the duties which may be performed by the Chairman as the chief executive of the Board under sub-section (1) of section 7;

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RAJYA SABHA

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further to amend the Coconut Development Board Act, 1979.

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*(Shri Narendra Singh Tomar, Minister of Agriculture and Farmers Welfare)*