

The Coconut Development Board Act, 1979

(ACT NO. 5 OF 1979)

[*As on the* 1*st October*, 2026]

LIST OF AMENDING ACTS

1. The Cotton, Copra and vegetable oils Cess (Abolition) Act, 1987 (4 of 1987).
2. The Coconut Development Board (Amendment) Act, 1987 (21 of 1987).
3. The Coconut Development Board (Amendment) Act, 2021 (22 of 2021).

———

LIST OF ABBREVIATIONS USED

Cl., cls.	. . . . .	*for*	Clause, clauses.
Ins.	. . . . .	,,	Inserted.
Notifn.	. . . . .	,,	Notification.
S., ss.	. . . . .	,,	Section, sections.
Sch.	. . . . .	,,	Schedule.
Subs.	. . . . .	,,	Substituted.
w.e.f.	. . . . .	,,	with effect from.

IndiaCode

THE COCONUT DEVELOPMENT BOARD ACT, 1979

ARRANGEMENT OF SECTIONS

CHAPTER I

PRELIMINARY

SECTIONS

1. Short title, extent and commencement.
2. Declaration as to expediency of control by the Union.
3. Definitions.

CHAPTER II

THE COCONUT DEVELOPMENT BOARD

4. Establishment and constitution of the Board.
5. Allowances payable to Chairman and members.
6. Resignation of members.
7. Officers of the Board and other staff.
8. Special provision for transfer of employees to the Board.
9. Committees of the Board.
10. Functions of the Board.
11. Dissolution of the Board.

IndiaCode

CHAPTER III

FINANCE, ACCOUNTS AND AUDIT

12. Grants and loans by the Central Government.
13. Constitution of Coconut Development Fund.
14. Borrowing powers of the Board.
15. Accounts and audit.

CHAPTER IV

CONTROL BY CENTRAL GOVERNMENT

16. Directions by Central Government.
17. Returns and reports.

CHAPTER V

MISCELLANEOUS

18. Protection of action taken in good faith.
19. Power to make rules.
20. Power to make regulations.
21. Rules and regulations to be laid before Parliament.

THE COCONUT DEVELOPMENT BOARD ACT,1979

ACT NO. 5 OF 1979

[17*th March,* 1979.]

An Act to provide for the development under the control of the Union of the coconut industry and for matters connected therewith.

BE it enacted by Parliament in the Thirtieth Year of the Republic of India as follows:—

CHAPTER I

PRELIMINARY

1. Short title, extent and commencement.—(*1*) This Act may be called the Coconut Development Board Act, 1979.

(*2*) It extends to the whole of India.

(*3*) It shall come into force on such date[1] as the Central Government may, by notification in the Official Gazette, appoint.

2. Declaration as to expediency of control by the Union.—It is hereby declared that it is expedient in the public interest that the Union should take under its control the coconut industry.

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

(*a*) "Board" means the Coconut Development Board established under section 4;

[2][(*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;]

(*c*) "coconut" means the fruit of coconut palm and includes green coconut, ripe coconut and copra.

Explanation.—"Coconut palm" means the coconut tree, *Cocos Nucifera Linn;*

(*d*) "coconut industry" does not include—

(*i*) coir industry; or

(*ii*) an industry from which products (including by-products) out of coconut oil are manufactured;

(*e*) "member" means a member of the Board and includes the Chairman;

(*f*) "prescribed" means prescribed by rules made under this Act.

CHAPTER II

THE COCONUT DEVELOPMENT BOARD

4. Establishment and constitution of the Board.—(*1*) With effect from such date as the Central Government may, by notification in the Official Gazette appoint in this behalf, there shall be established for the purposes of this Act, a Board to be called the Coconut Development Board.

(*2*) The Board shall be a body corporate by the name aforesaid, having perpetual succession and common seal, with power to acquire, hold and dispose of property, both movable and immovable, and to contract, and shall by the said name sue and be sued.

---

1. 12th January, 1981, *vide* notification No. G.S.R. 13(E), dated 12th January, 1981, *see* Gazette of India, Extraordinary, Part II, sec. 3(*i*).
2. Subs. by Act 22 of 2021, s. 2, for clause (*b*) (w.e.f. 1-9-2021).

(*3*) The head office of the Board shall be at such place as the Central Government may, by notification in the Official Gazette, specify.

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

[1][(*a*) a non-executive Chairman, to be appointed by the Central Government;

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

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

(*b*) [2][the Horticulture Commissioner] to the Government of India, *ex officio*;

(*c*) the Director, Central Plantation Crops Research Institute (Indian Council of Agricultural Research), *ex officio*;

(*d*) the Chairman of the Coir Board constituted under section 4 of the Coir Industry Act, 1953 (45 of 1953), *ex officio*;

(*e*) three members of Parliament of whom two shall be elected by the House of the People and one by the Council of States;

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

(*i*) Revenue; and

[3][(*ii*) Consumer Affairs;]

[4][(*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;

(*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;

(*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;]

(*j*) one member to be appointed by the Central Government to represent the coconut processing industry;

(*k*) two members to be appointed by the Central Government to represent such other interests connected with the coconut industry as, in the opinion of that Government, ought to be represented:

Provided that every appointment under clauses (*g*) and (*h*) shall be made on the recommendation of the State Government or, as the case may be, of the Union territory concerned.

(*5*) The Board shall elect, from amongst its members, a Vice-Chairman who shall exercise such of the powers and perform such of the functions of the Chairman as may be prescribed or as may be delegated to him by the Chairman.

(*6*) The term of office of the members and the manner of filling vacancies among, and the procedure to be followed in the discharge of their functions by, the members shall be such as may be prescribed.

---

1. Subs. by Act 22 of 2021, s. 3, for clause (*a*) (w.e.f. 1-9-2021).
2. Subs. by Act 21 of 1987, s. 2, for "the Agriculture Commissioner" (w.e.f. 5-8-1987).
3. Subs. by Act 22 of 2021, s. 3, for sub-clause (*ii*) (w.e.f. 1-9-2021).
4. Subs. by s. 3, *ibid*., for clauses (*g*), (*h*) and (*i*) (w.e.f. 1-9-2021).

(*7*) Any officer of the Central Government, not being a member of the Board, when deputed by that Government in this behalf, shall have the right to attend the meetings of the Board and take part in the proceedings thereof but shall not be entitled to vote.

(*8*) The Board may associate with itself in such manner, subject to such conditions and for such purposes as may be prescribed, any person whose assistance or advice it may desire in complying with any of the provisions of this Act and a person so associated shall have the right to take part in the discussions of the Board relevant to the purposes for which he has been associated but shall not have the right to vote and shall be entitled to receive such allowances or fees as may be fixed by the Central Government.

(*9*) No act or proceeding of the Board or any committee appointed by it under section 9 shall be invalidated merely by reason of—

(*a*) any vacancy in, or any defect in the constitution of, the Board or such committee; or

(*b*) any defect in the appointment of a person acting as a member of the Board or such committee; or

(*c*) any irregularity in the procedure of the Board or such committee not affecting the merits of the case.

(*10*) The Board shall meet at such times and places and shall observe such rules of procedure in regard to the transaction of business at its meetings (including the quorum at meetings) as may be provided by regulations made by the Board under this Act.

[1][**5. Allowances payable to Chairman and members.—**The Chairman and members of the Board shall receive such allowances as may be fixed by the Central Government.]

6. Resignation of members.—A member, other than an *ex officio* member, may resign his office by giving notice thereof in writing to the Central Government and on such resignation being accepted, he shall be deemed to have vacated his office.

7. Officers of the Board and other staff.—[2][(*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.

(*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.]

(*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 [3][Chief Executive Officer].

(*3*) The Chief Coconut Development Officer appointed under sub-section (*2*) shall have the right to attend the meetings of the Board and its committees appointed under section 9 and take part in the proceedings thereof but shall not be entitled to vote.

(*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 [4][or the Chief Executive Officer].

(*5*) [5][The Chief Executive Officer, 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.

---

1. Subs. by Act 22 of 2021, s. 4, for section 5 (w.e.f. 1-9-2021).
2. Subs. by s. 5, *ibid*., for sub-section (*1*) (w.e.f. 1-9-2021).
3. Subs. by s. 5, *ibid*., for "Chairman" (w.e.f. 1-9-2021).
4. Ins. by s. 5, *ibid*. (w.e.f. 1-9-2021).
5. Subs. by s. 5, *ibid*., for "The Chief Coconut Development Officer" (w.e.f. 1-9-2021).

(*6*) Subject to such control and restrictions as may be prescribed, the Board may appoint such other officers and employees as may be necessary for the efficient performance of its functions and the method of appointment, the conditions of service and the scales of pay and allowances of such other officers and employees of the Board shall be such as may be provided by the Board by regulations made under this Act.

(*7*) [1][The Chief Executive Officer], 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.

8. Special provision for transfer of employees to the Board.—(*1*) On the establishment of the Board, it shall be lawful for the Central Government to transfer to the Board, by order, and with effect from such date or dates as may be specified in the order, any officer or other employee holding office as such in the Directorate of Coconut Development immediately before the date on which the Board is established:

Provided that the scale of pay of the post to which such officer or other employee is transferred shall not be lower than the scale of pay of the post he was holding immediately before such transfer and the other terms and conditions of service (including pension, leave, provident fund and medical benefits) of the post to which he is transferred shall not be less favourable than the terms and conditions of service in relation to the post held by him immediately before such transfer:

Provided further that if, immediately before the date of his transfer, any such officer or other employee is officiating in a higher post under the Central Government either in a leave vacancy or in any vacancy of specified duration, his pay and other allowances, if any, on transfer, shall be protected for the unexpired period of such vacancy and thereafter he shall be entitled to the scale of pay applicable to the post under the Central Government to which he would have reverted.

(*2*) Before any order is issued under sub-section (*1*), all officers and other employees of the Directorate of Coconut Development shall be give an option in such forms as may be prescribed, and within such time as may be specified in that behalf by the Central Government, to express their willingness or otherwise to become employees of the Board and such option once exercised shall be final:

Provided that no order under sub-section (*1*) shall be made in relation to any officer or other employee of the Directorate of Coconut Development who has intimated his intention of not becoming an employee of the Board within the time specified in that behalf:

Provided further that such of the persons employed by the Central Government in the said Directorate, who do not express, within the time specified in that behalf, their intention of becoming the employees of the Board, shall be dealt with in the same manner and in accordance with the same rules as would apply to the employees of the Central Government in the event of the reduction of the strength of the Department in which such persons have been employed.

(*3*) An officer or other employee transferred by an order made under sub-section (*1*) shall, on and from the date of transfer, cease to be an employee of the Central Government and become an officer or other employee of the Board with such designation as the Board may determine and shall, subject to the provisions of the first and second provisos to sub-section (*1*), be governed by the regulations made by the Board under this Act in respect of remuneration and other conditions of service (including pension, leave, provident fund and medical benefits) and shall continue to be an officer or other employee of the Board unless and until his employment is duly terminated by the Board:

Provided that till such time as the regulations referred to above governing the conditions of service of its officers or other employees are framed by the Board, the relevant rules and orders framed by the Central Government shall continue to be applicable to such officers or other employees.

(*4*) If a question arises whether the terms and conditions of service prescribed in the regulations framed by the Board in respect of any matter, including remuneration, pension, leave, provident fund and medical benefits, are less favourable than those attached to the post held by an officer or other employee

1. Subs. by Act 22 of 2021, s. 5, for "the Chairman" (w.e.f. 1-9-2021).

immediately before his transfer to the Board, the decision of the Central Government in the matter shall be final.

9. Committees of the Board.—(*1*) The Board may appoint such committees as may be necessary for the efficient discharge of its duties and performance of its functions under this Act.

(*2*) The Board shall have the power to co-opt as members of any committee appointed under sub-section (*1*) such number of persons who are not members of the Board as it may think fit and the persons so co-opted shall have the right to attend meetings of the committee and take part in its proceedings but shall not have the right to vote.

(*3*) The persons co-opted as member of a committee under sub-section (*2*) shall be entitled to receive such allowances or fees for attending meetings of the committee as may be fixed by the Central Government.

10. Functions of the Board.—(*1*) It shall be the duty of the Board to promote, by such measures as it thinks fit, the development under the control of the Central Government of the coconut industry.

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

(*a*) adopting measures for the development of coconut industry so that farmers, particularly small farmers, may become participants in, and beneficiaries of, the development and growth of coconut industry;

(*b*) recommending measures for improving the marketing of coconut and its products [1][within or outside India];

(*c*) imparting technical advice to any person who is engaged in the cultivation of coconut or the processing or marketing of coconut and its products;

(*d*) providing financial or other assistance for the development of high yielding coconut hybrids, adoption of improved methods of cultivation of coconut, modern technology for processing of coconut and extension of areas under coconut cultivation (including replanting) with a view to improving the growth of coconut industry;

(*e*) adopting such measures as may be practicable for assisting coconut growers to get incentive prices including recommending as and when necessary, minimum and maximum prices for coconut and its products;

(*f*) recommending measures for regulating import and export of coconut and its products;

(*g*) collecting statistics from growers of coconut, dealers in coconut, manufacturers of coconut products and such other persons and institutions as may be prescribed, on any matter relating to coconut industry and publishing the statistics so collected or portions thereof or extracts therefrom;

(*h*) fixing grades, specifications and standards for coconut and its products;

(*i*) financing suitable schemes in consultation with the Central Government and the Governments of the States where coconut is grown [2]***, 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;

(*j*) assisting, encouraging, promoting or financing agricultural, technological, industrial or economic research on coconut and its products in such manner as the Board may deem fit by making use of available institutions;

(*k*) undertaking such publicity and publishing such periodicals, books or bulletins, on the research and development of coconut and its products, as may be found necessary;

1. Subs. by Act 22 of 2021, s. 6, for "in India" (w.e.f. 1-9-2021).
2. The words "on a large scale" omitted by s. 6, *ibid*. (w.e.f. 1-9-2021).

(*l*) setting up of regional offices and other agencies for the promotion and development of production, grading and marketing of coconut and its products in coconut growing States and Union territories for the efficient discharge of the functions and objectives of the Board;

(*m*) such other measures as may, having regard to the purposes of this Act, be prescribed by the Central Government in consultation with the Governments of the States where coconut is grown on a large scale;

(*3*) The Board shall perform its functions under this section in accordance with, and subject to, such rules as may be made by the Central Government.

11. Dissolution of the Board.—(*1*) The Central Government may, by notification in the Official Gazette and for reasons to be specified therein, direct that the Board shall be dissolved from such date and for such period as may be specified in the notification:

Provided that before issuing any such notification, the Central Government shall give a reasonable opportunity to the Board to make representations against the proposed dissolution and shall consider the representations, if any, of the Board.

(*2*) When the Board is dissolved under the provisions of sub-section (*1*)—

(*a*) all members, notwithstanding that their term of office has not expired, shall, from the date of dissolution, vacate their offices as such member;

(*b*) all powers and duties of the Board shall, during the period of dissolution, be exercised and performed by such person or persons as the Central Government may appoint in this behalf and their remuneration shall be such as may be prescribed;

(*c*) all funds and other properties vested in the Board shall, during the period of dissolution, vest in the Central Government; and

(*d*) as soon as the period of dissolution expires, the Board shall be reconstituted in accordance with the provisions of this Act.

IndiaCode

CHAPTER III

FINANCE, ACCOUNTS AND AUDIT

12. Grants and loans by the Central Government.—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 think fit for being utilised for the purposes of this Act.

13. Constitution of Coconut Development Fund.—(*1*) There shall be formed a Fund to be called the Coconut Development Fund and there shall be credited thereto—

[1]* * * * *

(*b*) any grants or loans granted by the Central Government for the purposes of this Act;

(*c*) any grants or loans that may be made by any person for the purposes of this Act including loans under section 14;

(*d*) any grants or donations from State Governments, voluntary organisations or other institutions:

Provided that no such grant, loan or donation shall be credited to the Fund except with prior approval of the Central Government.

(*2*) The Fund shall be applied—

(*a*) for meeting the cost of the measures referred to in section 10;

(*b*) for meeting the salaries, allowances and other remuneration of the members, officers and other employees, as the case may be, of the Board;

1. Clause (*a*) omitted by Act 4 of 1987, s. 10 (w.e.f. 21-3-1987).

(*c*) for meeting the other administrative expenses of the Board and any other expenses authorised by or under this Act;

(*d*) for repayment of any loans.

14. Borrowing powers of the Board.—(*1*) The Board may, for the purposes of carrying out its functions under this Act, and with the previous approval of, and subject to the directions of the Central Government, borrow money from—

(*a*) the public by the issue or sale of bonds or debentures or both, carrying interest at such rates as may be specified therein;

(*b*) any bank or other institution;

(*c*) such other authority, organisation or institution as may be approved by the Central Government in this behalf.

(*2*) The Central Government may guarantee the repayment of the monies borrowed by the Board under sub-section (*1*) and the payment of interest thereon and other incidental charges.

15. Accounts and audit.—(*1*) The Board shall maintain proper accounts and other relevant records and prepare an annual statement of accounts, in such form as may be prescribed by the Central Government in consultation with the Controller and Auditor-General of India.

(*2*) The accounts of the Board shall be audited by the Controller and Auditor-General of India at such intervals as may be specified by his and any expenditure incurred in connection with such audit shall be payable by the Board to the Comptroller and Auditor-General.

(*3*) The Comptroller and Auditor-General of India and any person appointed by him in connection with the audit of the accounts of the Board shall have the same rights and privileges and authority in connection with such audit as the Comptroller and Auditor-General generally has in connection with the audit of the Government accounts and, in particular, shall have the right to demand the production of books, accounts, connected vouchers and other documents and papers and to inspect any of the offices of the Board.

(*4*) The accounts of the Board as certified by the Comptroller and Auditor-General of India or any other person appointed by him in this behalf together with the audit report thereon shall be forwarded annually to the Central Government and that Government shall cause the same to be laid before each House of Parliament.

CHAPTER IV

CONTROL BY CENTRAL GOVERNMENT

16. Directions by Central Government.—The Board shall carry out such directions as may be issued to it from time to time by the Central Government for the efficient administration of this Act.

17. Returns and reports.—(*1*) The Board shall furnish to the Central Government at such time and in such form and manner as may be prescribed or as the Central Government may direct, such returns and statements and such particulars in regard to any proposed or existing programme for the promotion and development of the coconut industry, as the Central Government may, from time to time, require.

(*2*) The Board shall furnish a programme of its activities for each financial year to the Central Government for their information and directions, if any.

(*3*) Without prejudice to the provisions of sub-section (*1*), the Board shall, as soon as possible, after the end of each financial year, submit to the Central Government a report in such form and before such date, as may be prescribed, giving a true and full account of its activities, policy and programmes during the previous financial year.

(*4*) A copy of the report received under sub-section (*3*) shall be laid, as soon as may be, after it is received, before each House of Parliament.

CHAPTER V

MISCELLANEOUS

18. Protection of action taken in good faith.—No suit, prosecution or other legal proceedings shall lie against the Central Government, or the Board or any committee appointed by it, or any member of the Board or such committee, or any officer or other employee of the Central Government or of the Board or any other person authorised by the Central Government or the Board, for anything which is in good faith done or intended to be done under this Act or the rules made thereunder.

19. Power to make rules.—(*1*) The Central Government may, by notification in the Official Gazette, make rules to carry out the provisions of this Act.

(*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:—

(*a*) the powers which may be exercised and functions which may be performed by the Vice-Chairman of the Board under sub-section (*5*) of section 4;

(*b*) the term of office of the members, the manner of filling vacancies among, and the procedure to be followed in the discharge of their functions by the members, under sub-section (*6*) of section 4;

(*c*) the manner in which and the purposes for which any person may be associated by the Board under sub-section (*8*) of section 4;

[1][(*d*) the powers to be exercised and the duties to be performed by the Chief Executive Officer under sub-section (*1A*) of section 7;

(*da*) the salaries and allowances payable to, and other conditions of service of, the Chief Executive Officer under sub-section (*1B*) of section 7;]

(*e*) the powers which may be exercised and the duties which may be performed by the Chief Coconut Development Officer of the Board under sub-section (*2*) of section 7;

(*f*) the powers which may be exercised and the duties which may be performed by the Secretary of the Board under sub-section (*4*) of section 7;

(*g*) the control and restrictions subject which officers and other employees may be appointed by the Board under sub-section (*6*) of section 7;

(*h*) the form in which option may be given by the officers and other employees of the Directorate of Coconut Development under sub-section (*2*) of section 8;

(*i*) the collection of statistics in respect of any matter relating to coconut industry under clause (*g*) of sub-section (*2*) of section 10;

(*j*) the matters in respect of which the Board may undertake measures in the discharge of its functions under clause (*m*) of sub-section (*2*) of section 10;

(*k*) the remuneration and other allowances payable to the person or persons referred to in clause (*b*) of sub-section (*2*) of section 11;

(*l*) the form in which the accounts of the Board shall be maintained under sub-section (*1*) of section 15;

(*m*) the form and manner in which and the time at which the Board may furnish returns and reports to the Central Government under sub-section (*1*) of section 17;

(*n*) the form in which and the date before which the Board shall furnish to the Central Government the report of its activities and programmes under sub-section (*3*) of section 17;

(*o*) any other matter which has to be, or may be, prescribed by rules under this Act.

---

1. Subs. by Act 22 of 2021, s. 7, for clause (*d*) (w.e.f. 1-9-2021).

20. Power to make regulations.—(*1*) The Board may, with the previous sanction of the Central Government, by notification in the Official Gazette, make regulations not inconsistent with the provisions of this Act and the rules made thereunder, to provide for all matters for which provision is necessary or expedient for the purposes of giving effect to the provisions of this Act.

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

(*a*) the times and places at which meetings of the Board or any committee thereof, shall be held and the procedure to be followed thereat, and the number of members which shall form a quorum at a meeting under sub-section (*10*) of section 4;

(*b*) the method of appointment, the conditions of service and the scales of pay and allowances of any of the officers and other employees of the Board under sub-section (*6*) of section 7;

(*c*) generally, for the efficient conduct of the affairs of the Board.

(*3*) The Central Government may, by notification in the Official Gazette, modify or rescind any regulation sanctioned by it and the regulation so modified or rescinded shall have effect only in such modified form or be of no effect, as the case may be; so however, that any such modification or rescission shall be without prejudice to the validity of anything done under the regulation before its modification or rescission.

21. Rules and regulations to be laid before Parliament.—Every rule and every regulation made under this Act shall be laid, as soon as may be after it is made, before each House of Parliament, while it is in session, for a total period of thirty days which may be comprised in one session or in two or more successive sessions, and if, before the expiry of the session immediately following the session or the successive sessions aforesaid, both Houses agree in making any modification in the rule or regulation, as the case may be, or both Houses agree that the rule or regulation, as the case may be, should not be made, the rule or regulation shall thereafter have effect only in such modified form or be of no effect, as the case may be; so, however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule or regulation.

IndiaCode

STATEMENT OF OBJECTS AND REASONS

India is one of the largest coconut producing countries in the world, with coconut cultivation spread over nearly 1.1 million hectares and an annual production of about 6,000 million nuts. By virtue of its being an important commercial crop, providing direct and indirect employment and income through a very large number of people engaged in its cultivation and in the processing industries based on coconut, it holds a unique position in the life and economy of our people, particularly in the coastal States where it is concentrated.

2. Coconut is a crop of great economic potential. Copra, oil, coir and shell products are the major coconut products of commercial importance. But except in oil milling and coir industry, no major developments have taken place in the coconut product diversification and by-product utilisation. Even copra making, a traditional rural industry, remains to be developed on modern lines. The manufacture of desiccated coconut, a product of commercial importance with worldwide demand, is still in its infancy. The new processing techniques for the conversion of wet coconut kernel into various edible products such as protein, oil, flour etc. have not yet been adopted for commercial purposes. Effective processing techniques have also to be developed for the profitable utilisation of other by-products such as shell, pith, coconut water etc.

3. The individual coconut holdings are small and invariably held by poor farmers who by themselves are not able to undertake the task of developing coconut industry as such, much less to modernise it. It is felt that an integrated development of coconut industry would boost the income and employment potential and thereby bring about a significant impact on the economic conditions of the people.

4. The Bill seeks to provide for the integrated development of the coconut industry (excluding coir and coconut oil products industry) under the control of the Union and for the establishment of a Board to be known as the Coconut Development Board. The Board shall have representatives of the concerned Ministries of the Central Government, the coconut growing States and Union territories, and the growers of coconut and coconut processing industry. It is proposed to vest the Board with adequate powers to deal with various aspects of the coconut industry.

5. The finances of the Board will consist of sums provided by the Central Government out of the proceeds of cess on copra (*vide* Copra Cess Bill, 1978), grants or loans made by the Central Government, or any person and grants or donations from the State Governments, voluntary organisations or other institutions. The Board will also borrow money, with the approval of the Central Government, from the public by the issue or sale of bonds and debentures, from any bank or any other authority, organisation or institution.

6. The Bill seeks to achieve the above objects.

NEW DELHI; SURJIT SINGH BARNALA.

The 7*th July,* 1978.