

COIR INDUSTRY ACT, 1953

45 of 1953

[23rd Decmber, 1953]

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"1. The coir industry has definite role to play in our national economy. It is of very great economic importance to Travancore-Cochin where it is concentrated and also, from the point of view of earning foreign exchange, of importance to the whole country. It has, however, been passing through acute depression since the middle of 1952, as a result of a marked decline in exports. With a view to controlling production, improving its quality, weeding out the undesirable elements in the export trade and developing the internal market so as to reduce the industry's dependence on exports, it is considered necessary to establish a Statutory Board on the lines of Boards set up for other plantation industries. 2. In order to finance the development of this industry, it is proposed that a duty up to Rupees one per cwt. should be levied on coir fibre, coir yarn as well as coir mats and matting exported. The levy at the maximum rate is expected to yield appropriately Rs. 12 lakhs per year. The proceeds will be allocated to the Board for the improvement and expansion of the coir industry. 3. The object of the Bill is to take powers for setting up a Statutory Board and for imposing the proposed duty on customs."-Gaz. of Ind., 26-3-1953, Pt. II S. 2, p. 159.

CHAPTER 1 PRELIMINARLY

1. Short title, extent and commencement :-

(1) This Act may be called The Coir Industry Act, 1953.

(2) It extends to the whole of India except the State of Jammu and Kashmir.

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 coir industry.

3. Definitions :-

In this Act, unless the context otherwise requires, -

(c) "coir" or "coir fibre" means the fibre extracted from the husk of the coconut;

(d) "coir products" means mats and mattings, rugs and carpets, ropes and other articles manufactured wholly or partly from coir or coir yarn;

(e) "coir yarn" means yarn obtained by the spinning of coir;

(f) "export" with its grammatical variations and cognate expressions means to take out of the territories to which this Act extends by land, sea or air to any place outside India other than a country or territory notified in this behalf by the Central Government by notification in the Official Gazette;

(h) "husks" mean" coconut husks, both raw and retted;

(i) "member" means a member of the Board;

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

CHAPTER 2

COIR BOARD

4. Establishment and constitution of the Coir Board :-

(2) The Board shall be a body corporate by the name aforesaid. having perpetual succession and a 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.

(4) The number of persons to be appointed as members from each of the categories specified in sub-section (3), the term of office, of the procedure to be followed in the discharge of their functions by, and the manner of filling vacancies among, the members of the Board shall be such as may be prescribed.

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

5. Vacancies, etc., not to invalidate acts and proceedings :-

No act or proceeding taken by the Board under this Act shall be questioned on the ground merely of

(a) the existence of any vacancy in the Constitution of, the Board;
or

(b) any omission, defect or irregularity not affecting the merits of the case.

6. Salary and allowances of Chairman :-

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.

7. Vice-Chairman :-

The Board shall elect from among its members a Vice-Chairman, who shall exercise such of the powers and discharge such of the duties of the Chairman as may be prescribed or as may be delegated to him by the Chairman.

8. Executive and other Committees :-

(1) There shall be an Executive Committee of the Board for the purpose of exercising such of the powers and performing such of the duties of the Board as may be prescribed or as the Board may delegate to it.

(3) Subject to such control and restrictions as may be prescribed, the Board may constitute other standing committee or ad hoc committees for exercising any power or discharging any duty of the Board or for enquiring into or reporting and advising on any matter which the Board may refer to them.

(4) A Standing Committee shall consist exclusively of members of the Board.

(5) An ad hoc Committee may include persons who are not members of the Board, but their number shall be less than one-half of its strength.

9. Secretary and staff :-

(1) The Central Government shall, after consulting the Board 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.

(2) Subject to such control and restrictions as maybe prescribed, the Board may appoint such officers and employees as may be necessary for the efficient performance of its functions and pay them such salaries and allowances as it may determine from time to time.

(3) The Chairman, 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. 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 coir industry.

(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 :-

CHAPTER 3

CONTROL OVER THE EXPORT OF CQIR FIBRE. COIR YARN AND COIR PRODUCTS

12. control of export of coir fibre, coir yarn and coir products :-

No coir fibre, coir yarn or coir products shall be exported otherwise than under a licence issued by or on behalf of the Board in the prescribed manner, and the provisions of Sea Customs Act, 1878 shall have effect as if the provisions made by this section had been made by notification issued under Section 19 of that Act: Provided that nothing herein contained shall apply to any coir product dispatched out of the territories to which this Act extends by post or carried in a passenger's luggage for his personal use: Provided further that the Central Government may exempt from the operation of this section either absolutely or subject to specified conditions, the export of any coir fibre, coir yarn or coir product to any foreign settlement bounded by India.

CHAPTER 4

FINANCE, ACCOUNTS AND AUDIT

13. Imposition of a duty of customs on export of coir fibre,

coir yarn and coir products :-

14. Payment of proceeds of cess to the Board :-

The proceeds of the cess levied under sub-section (1) of section 13 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.

14A. Grant 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, such sums of money as the Central Government may consider necessary.]

15. Constitution of Fund :-

16. 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.

17. Accounts and audit :-

(1) The Board shall maintain proper accounts and other relevant records and prepare an annual statement of accounts including the profit and loss account and the balance-sheet in such form as may be prescribed by the Central Government in consultation with the Comptroller and Auditor-General of India.

(2) The accounts of the Board shall be audited by the Comptroller and Auditor-General of India at such intervals as may be prescribed by him 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 has in connection with audit of 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 5

CONTROL BY THE CENTRAL GOVERNMENT

18. General control over acts and proceedings of the Board

:-

(1) All acts and proceedings of the Board shall be subject to the control of the Central Government which may cancel, suspend or modify as it thinks fit any action taken by the Board.

(2) The Board shall carry out such directions as may be issued to it by the Central Government for the efficient administration of this Act.

(3) The records of the Board shall be open to inspection at all reasonable times by any officer authorized in this behalf by the Central Government.

19. Report and returns :-

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[(1) The Board shall submit to the Central Government and such other authority, as may be prescribed, an annual report on its activities and the working of this Act for the preceding year: and a copy of every such report shall, as soon as may be after it is received by the Central Government, be laid before each House of Parliament.]

(2) The Board shall prepare and submit such other returns relating to the coir industry as may be required by that Government from time to time.

1. Substituted sub-section(1) in section 19 "(1) The Board shall submit to the Central Government and such other authority as may be prescribed a half-yearly report and an annual report on its activities and the working of this Act for the preceding six months and the preceding year respectively: and a copy of every such report shall, as soon as may be after it is received by the Central Government, be laid before both Houses of parliament." by The Coir Industry (Amendment) Act, 1994, July 8,1994 (41 of 1994)

CHAPTER 6

MISCELLANEOUS

20. Penalties :-

21. Offences by companies :-

22. Previous sanction of Central Government for prosecution :-

No prosecution for any offence punishable under this Act shall be instituted except with the previous approval of the Central Government.

23. Protection of action taken in good faith :-

No suit prosecution or other legal proceeding shall lie against any person for anything in good faith done or intended to be done under this Act or the rules made thereunder.

24. Power to delegate :-

The Central Government may, by order notified in the Official Gazette, direct that any power exercisable by it under this Act may also be exercised in such cases and subject to such conditions, if any, as may be specified in the order by such officer or authority as may be specified therein.

25. Suspension of operation of Act :-

(1) If the Central Government is satisfied that circumstances have arisen rendering it necessary that certain of the restrictions imposed by this Act should cease to be imposed or if it considers it necessary or expedient so to do in the public interest the Central Government may, by notification in the Official Gazette, suspend or relax to a specified extent either indefinitely or for such period as may be specified in the notification of all or any of the provisions of this Act.

(2) Where the operation of any provisions of this Act has under sub-section (1) been suspended or relaxed indefinitely, such suspension or relaxation may at any time while this Act remains in force be removed by the Central Government by notification in the Official Gazette.

26. Power of Central Government to make rules :-

27. Power of Board to make by-laws :-

(2) No by law shall take effect until it has been confirmed by the Central Government and published in the Official Gazette; and the Central Government in confirming a by-law may make any change

therein which appears to it to be necessary.

(3) The Central Government may, by notification in the Official Gazette, cancel any by-law which it has confirmed and thereupon the by-law shall cease to have effect.