

THE TAMIL NADU PALM PRODUCTS DEVELOPMENT BOARD ACT, 1994.

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The following Act of the Tamilnadu Legislative Assembly received the assent of the Governor on the 3<sup>rd</sup> March 1994 and is hereby published for general information.

### ACT No. 15 OF 1994

An Act to provide for the establishment of a Board for the development of palm products Industries and for matters connected therewith in the State of Tamilnadu.

WHEREAS the State of Tamil Nadu which is having about five crores of palmyrah trees and a large number of other palm trees is a potential centre for the growth and development of the palm products industry to a greater extent so as to attract foreign exchange by way of export of palm products ;

AND WHEREAS in order to make the palm products competitive and attractive, it is necessary to introduce modern concepts in the palm products industry and also to promote research for the development of palm products industry and better utilisation of the palm products ;

AND WHEREAS it is essential to achieve the social objective of alleviating rural poverty among the workers of the palm products industry ;

AND WHEREAS it is expedient to provide for the establishment of a Board for the above purposes and for matters connected therewith, in the State of Tamil Nadu;

BE it enacted by the Legislative Assembly of the State of Tamil Nadu in the Forty – fourth Year of the Republic of India as follows :-

## CHAPTER I.

### PRELIMINARY

1. (1) This Act may be called the Tamil Nadu Palm Products Development Board Act, 1994. **Short title, extent and commencement**

(2) It extends to the whole of the State of Tamilnadu.

(3) It shall come into force at once. **Definition**

2. In this Act, unless the context otherwise requires,

(a) “Board” means the Tamil Nadu Palm Products Development Board established under sub-section(1) of section 3;

(b) “Chief Executive Officer” means the executive authority of the Board appointed under clause (g) of sub-section (2) of section 3;

(c) “Government” means the State Government.

(d) “Khadi and Village Industries Commission” means the Khadi and Village Industries Commission established under section 4 of the Khadi and Village Industries Commission Act, 1956; **Comm. Act 61 of 1956.**

(e) “Member” means a member of the Board and includes the President;

(f) “Palm Products” means the products developed from the ingredients of palmyrah, coco palm, date palm and sago palm trees;

(g) “Palm products industry” means the industry relating to the palm products.

(h) “President” means the President of the Board;

(i) “Regulation” means the regulation made by the Board under this Act;

(j) “Vice –President” means the Vice-President of the Board.

## CHAPTER II

### THE TAMIL NADU PALM PRODUCTS DEVELOPMENT BOARD.

#### Establishment of Board

3. (1) With effect on and from such date as the Government may by notification appoint in this behalf there shall be established a Board to be called the Tamil Nadu Palm Products Development Board. It shall be a body corporate having perpetual succession and a common seal with power to acquire, hold and dispose of property and to contract and may, by the said name sue and be sued.

(2) The Board shall consist of the following members, namely:-

(a) the Minister in charge of the palm products industry, who shall be the President, *ex-officio*;

(b) nine non-official members from the following districts where there is much concentration of palmyrah trees and other palm trees, to be appointed by the Government, namely:-

- |        |   |     |
|--------|---|-----|
| (i)    | Kanniyakumari .. .. .                     | One |
| (ii)   | Tirunelveli-Thoothukudi .. .. .           | One |
| (iii)  | Ramanathapuram .. .. .                    | One |
| (iv)   | Virudhunagar, Sivagangai and Madurai ..   | One |
| (v)    | Tiruchirapalli , Thanjavur and Pudukottai | One |
| (vi)   | Salem and Dharmapuri .. .. .              | One |
| (vii)  | Tiruvanamalai .. .. .                     | One |
| (viii) | Coimbatore and Erode . . . . .            | One |
| (ix)   | Kancheepuram .. .. .                      | One |

(c) Secretary to Government in charge of the palm products industry, *ex-officio*;

(d) Secretary to Government in-charge of Finance Department , *ex-officio*; or his nominee not below the rank of Deputy Secretary to Government of that Department ;

(e) Inspector-General of Police (Prohibition), *ex-officio*;

#### Tamilnadu Act of 1959

(f) Chief Executive Officer, Tamil Nadu Khadi and Village Industries Board established under section 3 of the Tamil Nadu Khadi and Village Industries Board Act, 1959, *ex-officio*;

(g) Chief Executive Officer to be appointed by the Government.

(3) The Vice –President shall be elected from among the non-official members.

4. Any non-official member may resign his office by giving notice in writing to the Government and on such resignation being notified by the Government in the *Tamil Nadu Government Gazette*, such member shall be deemed to have vacated his office

**Resignation of office by member**

5. No act or proceedings of the Board shall be invalid by reason only of the existence of any vacancy amongst its members or any defect in the constitution thereof.

**Vacancies etc, not to invalidate act and proceedings of Board.**

6. (1) The Board may associate with itself in such manner and for such purposes, as may be determined by regulations, any person whose assistance or advice it may desire is complying with any of the provision of this Act.

**Temporary association of persons with Board for particular purposes.**

(2) A person associated with the Board under sub-section (1) for any purpose shall have the right to take part in the discussions of the Board relevant to that purpose, but shall not have the right to vote and shall not be a member for any other purpose.

(3) The Government may, by order depute one or more officers of the Government to attend any meetings of the Board and to take part in the discussions of the Board, but such officer or officers shall not have the right to vote.

7.(1) The Board shall meet at such times and places and shall, subject to the provisions of sub-sections (2) to (4), observe such rules of procedure in regard to transaction of business at its meetings (including the quorum at meetings) as may be provided by regulations;

**Meeting of Board**

Provided that the Board shall meet atleast once in every three months.

(2) The President may, whenever he thinks fit, call special meetings of the Board.

(3) The president or in his absence the Vice-President or if he is also absent such member as may be chosen by the members present from among themselves, shall preside at a meeting of the Board.

(4) All questions at a meeting of the Board shall be decided by a majority of the votes of the members present and voting and in the case of an equality of votes, the President or in his absence the person presiding shall have a second or casting vote.

(5) The Proceedings of the meeting of the Board shall be forwarded to the Government within fifteen days of every meeting.

**Term of office and terms and conditions of service of Vice – president, Chief Executive officer and other members.**

8. The term of office and the terms and conditions of service of the Vice President, the Chief Executive Officer and the other members shall be such as may be prescribed.

**Officers and servants of Board.**

9.(1) The Chief Executive Officer shall exercise such powers and discharge such duties as may be prescribed or as may from time to time, be delegated to him by the Government or by the President.

(2) The Board may appoint such other officers and servants as it considers necessary, in accordance with the regulations made in this behalf, for the efficient performance of its functions.

**Standing Finance Committee.**

10. The Board may constitute a Standing Finance Committee consisting of the Vice-President and not more than four members of whom one shall be the member specified in item (d) of sub-section (2) of section 3. The Vice-President shall be the Chairman of the committee . The committee shall exercise such powers and perform such functions relating to the finances of the Board as may be laid down by regulations.

### CHAPTER III

#### FUNCTIONS OF THE BOARD.

11.(1) Subject to the provisions of this Act, the functions of the Board shall generally be to plan, organise and implement programmes for the development of palm products industry. **Functions of Board.**

(2) in particular and without prejudice to the generality of the foregoing power, the Board may take such steps as it may think fit.-

(a) to start, encourage ,assist and run palm products industry;

(b) to provide deserving persons with gainful employment in their homes through the organisation of palm products industry;

(c) to grant loans and give other assistance for the development of palm products industry;

(d) to organise co-operative societies for palm products industry;

(e) to conduct training centres and train persons at such centres or at other centres outside the state of Tamil Nadu in palm products industry;

(f) to arrange for the supply of raw materials, tools and implements to palm products industry and for the sale of palm products;

(g) to arrange for publicity and popularisation of palm product by opening stores, shops, emporia, exhibitions and the like;

(h) to educate public opinion and cultivate in the public a preference for palm products industry and for the utilization of palm products;

(i)to seek and obtain advice and guidance of experts;

(j) to encourage and promote research in the technique of production of palm products or in the development of palm products industry.

(k) to provide facilities for a study of the problems relating to palm products industry;

(l) to export to foreign countries palm fibre, palm leaf articles, preserved nungu and other palm products, both edible and non-edible; and

(m) to promote the social objective of alleviating rural poverty among the workers of the palm products industry.

**General  
power of  
Board**

12. The Board shall, for the purpose of carrying out its functions under this Act, have the following powers, namely:-

(a) to acquire and hold such movable and immovable property as it deems necessary and to lease, sell or otherwise transfer any such property;

Provided that any lease, sale or other transfer, to any person or authority other than the Khadi and Village Industries Commission, of any immovable property belonging to the Board shall be null void unless it is sanctioned by the Government;

(b) to appoint a committee or committees for securing the efficient performance of its functions and in particulars, for ensuring that such functions are performed with due regard to the requirements of the local area concerned;

(c) to incur expenditure and undertake any work in any area in the state for the framing and execution of such schemes as it may consider necessary for the purpose of carrying out the provisions of this Act, or as may be entrusted to it by the Government; and

(d) to enter into any contract and to do all things processor for the proposes of this Act.

**power of  
Government  
to give  
directions**

13. In the performance of its functions under this Act, the Board shall be bound by such directions as the Government may give to it.



## CHAPTER IV.

### PROPERTY, FINANCE, ACCOUNTS, AUDIT AND REPORTS.

14. The Government may transfer to the Board any building, land or other property, movable or immovable for the use of, and management by, the Board on such conditions and subject to such limitations as may be imposed by the Government.

**Transfer of property to Board**

15. (1) The Board shall have a fund to be called the Palm Products Industry Fund and all grants and advances made to the Fund from time to time by the Government for the purpose of the development of palm products industry and all other grants, subventions, donations, gifts and loans received from the Central Government or any State Government or the Khadi and Village Industries Commission or any local authority or any body or organisation, whether incorporated or not or and individual for all or any of the purposes of this Act, shall be paid to the Palm Products Industry Fund and all payments by the Board for, or in respect of palm products industry shall be made from the Fund.

**Funds of Board**

(2) Except as otherwise directed by the Government, all moneys belonging to the Fund shall be deposited in such manner as the Government may, by general or special order, direct or be invested in such securities as may be approved by the Government.

16. (1) The Government may, from time to time, make subventions and grants to the Board for the purposes of this Act, on such terms and conditions as the Government may, in each case, determine.

**Subventions, loans and grants to Board**

(2) The Government may, from time to time advance loans to the Board on such terms and conditions not inconsistent with the provisions of this Act, as the Government may determine.

17. Subject to the provisions of sections 18, 22 and 23; the Board shall have power to spend such sums as it deems fit on purposes authorised by this Act:

**Power of Board to spent.**

Provided that nothing in this section shall be deemed to prevent the Board from spending, with the previous approval of the Government, such moneys as it thinks fit on any such purpose outside the State of Tamil Nadu.

**Budget**

18. (1) The Board shall, by such date in each year as may be proscribed, prepare and submit to the Government for approval a budget in the prescribed form for the next financial year showing the estimated receipts and expenditure in respect of palm products industry during that financial year

(2) Subject to the provisions of sub-sections (3) and (4) no sum shall be expended, by or on behalf of the Board, unless such expenditure is covered by a specific provision in the budget approved by the Government.

(3) The Board may, within the limits of the Budget, sanction any re-appropriation from one head of expenditure to another or from a provision made for one scheme to that in respect of another :

Provided that no re-appropriation from the head "Loan" to any other head of expenditure and vice versa in the budget shall be sanctioned by the Board except with the previous approval of the Government and the Khadi and Village Industries Commission.

(4) The Board may, within such limits and subject to such conditions as may be prescribed, incur expenditure in excess of the limit provided in the budget approved by the Government under any head of expenditure or in connection with any particular scheme so long as the aggregate amount in the budget approved by the Government is not exceeded

**Borrowing of money.**

19. Subject to such rules as may be made in this behalf by the Government, the Board shall have power to borrow on the security of the Palm Products Industry Fund or any other asset for any purpose to which such Fund or asset may be applied.

**Account and audit**

20. (1) The Board shall maintain accounts and other relevant records and prepare an annual statement of accounts including the profit and loss account and the balance sheets in such form as may be prescribed.

(2) The accounts of the Board shall be audited by such person as the Government may appoint in this behalf.

(3) The person appointed under sub-section (2) shall, in connection with such audit have such rights, privileges and authority, as may be prescribed and in particular, such person shall have the right to demand the production of books; accounts, connected vouchers and other documents and to inspect any of the offices of the Board.

(4) The account of the Board, as certified by the person appointed under sub-section (2), together with the audit report thereon shall be forwarded annually to the Government and the Khadi and Village Industries Commission before such date as the Government may specify in this behalf.

(5) The Board shall comply with such directions as the Government may, after perusal of the report of the person appointed under sub-section (2), think fit to give.

21. The Board may, with the previous approval of the Khadi and Village Industries Commission, make any alteration in any scheme so long as the aggregate amount sanctioned for the scheme is not exceeded.

**Power of  
alter scheme**

22.(1) Except with the previous sanction of the Government, the Board shall not adopt or execute any scheme or plan or carry out any works in connection therewith, if the cost of such schemes, plans or other works exceeds or is likely to exceed-

**Previous  
sanction of  
Government  
for certain  
schemes,  
plans and  
works.**

(a) Twenty five lakhs of rupees in the case of replacement, reconstruction, structural, alterations, adaptations, conversions, improved fixtures, fittings and machinery and other works of improvement not involving extensions enlargements or additions to existing works or works previously in use; or

(b) Twenty five lakhs of rupees in the case of new works including extensions, enlargements and additions to existing works or works previously in use.

(2) Notwithstanding anything contained in sub-section (1), the Board shall not, except with the previous sanction of the Government, adopt or execute any scheme or plan, if the cost of such scheme, plan or other work is met or to be met with from the funds provided by the Government.

23. Notwithstanding anything contained in this Act, where any contract for the execution of any scheme, plan or other work or for the supply of any materials or goods the value of which exceeds one crore of rupees, the Board, on receipt of the tenders in respect of such contract, shall place all the tenders before the Government which may approve any tender which appears to them, upon a view of all the circumstances, to be the most advantageous and thereupon the Board shall accept the tender so approved.

**Government  
to finalise  
certain  
contracts.**

**Power to write off irrecoverable amount.**

24. The Board may write-off any amount whatsoever due to it, whether under a contract or otherwise or any sum payable in connection therewith, if in its opinion such amount or sum is irrecoverable:

Provided that the Board shall, before writing off any such amount or sum, exceeding ten thousand rupees, obtain the sanction of the Government.

**Recovery of arrears.**

25. If any amount due to the Board in accordance with the terms of a contract or otherwise or any sum payable in connection therewith, has not been paid, the Board may, without prejudice to any other remedy provided by law, recover such amount or sum as arrear of land revenue.

**Returns and reports.**

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

(2) 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 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 programme during the previous financial year.

(3) All returns, statements and particulars furnished by the Board to the Government under sub-section (1) shall, as soon as possible after they are so furnished, be placed on the table of the Legislative Assembly.

## CHAPTER V.

### MISCELLANEOUS.

27. (1) If at any time the Government are satisfied that,-- **Dissolution of Board**

(a) the Board has, without reasonable cause or excuse, made default in the discharge of its duties, or in the performance of its functions, imposed or entrusted by or under this Act, or exceeded or abused its powers, or

(b) Circumstances have so arisen that the Board is rendered unable, or may be rendered unable, to discharge its duties or perform its functions under this Act, or

(c) It is otherwise expedient or necessary to dissolve the Board

the Government may, by notification, dissolve the Board for such period not exceeding one year as may be specified in the notification and declare that the duties, powers and functions of the Board shall, during the period of its dissolution, be discharged, exercised and performed by such person or authority, as may be specified in the notification.

Provided that the Government shall, before dissolving the Board, give a reasonable opportunity to it, to show cause against the proposed action.

(2) The Government shall, before the expiration of the period of dissolution reconstitute the Board in accordance with the provisions of section 3.

(3) The Government may, by order, make such incidental and consequential provisions, not inconsistent with the provisions of this Act, as may appear to them to be necessary for giving effect to the provisions of this section.

(4) Any notification issued or order made by the Government under this section shall not be questioned in any civil court.

(5) On the Board being dissolved under sub-section (1),--

(i) all funds and other properties vested in the Board shall vest in the Government: and

(ii) all rights, obligations and liabilities (including any liabilities under and contract) legally subsisting and enforceable by or against the Board shall become the rights, obligations and liabilities of the Government.

**Preparation and submission of annual programmes and establishment schedules.**

28. (1) In each year, on or before such date as may be fixed by the Government in this behalf, the Board shall, in such form as may be prescribed, prepare and forward to the Government -

(a) a programme for the promotion of palm products industry: and

(b) a schedule to the staff of others and servants employed and to be employed during the next year.

(2) The programme for the promotion of palm products industry shall contain -

(a) Particulars of the scheme which the Board proposes to execute whether in part or in whole during the next year;

(b) particulars of any work which the Board proposes to execute or any undertaking which the Board proposes to organise during the next year for the purpose of performing its functions under this Act; and

(c) such other particulars as may be prescribed.

(3) The Government may approve and sanction the programme and the schedule of the staff of officers and servants forwarded to them under sub-section (1) with such modifications as they may deem fit.

(4) The Board may submit a supplementary budget and supplementary programme for the promotion of palm products industry for the sanction of the Government in such form and before such date as may be prescribed and the provisions of section 18 and sub-sections (1) to (3) shall, respectively, apply to such supplementary budget and programme.

**Members, Officers and other servants of Board to be public servants.**

29. The members, Officers and other servants of the Board shall be deemed to be public servants within the meaning of section 21 of the Indian Penal Code.

**Central Act  
XLV of 1860.**

30. (1) No suit, prosecution or other legal proceeding shall lie against the President, Vice-President, Chief Executive Officer or any other member or any person in the employment of the Board for anything which is, in good faith, done or intended to be done, in pursuance of this Act.

**Protection  
for acts done  
in good faith.**

(2) Save as otherwise expressly provided in this Act, no suit or other legal proceeding shall lie against the Board for any damage caused or likely to be caused by anything which is in good faith done, or purported to be done under this Act.

31. (1) The Government may make rules to give effect to the provisions of this Act.

**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:-

(a) the place at which the officer of the Board shall be located ;

(b) the term of office of, and the manner of filling casual vacancies among the members of the Board and the terms and conditions of service of the Vice-President, the Chief Executive Officer and the other non-official members of the Board, including the salaries and allowances to be paid to them and travelling and daily allowances to be drawn by them;

(c) the disqualifications for membership of the Board and the procedure to be followed for removing a non-official member who is or becomes subject to any disqualification ;

(d) the procedure to be followed in the performance of functions by the members of the Board ;

(e) the powers and duties to be exercised and discharged by the Chief Executive Officer ;

(f) the date by which and the form in which the budget and the supplementary budget shall be prepared and submitted in each year under section 18 and sub-section (4) of section 28 ;

(g) the procedure to be followed for placing the Board in possession of the palm Products Industry Fund ;

(h) the procedure to be followed and the conditions to be observed in borrowing moneys and in granting loans ;

(i) the conditions subject to which and the mode in which contracts may be entered into by or on behalf of the Board ;

(j) the form and manner in which the accounts of the Board shall be maintained under section 20 ;

(k) the form and manner in which the returns, reports or statements shall be submitted under section 26; and

(l) any other matter which has to be, or may be, prescribed.

(3) Every rule, or order made or notification issued under this Act shall, as soon as possible after it is made or issued, be placed on the table of the Legislative Assembly, and if before the expiry of the session in which it is so placed or the next session, the legislative Assembly makes any modification in any such rule or order or notification, or the Legislative Assembly decides that the rule or order or notification should not be made or issued, the rule or order or notification 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 order or notification.

32 (1) The Board may, with the previous sanction of the Government, by notification, make regulations not inconsistent with this Act and the rules made thereunder, for enabling it to perform its functions under this Act.

**Power to  
make  
regulations.**

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

(a) the terms and conditions of appointment and service and the scales of pay and allowances of the officers and servants of the Board other than the Chief Executive Officer including the payment of travelling and daily allowances in respect of journeys undertaken by such officers and servants for the purposes of this Act ;

(b) the time and place of meetings of the Board, the procedure to be followed in regard to transaction of business at such meetings and the quorum necessary for the transaction of such business at a meeting;



(c) the delegation of powers and duties to the Standing Finance Committee, Chief Executive Officer or any Employee of the Board;

(d) the maintenance of minutes of meetings of the Board and the transmission of copies thereof to the Government;

(e) the persons by whom and the manner in which payments, deposits and investments may be made on behalf of the Board;

(f) the custody of moneys required for the current expenditure of the Board and Investment of moneys not so required;

(g) the maintenance of accounts.

(3)The Government may, by notification, rescind any regulation made under this section and thereupon, the regulation shall cease to have effect.

33. If any difficulty arises in giving effect to the provisions of this Act, the Government may, by an order published in the Tamil Nadu Government Gazette, make such provisions not inconsistent with the provisions of this Act. as appear to them to be necessary or expedient for removing the difficulty:

**Power to remove difficulties**

Provided that no such order shall be made after the expiry of a period of two years from the date of commencement of this Act.

**Tamil Nadu Act 18 of 1959**

34. The Tamil Nadu Khadi and Village Industries Board Act,1959 shall, with effect on and from the date appointed by the Government by notification under sub-section (1) of section 3, cease to apply in respect of palm products industry.

**Tamil Nadu Act 18 of 1959 not to apply.**

35. Save as otherwise provided in section, 34, the provision of this Act shall be in addition to, and not in derogation of, any other law for the time being in force relating to palm products industry.

**Operation of other laws not affected.**

(By order of the Governor)

M.MUNIRAMAN,  
Secretary to Government,  
Law Department.