

THE NATIONAL OILSEEDS AND VEGETABLE OILS
DEVELOPMENT BOARD ACT, 1983

No. 29 OF 1983

[8th September, 1983.]

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

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

CHAPTER I

PRELIMINARY

1. (1) This Act may be called the National Oilseeds and Vegetable Oils Development Board Act, 1983.

(2) It extends to the whole of India.

(3) It shall come into force on such date¹ as the Central Government may, by notification in the Official Gazette, appoint.

2. It is hereby declared that it is expedient in the public interest that the Union should take under its control the oilseeds industry.

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

(a) "Board" means the National Oilseeds and Vegetable Oils Development Board established under section 4;

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

(c) "coconut" has the same meaning as in the Coconut Development Board Act, 1979;

(d) "Executive Director" means the Executive Director of the Board;

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

Short title, extent and commencement.

Declaration as to expediency of control by the Union.

Definitions.

5 of 1979.

¹ 8-3-1984: Vide Notification No. G.S.R. 206(E) dated 18-3-1984, Gazette of India, Pt. II, Section 3(i).

(f) "oilseed" does not include coconut;

(g) "prescribed" means prescribed by rules made under this Act;

(h) "Vegetable oil" means any oil produced from oilseeds, or any other oil bearing material of plant origin, and containing glycerides but does not include any such vegetable oil which has been subjected to any processing subsequent to the recovery of oil;

(i) "Vice-Chairman" means the Vice-Chairman of the Board.

CHAPTER II

THE NATIONAL OILSEEDS AND VEGETABLE OILS DEVELOPMENT BOARD

Establishment and constitution of the Board.

4. (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 National Oilseeds and Vegetable Oils Development 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.

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

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

(a) the Minister in charge of the Ministry of the Central Government dealing with agriculture, who shall *ex officio* be the Chairman of the Board;

(b) the Secretary in charge of the Ministry of the Central Government dealing with agricultural development, who shall *ex officio* be the Vice-Chairman of the Board;

(c) the Agriculture Commissioner to the Government of India, *ex officio*;

(d) the Director-General, Indian Council of Agricultural Research, *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) one member to be appointed by the Central Government to represent the Planning Commission;

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

(i) finance (revenue);

(ii) commerce;

(iii) civil supplies;

(h) Executive Director, *ex officio*;

(i) Financial Adviser to the Ministry of the Central Government dealing with agriculture, *ex officio*;

(j) eleven members to be appointed by the Central Government to represent respectively the Governments of the States of Andhra Pradesh, Gujarat, Haryana, Madhya Pradesh, Maharashtra, Karnataka, Orissa, Punjab, Rajasthan, Tamil Nadu and Uttar Pradesh:

Provided that every appointment under this clause shall be made on the recommendation of the Government of the State concerned;

(k) five members to be appointed by the Central Government to represent respectively—

(i) the State Trading Corporation of India Limited;

(ii) the National Co-operative Development Corporation established under section 3 of the National Co-operative Development Corporation Act, 1962;

(iii) the National Dairy Development Board;

(iv) the National Agricultural Co-operative Marketing Federation;

(v) the National Bank for Agriculture and Rural Development established under section 3 of the National Bank for Agriculture and Rural Development Act, 1981;

(l) three members to be appointed by the Central Government to represent the oilseeds growers;

(m) one member to be appointed by the Central Government to represent exporters of oilseeds, vegetable oils or other products derived from oilseeds;

(n) one member to be appointed by the Central Government to represent the vegetable oils industry;

(o) two members to be appointed by the Central Government to represent such other interests connected with the oilseeds industry or the vegetable oils industry as, in the opinion of that Government, ought to be represented.

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

(6) 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.

(7) 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 purpose 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.

(8) No act or proceeding of the Board or any committee appointed by it under section 8 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.

(9) 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 its meetings) as may be provided by regulations made by the Board under this Act.

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

6. (1) The Central Government shall appoint a person possessing such technical qualifications and practical experience in oilseeds development as may be prescribed, as the Executive Director to the Board.

(2) The Executive Director shall be the chief executive of the Board and shall exercise such powers and perform such functions as may be prescribed.

(3) The Central Government shall appoint a Secretary to the Board who shall exercise such powers and perform such functions as may be prescribed or as may be delegated to him by the Board or the Executive Director.

(4) The Executive Director 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.

(5) 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.

Allowances of members.

Officers of the Board and other staff.

(6) The Executive Director, 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.

7. (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 (which may be either retrospective to any date not earlier than the date of such establishment or prospective) as may be specified in the order, any officer or other employee holding office as such in the Directorate of Oilseeds Development immediately before the date on which the Board is established:

Special provision for transfer of employees to the Board.

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 a 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 but for his transfer to the Board.

(2) Before any order is made under sub-section (1), the officers and other employees of the Directorate of Oilseeds Development who are proposed to be transferred under that sub-section shall be given an option in such form 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 Oilseeds 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 as, and in accordance with the same rules as are applicable 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 officer or 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 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 made by the Board, the relevant rules and orders made by the Central Government shall continue to be applicable to such officers or other employees.

(4) If any question arises as to whether the terms and conditions of service prescribed in the regulations made 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 immediately before his transfer to the Board, the decision of the Central Government in the matter shall be final.

Managing
Commit-
tee and
other
commit-
tees of the
Board.

8. (1) There shall be a Managing Committee of the Board for the purpose of exercising such of the powers and performing such of the functions of the Board as may be prescribed or as the Board may delegate to it.

(2) The Managing Committee of the Board shall consist of the following members of the Board, namely:—

(a) the Vice-Chairman, who shall be the Chairman of the Managing Committee;

(b) the Agriculture Commissioner to the Government of India;

(c) the Director-General, Indian Council of Agricultural Research;

(d) one member to be nominated by the Chairman from among the members referred to in clause (g) of sub-section (4) of section 4;

(e) Executive Director;

(f) Financial Adviser to the Ministry of Central Government dealing with agriculture;

(g) one member to be nominated by the Chairman from among the members referred to in clause (j) of sub-section (4) of section 4;

(h) one member to be nominated by the Chairman from among the members referred to in clause (k) of sub-section (4) of section 4;

(i) one member to be nominated by the Chairman from among the members referred to in clause (l) of sub-section (4) of section 4; and

(j) one member to be nominated by the Chairman from among the members referred to in clauses (m), (n) and (o) of sub-section (4) of section 4.

(3) Subject to such control and restrictions as may be prescribed, the Board may constitute other standing committees or *ad hoc* committees for exercising any powers or performing any functions of the Board or for inquiring into or reporting and advising on any matter which the Board may refer to them.

(4) The Board shall have the power to co-opt as members of the Managing Committee or any committee constituted under sub-section (3), such number of persons who are not members of the Board as it thinks fit and the persons so co-opted shall have the right to attend the meetings of the committee and take part in its proceedings but shall not have the right to vote.

(5) The persons co-opted as members of a committee under sub-section (4) shall be entitled to receive such allowances or fees for attending meetings of the committee as may be fixed by the Central Government.

9. (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 oilseeds industry and the vegetable oils industry.

Func-
tions
of the
Board.

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

(a) taking such measures for the development of the oilseeds industry and the vegetable oils industry as would enable farmers, particularly small farmers, to become participants in, and beneficiaries of, the development and growth of the oilseeds industry and the vegetable oils industry;

(b) recommending measures for improving the marketing of oilseeds, products of oilseeds and vegetable oils and for their quality control in India;

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

(d) providing for, or recommending, financial or other assistance for the production and development of adequate quantity of breeders' seeds, foundation seeds and certified seeds of high quality, arranging supply of inputs for the oilseeds growers, adoption of improved methods of cultivation of oilseeds and modern technology for processing of oilseeds, extension of areas under oilseeds cultivation with a view to developing the oilseeds industry and the vegetable oils industry;

(e) recommending such measures as may be practicable for assisting oilseeds growers to get incentive prices, including recommending, as and when necessary, after consultation with the Agricultural Prices Commission, minimum and maximum prices for oilseeds and products of oilseeds and vegetable oils;

(f) recommending and taking such measures as may be necessary for collection, procurement and maintenance of buffer stocks of oilseeds for stabilising the price situation and market conditions in respect of oilseeds, products of oilseeds and vegetable oils;

(g) recommending and taking such measures as may be necessary for the—

(i) promotion and development of storage facilities;

(ii) establishment of processing units, in respect of oilseeds, and rendering such financial or other assistance as may be considered necessary for such purposes;

(iii) promotion of oilseeds growers' co-operatives and other appropriate agencies, with a view to achieving integration between production, processing and marketing of oilseeds;

(h) recommending measures for regulating import, export or distribution of oilseeds or products of oilseeds or vegetable oils in the context of an integrated policy and programme of development of oilseeds and vegetable oils;

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

(j) recommending the setting up and adoption of grade standards for oilseeds and their products and vegetable oils;

(k) financing suitable schemes in consultation with the Central Government and the Governments of the States where oilseeds are grown on a large scale, so as to increase the production of oilseeds and to improve their quality and yields; and for this purpose evolving schemes for the award of prizes or grant of incentives to growers of oilseeds and the manufacturers of oilseeds products and vegetable oils and for providing marketing facilities for oilseeds products and vegetable oils;

(l) assisting, encouraging, promoting, co-ordinating and financing agricultural, technological, industrial or economic research on oilseeds, their products and vegetable oils in such manner as the Board may deem fit by making use of available institutions;

(m) undertaking publicity work on the research and development of the oilseeds industry and the vegetable oils industry;

(n) setting up of regional offices and other agencies for the promotion and development of production, processing, grading and marketing of oilseeds and its products and vegetable oils in different States and Union territories for the efficient discharge of the functions of the Board;

(o) such other matters as may be considered necessary for the purpose of carrying out the functions of the Board or as may be prescribed.

(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 in this behalf.

10. (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:

Dissolution of the Board.

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 subsection (1),—

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

(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.

CHAPTER III

FINANCE, ACCOUNTS AND AUDIT

11. 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.

Grants and loans by the Central Government.

12. (1) There shall be formed a Fund to be called the Oilseeds and Vegetable Oils Development Fund and there shall be credited thereto—

Constitution of Oilseeds and Vegetable Oils Development Fund.

(a) any fees that may be levied and collected under this Act or the rules or regulations made thereunder;

(b) any sums of money paid or 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 obtained by the Board under section 13);

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

(2) The Fund shall be applied—

(a) for meeting the cost of the measures referred to in section 9;

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

(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.

Borrowing powers of the Board.

13. (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.

Accounts and audit.

14. (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 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 specified 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 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

15. 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.

Directions by Central Government.

16. (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 oilseeds industry and the vegetable oils industry, as the Central Government may, from time to time, require.

Returns and reports.

(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

17. No suit, prosecution or other legal proceeding 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 or regulations made thereunder.

Protection of action taken in good faith.

18. (1) The Central Government may, by notification in the Official Gazette, make rules to carry out 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 term of office of the members (other than the *ex officio* members), and the manner of filling vacancies among, and the procedure to be followed in the discharge of their functions by, such members, under sub-section (5) of section 4;

(b) the manner in which, the conditions subject to which and the purposes for which any person may be associated by the Board under sub-section (7) of section 4;

(c) the technical qualifications and practical experience in oilseeds development required for appointment to the post of the Executive Director to the Board under sub-section (1) of section 6;

(d) the powers which may be exercised and the functions which may be performed by the Executive Director as the chief executive of the Board under sub-section (2) of section 6;

(e) the powers which may be exercised and the functions which may be performed by the Secretary to the Board under sub-section (3) of section 6;

(f) the control and restrictions subject to which other officers and employees may be appointed by the Board under sub-section (5) of section 6;

(g) the powers which may be exercised and the functions which may be performed by the Managing Committee under sub-section (1) of section 8;

(h) the control and restrictions subject to which other standing committees or *ad hoc* committees may be constituted by the Board under sub-section (3) of section 8;

(i) the matters in respect of which the Board may undertake measures for the purpose of carrying out its functions under clause (o) of sub-section (2) of section 9;

(j) the remuneration payable to the person or persons referred to in clause (b) of sub-section (2) of section 10;

(k) the form in which the accounts of the Board shall be maintained and the annual statement of accounts shall be prepared under sub-section (1) of section 14;

(l) the time at which and the form and manner in which the Board shall furnish returns and statements and particulars regarding its proposed or existing programmes to the Central Government under sub-section (1) of section 16;

(m) the form in which and the date before which the Board shall furnish to the Central Government the report of its activities, policy and programmes during the previous financial year under sub-section (3) of section 16;

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

Power
to make
regula-
tions.

19. (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 power, such regulations may provide for all or any of the following matters, namely:—

(a) the times and places of the meetings of the Board and the procedure to be followed for the transaction of business at such meetings and the number of members which shall form a quorum at a meeting under sub-section (9) of section 4;

(b) the method of appointment, the conditions of service and the scales of pay and allowances of any of the other officers and employees of the Board under sub-section (5) of section 6;

(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 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 rescission shall be without prejudice to the validity of anything previously done under the regulation.

20. 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.

Rules and regulations to be laid before Parliament.

21. (1) If any difficulty arises in giving effect to the provisions of this Act, the Central Government may, by order, not inconsistent with the provisions of this Act, remove 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 commencement of this Act.

(2) A copy of every order made under sub-section (1) shall be laid, as soon as may be, after it is made, before each House of Parliament.