

The Coir Industry Rules, 1954

UNION OF INDIA

India

The Coir Industry Rules, 1954

Rule THE-COIR-INDUSTRY-RULES-1954 of 1954

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The Coir Industry Rules, 1954Published vide Notification No. S.R.O. 2226, dated 6th July, 1954Government of IndiaMinistry of IndustryS.R.O. 2226 - In exercise of the powers conferred by sub-section (1) of section 26 of the Coir Industry Act, 1953 (45 of 1953), the Central Government hereby make the following rules, the same having been previously published as required by the same sub-section, namely:-

1. Short title.

- These rules may be called the Coir Industry Rules, 1954.(i)These may be called the Coir Industry (Second Amendment), Rules, 2004.(ii)They shall come into effect on the date of their publication in the Official Gazette.

2. Definitions.

- In these rules; unless the context otherwise requires:-(i)"Board" means the Coir Board constituted under section 4 of the Act.(ii)"Chairman" means the Chairman of the Board.(iii)"Committee" means any Committee constituted by the Board under section 8 of the Act.(iv)"Form" means a form set forth in the Schedule to these rules(v)"Member" means a member of the Board.(vi)"Secretary" means the Secretary of the Board.(vii)"The Act" means the Coir Industry Act; 1953 (45 of 1953)(viii)"Vice-Chairman" means the Vice-Chairman of the Board.(ix)"Year" means the year commencing on the first day of April

3. Office of the Board.

- The office of the Board shall be located Eranakulam.

4. Constitution of the Board and the manner of filling Vacancies.

(1) The number of persons to be appointed as members from each of the categories specified in sub-section (3) of Section 4 of the Act shall be as follows:-

- | | |
|--|-----|
| (a) growers of coconut and producers of husks, coir and coir yarn | 3 |
| (b) persons engaged in the production of husks, coir and coir yarn and in the manufacture of coir products | 3 |
| (c) manufacturers of coir products | 3 |
| (d) dealers in coir, coir yarn and coir products including both exporters and internal traders | 3 |
| (e) [Parliament - two members to be elected by the Lok Sabha and one to be elected by Rajya Sabha [Amended by Notification F. No. 42-SSI(B)(7)/54, dated 12.12.1957] | 3] |
| (f) the Governments of the principal coconut growing States | 5 |
| (g) [such other persons or class of persons who in the opinion of the Central Government ought to be represented on the Board [Amended vide S.O. 1199(E) dated 28.10.2004] | 19] |
- (2) [The Central Government may make such consultations as may be necessary before appointing the members.] [Amended by Notification F.No. 42-SSI(B)(7)/54, dated 12.12.1957] (3) [When a member dies or resigns or is deemed to have resigned or is removed from office or becomes incapable of acting or ceases to represent the category from which he has been appointed, the Central Government may, by notification in the Official Gazette, appoint a person to fill the vacancy.] [ibid]

5. Term of office.

(1) [Save as hereinafter provided, and subject to sub-rule (3) of rule 4, a member shall hold office for such period as the Central Government may specify in the order appointing such member or, if before the expiry of such period he ceases to represent that category.] [Amended by Notification F.No. 42-SSI(B)(7)/54, dated 12.12.1957] (2) A person appointed to fill a casual vacancy under sub-rule (3) of rule 8 shall hold office for so long as the member whose place he fills, would have been entitled to hold office if the vacancy had not occurred.

6. Registration.

(1) A member may resign his office by writing under the hand addressed to the Chairman (2) A member of a Committee may resign his office by writing under his hand addressed to the Secretary. (3) [The office of a member of the Board or the committee shall fall vacant from the date on which his registration is accepted or on expiry of thirty days from the date of receipt of intimation of resignation, whichever is earlier.] [Amended by Notification F. No. 42-SSI(B) 7/54, dated 12.12.1967] (4) The resignation of a member of the Board or of a Committee may be accepted by the Chairman who shall report the fact of such an acceptance to the Board at its next meeting and to the Central Government.

7. Removal from the Board.

- The Central Government may remove any member from his office, (a) if he is of unsound mind and stand so declared by a competent court, or (b) if he is an undischarged insolvent, or (c) if he is convicted of a criminal offence involving moral turpitude, or (d) if, without leave of the Board he fails to attend more than three successive meetings of the Board. [The penalty of removal from the Board will be imposed only when a member absents himself without permission for more than three consecutive meetings. The absence of the member without permission for the 4th successive meeting will, of course entail his removal from the Board under rule 7(d) of the Coir Industry Rules. Absence with permission will not attract the operation of rule 7(d).] [Ministry of Law (Dept. of Legal Affairs) Advice (B) Section, Govt. of India. Ministry of Commerce & Industry Letter. No. 42-SSI (b) (7)/54 dated 20-10-'59.] But if a member takes leave of absence and subsequently absents himself without permission for three consecutive meetings, rule 7 (d) is not attracted as he can be said to be absent without permission for only three meetings. As his absence has not exceeded the permissible limit of 3, no penalty has been incurred under rule 7 (d) of the Coir Industry Rules, 1954.

8. Absence from India.

(1) Before a member leaves India. - (a) he shall intimate to the Secretary the date of his departure from, and the date of his expected return to India, and (b) if he intends to be absent from India for a longer period than six months, he shall obtain the permission of the Board; (2) [Deleted] [Deleted vide GSR 390 (E) dated 22.03.1990]

9. Vice-Chairman.

- [(1) The Board shall in each year elect a member to be its Vice-Chairman and he shall hold office for a period of twelve months commencing from the date of his election or till his successor is elected, whichever later.] [Amended by notification No. 42-SSI (7)/ 54, of December 1955] (1-A) The Vice-Chairman may resign his office by writing under his hand addressed to the Chairman, and the office shall fall vacant from the date on which his resignation is accepted by the Chairman or on the expiry of thirty days from the date of receipt of intimation of resignation whichever is earlier. The Chairman shall report the fact of such acceptance to the Board at its next meeting and to the Central Government. (2) [In the event of the death of the Chairman or if he resigns or is deemed to have resigned or removed from the office or becomes incapable of acting, the Vice-Chairman may exercise such of the powers and perform such of the duties as were being exercise or performed by the Chairman until such time as another Chairman is appointed.] [Amended by Notification No. 42-SSI (B) (7)/54 dated 29th April 1955] (3) If the office of the Vice-Chairman falls vacant or if the Vice-Chairman ceases to be a member of the Board, the Board shall forthwith elect a member to be Vice-Chairman for the unexpired portion of the term of office of the Vice-Chairman elected under sub-rule (1).

10. Minimum number of Meeting of the Board.

- The Board shall hold a meeting atleast once in every quarter: provided the Board may, with the permission of the Central Government hold no meeting in any particular quarter.

11. Power to call meetings.

(1)The Central Government may at any time call a meeting of the Board.(2)The Chairman may at any time call a meeting of the Board and shall do so, if a requisition for a meeting is presented to him in writing by atleast ten members.

12. Business by circulation.

(1)Any business which the Board or committee is required to transact may, if the Chairman of the Board or the Committee so directs, be referred by circulation of papers, to members, and any resolution or proposal so circulated and approved by the majority of members who have recorded their views in writing shall be as effectual and by binding as if such resolution or proposal were decided by a majority of votes at a meeting; Provided that atleast ten members of the Board or a majority of the members of the Committee, as the case may be, have recorded their views on the resolution or proposal; Provided further that when a resolution or proposal is referred by circulation of papers any five members of the Board or three members of the Committee, as the case may be, require that the resolution or proposal be referred to a meeting and thereupon such reference shall be made to a meeting of the Board or the Committee.(2)When any business is so referred to members by circulation, a period of not less than 14 clear day in the case of the Board and 10 clear days in the case of a Committee shall be allowed for receipt of replies from members. Such period is to be reckoned from the date on which notice of business is issued.(3)If a resolution or proposal is circulated, the result of the circulation shall be communicated to all the members.

13. Record of business.

(1)A record shall be maintained of all business transacted by the Board or its Committee, and copies of such record shall be submitted to the Central Government(2)The record of business transacted at the meeting of the Board and of the Committee shall be signed by the Chairman presiding over such meetings.(3)When business is transacted by circulation of papers a record of business so transacted shall be signed by the Chairman of the Board or the Committee, as the case may be, directing the circulation.

14. Budget Estimate.

(1)The Board shall in each year prepare a budget for the ensuing year and shall submit it for the sanction of the Central Government in the second week of October provided that the first budget shall be so submitted or before such date as may be appointed by that Government.(2)Subject to such orders as may be issued by the Central Government from time to time no expenditure shall be

incurred until the budget is sanctioned by the Central Government and the expenditure is authorised by competent authority.(3)The budget shall be in such form as the Central Government may direct and shall include-(a)the estimated opening balance;(b)the estimated receipts by way of;(i)proceeds of the cess made over to the Board by the Central Government under section 14 of the Act;(ii)any other fee that may be levied and collected under the Act or the rules thereunder;(c)the proposed expenditure classified under the following heads (or such other heads as the Central Government may direct):- (i)administration;(ii)measures for promoting the sale and increasing the consumption of coir products;(a)in India, (b) outside;(iii)research,(iv)statistics;(v)others.(4)The proposed expenditure under each head shall be further classified under the following sub-heads.(i)pay of officers,(ii)pay of establishment,(iii)allowances, honorarium etc.,(iv)other charges, contingencies, etc,(5)Supplementary estimates of expenditure shall be submitted for the sanction of the Central Government in such form and on such dates as may be directed by them.

15. Contracts.

(1)The Board may enter in to contracts, provided that every contract which extends over a period of more than three years or involves expenditure in excess of Rs. 20,000 shall require the previous sanction of the Central Government.(2)Provided that Board shall be competent to enter into contracts extending over a period not exceeding three years which involves expenditure not exceeding rupees two lakhs and fifty thousand for purchase of raw materials for the power loom factory, in accordance with the provisions of the General Financial Rules, within the sanctioned budget allotment.The Board may delegate to the Chairman or the Secretary or in the case of purchase of raw materials for a powerloom factory to the Weaving Master of the power loom factory, such power for entering into contracts on its behalf as it may think fit.(3)Contracts shall not be binding on the Board unless they are executed by the Chairman or Vice Chairman or by the Secretary, or by the Weaving Master of the powerloom, factory, with the previous approval of the appropriate authority concerned and the common seal of the Board, where necessary is affixed thereto;Provided that the Weaving Master of the power loom factory and the Director of the Central Coir Research Institute acting together shall be competent to execute contracts extending over at period not exceeding three years which involve expenditure not exceeding Rs. 30, 000/- for purchase of raw materials for the powerloom factory:(4)Neither the Chairman nor the Secretary nor any member of the Board shall be liable for any assurance or contract made by the Board, but any liability arising under such assurance of contract shall be discharged from the moneys at the disposal of the Board.

16. Power to incur expenditure.

(1)Subject to the provisions or the Act and the rules, the Board may incur such expenditure as it may think fit and write of losses upto Rs.1,000 in any one case and may delegate to the Executive Committee or to the Chairman or Secretary or to the Weaving Master of the powerloom factory in the case of purchase of raw materials for the powerloom factory such financial powers as it may consider expedient:Provided that save with the sanction of the Central Government, no expenditure shall be incurred which is in excess of the sanctioned budget allotment under any head.(2)Reappropriation within a head of expenditure may be made by the Board and subject to

clause (d) of rule 22(2) the Board may delegate its powers in this behalf to the Executive Committee.(3)Reappropriation between heads of expenditure shall not be made save with the previous sanction of the central Government.(4)The Board shall not incur expenditure outside India in excess of Rs.10,000 on any one item without the previous sanction of the Central Government.

17. Borrowing Powers.

- The Board may with the previous sanction of the Central Government borrow on the security of the Coir Fund or any other of its assets for meeting its expenses or for any other purpose referred to in section 10 of the Act; provided that no loan other than a loan from the Central Government or any State Government shall be taken, which is payable later than six months from the date of the loan.

18. Accounts of the Board.

(1)The Board shall maintain accounts of income and expenditure as well as assets and liabilities relating to each year in the forms set out in the Schedule(2)The audited accounts of income and expenditure and assets and liabilities together with the audit report thereon shall be submitted to the Central Government as soon as may be, after such accounts are audited and in an/case not later than seven months from the close of the year to which the accounts relate.(3)The Accounts of income shall be shown under the following heads:-(a)Moneys received under section 14 of the Act.(b)Grants received from the Central Government under section 14 A of the Act(c)Any other money received by the Board.(d)Interest on investments.(e)Excess of income over expenditure of the power looms factory (Hindustan Coir)(f)Excess of income over expenditure in showrooms and sales depots.(4)Expenditure incurred in the year shall be shown under separate heads and sub - heads as given in the Schedule:

19. Forms to be used.

- The forms set out in the schedule to these rules shall be used for the purpose of the provisions of the Act or Rules, as the case may be, referred to in each form. The Board may either generally or in any particular case require such additions or alterations, as it may consider necessary to be made to any such form.

20.

The Board may call for and maintain such statistics as it considers necessary for the efficient discharge of its duties including those relating to-(a)Spindles and looms operation.(b)quantity and quality of coir yarn and coir products manufactured.(c)labour employed,(d)wages paid,(e)stoppage of work,(f)existing plants and additions or reductions thereto products exported,(g)amount of cess collected.

21. Pay and allowances of the secretary.

- The Secretary shall be entitled to such pay and allowances including T. A. and H.R.A. 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

22. Restriction on delegation of powers.

- The Board shall not delegate any administrative or financial power to any Committee other than the Executive Committee:-(1)The Board shall not delegate any of the following powers to the Executive Committee-(a)the power to sanction expenditure in excess of rupees ten thousand in respect of any one item other than the item relating to purchase of the requirements of the powerloom factory(b)the power to adopt the Budget Estimates of the Board on its behalf(c)the power to sanction expenditure to be incurred outside India in excess of Rs. 5000 in respect of any one item,(d)the power to reappropriate estimated savings in excess of Rs. 2500 in the case of any one item.(e)the power to write off losses in excess of Rs. 500 in any one case.

23. Appointments.

(1)Save as provided for in sub section (1) of section 9 of the Act and subject to such delegation as may be provided in the Bye-laws, all appointments to post of officers and employees under the Board shall be made by the Board.(2)The Board shall, from time to time fix the scale of establish[Provided that no such post of officers or employees shall be created by the Board without the previous sanction of the Central Government:Provided further that no such post the maximum scale of pay of which exceeds Rs. 15200/- per month shall be filled without the prior approval of the Central Government.] [Substituted vide S. O. 474 (E) dated 28-5-1998]

24. Allowances and remuneration.

- Save with the previous sanction of the Central Government, no remuneration other than travelling allowance and halting allowance shall be made to any member on account of his service as such.

25. Custody and disbursement of funds.

(a)The proceeds of the customs duty levied under section 13 of the Act shall first be credited to the Consolidated Fund of India,(b)The proceeds of the customs duty, after deducting the expenses of collection shall then be credited to the "Coir Improvement Fund" under section "P-Deposits not bearing interest (b) - Reserve Funds"(c)The licence fees levied and collected by the Board shall be credited to the Coir Fund.(d)All expenditure of the Coir Board shall be charged to a separate minor head under the Major Head "43-industries and supplies". The expenditure will be met from the coir Fund to which payments to be made by the Central Government to the Board under section 14 of the Act shall also be credited.(e)[The amounts of the Board shall be kept with the Central Government in a personal deposit account at a treasury provided that the Board may keep such amounts as may

be necessary for day to day expenses with the State Bank of India or any of its subsidiaries.]
[Amended by Notification No. 15 (1) /-tex (E) / 67. Tex (D) dt. 21-7-1969](f)Withdrawal of funds shall require the sanction of the Chairman or the Vice-Chairman.(g)Payments by or on behalf of the Board shall be made in cash or by cheque drawn against a current account of the Board.

26. Sending persons abroad.

- The Board shall not send any officer of the Board or any member to places outside India without the previous sanction of the Central Government.

27. Report and returns.

- The Board shall submit to the Central Government a half-yearly report and an annual report on its activities and the working of the Act, within three months from the expiry of the period to which the report relates.

Schedule

Form I[See Rule 14(5)]Supplementary estimate if expenditure

Head of Account	Sanctioned estimate for the year	Expenditure up-to-date	Estimated expenditure for the rest of the year	Additional grant required	Remarks (Here briefly explain the reasons for the additional grant)
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Form II[See Rule 18(I)]Income and Expenditure Account of Coir Board Showrooms and Sales Depots for the year Ended 31st March, _____

Figure for previous year	Head of Expenditure	Figures for current year	Income	Figures for previous year	Figures for current year
Rs.	P	Schedule		Rs	P P Schedule Rs. P
To	Salaries	1		By Commission On sales	5
To	Commission to Managers of Showroom and Sales Depot.	2		By Miscellaneous Receipts	6
To	Insurance			By Excess of expenditure over	

income

To	Rent	
To	Rates & Taxes	
To	Depreciation	3
To	Deferred Revenue	
To	Expenditure written of	
To	Other charges	4
To	Excess of income over expenditure	

Total

Form III[See Rule 18(I)]Hindustan Coir, KalavoorManufacturing and Trading Account for the year ended 31st March, _____

Figures for the previous year	Expenditure	Figures for the current year	Figures for the previous year	Income	Figures for the current year			
Rs.	P		Rs.	P	Rs.	P	Rs.	P
					By cost of finished goods transferred to Trading AccountBy Closing stockRawmaterials Dyes and Chemicals Semi finished goodsWorkin progress Others.By salesBySales on Consignment AccountBy Closing stock of finishedgoods.By gross loss transferred to Profit and Loss Account.			
	To Opening StockRawmaterial Dyes and Chemicals Semi-finished goods Work in progressothersTo PurchasesDyeing ChargesLubricants WaterandElectricity WagesEmployees contribution toProvident Fund and Employees State InsuranceBonus toWorkers carriage inwardsDepreciationBuildingPlantand MachineryTools etc.To cost of finished goodsTransgerred from Manufacturing AccountTo Opening stock offinished goodsTo Gross profitProfit and LossAccounts							

Total

Form IV[See Rule 18(I)]Hindustan Coir, KalavoorProfit and Loss Account for the year ended 31st March, _____

Figures for the Previous year	Head and Expenditure	Figures for the current year	Figures for the previous year	Head of Account	Figures for the current year			
Rs.	P		Rs.	P	Rs.	P	Rs.	P
	To Salaries and Allowances			By Gross profit Transferred from Trading Account				
	To Travelling Allowance			By Miscellaneous Receipts				
	To Contribution to Provident Fund and Employees State Insurance							
	To Postage and Telegram							
	To Telephone							
	To Rates and Taxes							
	To Interest							
	To Insurance							
	To Repairs and Maintenance of buildings							
	To Repairs and Maintenance to machinery							
	To Carriage outwards							
	To Bank Charges							
	To Discount							
	To Advertisement charges							
	To Stipend to Trainees							
	To Stationery and Printing							
	To Office Expenses							
	Depreciation Furniture and Fittings etc.							
	Sundry expenses							
	Net Profit			Net Loss				

Total

Form V[See Rule 18(I)]Hindustan Coir, KalavoorBalance Sheet as on 31st March,

Liabilities	Assets
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Figures for the previous year		Figure for the previous year	Figures for the current year	
Rs.	P		Rs.	P
			Schedule Fixed Assets	
			7Current	
		CapitalBalanceas per balance sheetProfit and Loss	AssetsClosingStockRaw	
		AccountNetprofit brought down from last balance sheetAdd net profitduting the yearLoans from Governmnet of IndiaLoans fromBankCurrent liabilitiesSundryCreditorsInterest outstandingDeposits/ AdvancesOtherliabilities	MaterialsChemicalsSemi finished goods work in progressFinishedgoodsStock with the ShowroomsSundryDebtorsShowroomsotherStamps in handCash at bankCash in handLoansand AdvanesDepositsrecoverableAdvance to EmployeesAdvance to others	

Total

Form VI[See Rule 18(I)]Income and Expenditure of the Coir Board for the year ended 31st March

Figures for the previous year		Figures for the current year	Figures for the previous year		Figures for the current year	
Rs.	P		Rs.	P	Rs.	P
		Head of Expenditure			Head of Income	
		To Administration	8		By Moneys received under Section 14 of the Coir Industry Act,1953	
		To Expansion of Home Market				
		To Expansion of Overseas Market			Less Cess Collection Charges	
		To Research (Science and Technology)	9			
		To Statistics Documentation and Data Base			Grant received from Government of India under Srtction 14-A ofCoir Industry Act, 1953	
		To Strengthening of National Level Training			Other Receipts	13
					Interest on	

Institutions		Investments
To Export Regulation and Inspection-floor purchase price		
To Support for Cooperativisation in Coir (All India)	11	Excess of Expenditure over Income Hindustan Coir
To Support Training Infrastructures		Excess of Expenditures over Income Hindustan Coir
To Support Training Infrastructures		Excess of Expenditures over Income Showrooms
To Surveys and Studies		Excess of Expenditure over Income
To Establishment of Central Marketing Organisation		
To Component Plan Scheduled Castes and Scheduled Tribes	12	
Others		
Travelling Allowance to Members		
Depreciation Interest on loans Excess of Income overexpenditure Showrooms.		
Excess of Income over expenditure Hhindustan Coir		
Excess of Income over expenditure		

Note: Any new items will be added as per Budget requirements. Form VII[See Rule 18(I)]Balance Sheet of the Coir Board as on 31st March, _____

Figures for the previous	Liabilities	Figures for the current	Figures for the previous	Assets	Figures for the current
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year		year		year		
Rs.	P	Rs.	P	Rs.	P	Rs. P
	CapitalBalanceas per last balance sheetCoir FoundAccountOpeningBalanceLess :Excess of Income over Expenditure during the yearLoanfrom Government of IndiaCurrentLiabilitiesSundrycreditorsInterest outstandingDeposits/ advancesOther liabilities		Fixed AssetsInvestmentsCurrent AssetsClosingStockStock with showroomsSundryDebtorsShowroomsHindustanCoirOt in handCash in handCast at Bankin current a/cCash at Bank in deposit accountLoansand AdvancesDepositsrecoverableAdvance to employeesAdvance to othersCoirFund AccountOpeningbalanceAdd,Excess of expenditure overcome			141516

Total :

Note : - The principal rules were published in the Gazette of India, Extraordinary, Part II, section 3(i) vide notification number SRO 2226 dated 6.7.1954 and has been amended vide following numbers:-SRO 973 dated 29.4.55SRO 3983 dated 12.12.1955SRO 3669 dated 17.12.1955SRO 877 dated 9.4.1960GSR 1088 dated 18.6.1963SO 2983 dated 6.5.1967GSR 1122 dated 21.7.1969GSR 1588 dated 9.7.1976GSR 2498 dated 28.9.1976GSR 390(E) dated 30.5.1983GSR 694(E) dated 30.7.1992GSR 832 dated 29.10.1992SO 784 dated 14.9.1995SO 44(E) dated 15.1.1996SO 905(E) dated 3.8.2004