

AS INTRODUCED IN THE RAJYA SABHA
ON THE 27TH AUGUST, 2010

Bill No. LIII of 2010

THE FRUIT AND VEGETABLE BOARD BILL, 2010

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BILL

to provide for measures for the development, storage and marketing of fruits and vegetables and their products and for matters connected therewith or incidental thereto.

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

1. (1) This Act may be called the Fruit and Vegetable Board Act, 2010.

(2) It extends to the whole of India.

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

Provided that different dates may be appointed for different provisions of this Act and for different States or different parts thereof.

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

Short title,
extent and
commence-
ment.

Declaration as
to expediency
of control by
the Union.

Definitions.

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

- (a) “Board” means the Fruit and Vegetable Board established under section 4;
- (b) “dealer” means a dealer in fruits and vegetables;
- (c) “Executive Director” means the Executive Director appointed under section 6;
- (d) “export” and “import” mean, respectively, taking out of and bringing into India by land, sea or air;
- (e) “Government” means the Central Government;
- (f) “member” means a member of the Board and includes the Chairman;
- (g) “prescribed” means prescribed by rules made under this Act.
- (h) “Secretary” means the Secretary appointed under sub-clause 2 of clause 6;
- (i) “Chairman” means the chairman appointed under sub-clause 4(a) of clause 4;
- (j) “Vice-chairman” means the vice-chairman elected under sub-clause 5 of clause 4.

Establishment of the Fruit and Vegetable 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 Fruit and Vegetable 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.

Constitution of the Fruit and vegetable Board.

(3) The head office of the Board shall be at New Delhi and the Board may, with the previous approval of the Government, establish offices or agencies at other places in or outside India.

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

- (a) A Chairman to be appointed from amongst the fruit and vegetable growers by the Government in such manner as may be prescribed;
- (b) three members of Parliament, of whom two shall be nominated by the Speaker of the House of the People and one by the Chairman of the Council of States;
- (c) five members to be appointed by the Government to represent respectively:—
 - (i) the Ministry of the Central Government dealing with agriculture;
 - (ii) the Ministry of the Central Government dealing with commerce;
 - (iii) the Ministry of the Central Government dealing with finance;
 - (iv) the Ministry of the Central Government dealing with industrial development; and
 - (v) the Indian Council of Agricultural Research;
- (d) four members to be appointed by the Government from amongst the growers of fruits;
- (e) four members to be appointed by the Government from amongst the growers of vegetables; and
- (f) two members to be appointed by the Government from amongst the dealers and exporters of fruits and vegetables.

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

(6) The term of office of the members and the procedure to be followed in the discharge

of their functions by the members shall be such as may be prescribed.

(7) The Executive Director and any such officer of the Government (not being a member of the Board), as is deputed by the 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 have the right to vote.

(8) The Board may associate with itself in such manner and for such purposes, as may be prescribed, any person whose assistance or advice it may require in complying with any of the provisions of this Act and a person so associated shall have the right to take part in the discussions of the Board relevant to the purposes for which he has been associated, but shall not have the right to vote.

5. The Chairman shall be entitled to such salary and allowances and such conditions of service as may, from time to time be determined by the Government.

Salary and allowances and other conditions of service of Chairman.

6. (1) The Government shall appoint an Executive Director to exercise such powers and perform such duties as may be prescribed or as may be delegated to him by the Chairman.

Appointment of Executive Director, Secretary etc.

(2) The Government shall appoint a Secretary to the Board to exercise such powers and perform such duties as may be prescribed or as may be delegated to him by the Chairman.

(3) The Executive Director and the Secretary shall be entitled to such salaries and allowances and such conditions of Service in respect of leave, pension, provident fund, and other matters as may, from time to time, be determined by the Government.

(4) Subject to such control, restrictions and conditions as may be prescribed, the Board may appoint such other officers and employees as may be necessary for the efficient performance of its functions.

(5) The Chairman, the Executive Director, the Secretary and other officers and employees of the Board shall not undertake any work not connected with their duties under this Act except with the prior permission of the Government.

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

Committees of the Board.

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

8. (1) It shall be the duty of the Board to promote by such measures as it thinks fit, the development, storage and marketing of fruits and vegetables and the fruit and vegetable products industry.

Functions of the Board.

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

(a) formulating policies for overall development and improvement of production, quality, storage and marketing of fruits and vegetables;

(b) fixing annual production targets of fruits and vegetables;

(c) review of measures for attaining production targets, viz, supply of inputs like fertilizer, water supply, plant protection measures, credit facilities, etc.;

(d) fixing import quotas for improved seeds;

(e) advising the Government on extension of cold storage facilities;

(f) review of the price trends of fruits and vegetables;

(g) development of fruit and vegetable products industries;

(h) review of the cost of production of fruits and vegetables and the prices received by the fruit and vegetable growers and to advise Government on the need for price support and other measures to ensure fair prices to the growers;

(i) regulation, control and promotion of the export of fruits and vegetables and fruit and vegetable products and review of the grading of fruits and vegetables;

(j) collection and maintenance of statistics on any matter relating to fruits and vegetables and fruit industries;

(k) performing such other functions as the Government may, from time to time, direct.

Dissolution of the Board.

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

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

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

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

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

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

Power to make rules.

10. (1) The Government may, by notification in the Official Gazette, make rules for carrying out the purposes of this Act.

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

(a) the powers and functions of the Vice-Chairman of the Board;

(b) the term of office and other conditions of service of the members, the manner of filling up of vacancies of the members, and the procedure to be followed in the discharge of their functions by the members;

(c) holding of minimum number of meetings of the Board every year;

(d) the circumstances in which and the authority by which a member may be removed;

(e) the power which may be exercised and the duties which shall be performed by the Executive Director and the Secretary;

(f) the procedure to be followed at the meetings of the Board for the conduct of business and the number of members which shall form the quorum at a meeting;

(g) the maintenance of records of business transacted by the Board and the submission of copies thereof to the Central Government.

(h) the power of the Board, its Chairman, the Executive Director and Committees of the Board with respect to the incurring of expenditure;

(i) the conditions subject to which the Board may incur expenditure outside India;

(j) the preparation of budget estimates of receipts and expenditure of the Board and the authority by which the estimates are to be sanctioned;

(k) the form and the manner in which the accounts should be maintained by the Board;

(l) the deposit of the funds of the Board in Banks and the investment of funds;

(m) the conditions to be observed by the Board in borrowing the money;

(n) the collection of any information or statistics in respect of fruits and vegetables;

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

(3) Every rule made under this section 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 both Houses agree that the rule should not be made, the rule shall, thereafter, have effect only in such modified form or be of no effect, as the case may be; however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule.

11. (1) The Board may make regulations not inconsistent with this Act and the rules made thereunder for enabling it to discharge its functions under this Act.

Power to
make
regulations.

(2) Without prejudice to the generality of the foregoing power, such regulations may provide for all or any of the following matters, namely:—

(a) the procedure to be followed at the meetings of the committees appointed by the Board and the number of members which shall form a quorum at a meeting;

(b) the delegation to the Chairman, Members, Executive Director, Secretary or other officers of the Board, or any of the powers and duties of the Board under this Act;

(c) the traveling and other allowances, leave and other conditions of service of officers (other than those appointed by the Government) and other employees of the Board;

(d) the maintenance of the accounts of the Board;

(e) the maintenance of the registers and other records of the Board and its various committees;

(f) the appointment by the Board of agents to discharge, on its behalf, any of its functions;

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

(3) No regulation made by the Board shall have effect until it has been approved by the Government and published in the Official Gazette, and the Government, in approving a regulation, may make any change therein which appears to it to be necessary.

(4) The Government may, by notification in the Official Gazette, cancel any regulation which has been approved and thereupon, the regulation shall cease to have effect.

STATEMENT OF OBJECTS AND REASONS

The fruits and vegetables are grown in the country on an extensive scale. With the establishment of Horticulture Directorates in the States and the encouragement given to horticulture, the production of fruits and vegetables is growing day by day. But there are no adequate storage or good transport facilities for these perishable commodities. The export and import policies are also not well defined for these items.

At present, there is a great scope for exporting of fruits and vegetables and the products based on processing of fruits and vegetables. Therefore, to encourage production, storage and export of fruits and vegetables and their products, it is expedient that the Union Government takes under its control, the development of fruits and vegetables and the fruit and vegetable products industry.

Hence this Bill.

MOHAN SINGH

FINANCIAL MEMORANDUM

Clause 4 of the Bill provides for the establishment of the Fruit and Vegetable Board. Clause 5 provides for payment of such salary and allowances to the Chairman of the Board as may be determined by the Government. Clause provides for payment of salaries and allowances to the Executive Director and the Secretary of the Board and also provides for appointment of such other officers and employees as may be necessary for efficient performance of the functions of the Board. Clause 7 provides for appointment of committees and co-option of such persons as members thereon who are not members of the Board. Such members of the Committees will have to be paid traveling and other allowances for attending the meetings of the Committees. Under clause 8, the Board will take such measures as it thinks fit to promote the development and improvement of production, storage and marketing of fruits and vegetables and the fruits and vegetables products industry. It is estimated that an annual recurring expenditure of about rupees five crore is likely to be involved from the consolidated Fund of India.

A non-recurring expenditure of about rupees ten crore is also likely to be incurred.

MEMORANDUM REGARDING DELEGATED LEGISLATION

Clause 10 of the Bill empowers the Central Government to make rules for carrying out the purposes of the Bill. Clause 11 empowers the Fruit and Vegetable Board to make regulations, with the previous approval of the Central Government and by notification in the Official Gazette, not inconsistent with the provisions of the Bill and the rules that may be made thereunder.

The matters in respect of which rules or regulations may be made pertain to procedure or administrative detail only and as such the delegation of legislative power is of a normal character.

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to provide for measures for the development storage and marketing of fruits and vegetables and their products and for matters connected therewith or incidental thereto.

(Shri Mohan Singh, M.P.)