Office Memorandum

Subject: Repeal of Rubber Act, 1947 and enactment of Rubber (Promotion and Development) Bill 2022-reg

Department of Commerce is proposing to repeal Rubber Act, 1947 and enactment of Rubber (Promotion and Development) Bill 2022. A copy of the draft Bill is placed on the Department of Commerce Website (https://commerce.gov.in/) for seeking comments from public/stakeholders etc. till 21 January 2022. Comments may be sent to undersigned within specified time.

(Devesh Gupta)
Deputy Secretary to the Govt. of India
Tel: 011 2306 2593

Encl: As above
Explanatory Note for the proposed draft Rubber (Promotion and development) Bill 2022.

The Rubber Act 1947 was enacted on 18th April 1947 to provide for development of the rubber industry under the Control of the Union. The Act was amended in 1954, 1960, 1982, 1994 and 2010. The developments since then in terms of other legislations, changes in the industrial & economic scenario, commitment towards ease of doing business and need for rationalisation of the functions of the Rubber Board have necessitated replacing the existing Rubber Act 1947 with a modern legislation.

Rationale for repeal of the Rubber Act, 1947.

In the recent years there have been widespread changes in the constitutional, industrial and economic scenario of the country especially with reference to development in rubber and allied sectors. Therefore, it has become imperative to remove archaic provisions, create an environment conducive for easy conduct of business, reorient functions of the Board with equal focus on upstream and downstream sectors and to contribute towards making world class rubber industry.

Further, the functions of the Rubber Board are required to be expanded in a holistic manner so that areas / services already being provided are taken care of. Therefore, it is considered expedient to repeal the existing Rubber Act and a new legislation is enacted to meet the requirements of the present scenario.
RUBBER (PROMOTION AND DEVELOPMENT) BILL, 2022

A BILL

to promote and develop the Indian rubber industry, enable the functioning of a modern Rubber Board and for matters connected therewith or incidental thereto

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

CHAPTER I

PRELIMINARY

Short title, extent, and commencement

1. (1) This Act may be called the Rubber (Promotion and Development) Act, 2022.

(2) It shall extend 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, and different dates may be appointed for different provisions of this Act and any reference in any such provision to the commencement of this Act shall be construed as a reference to the commencement of that provision.

Definitions

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

(a) "Advisories" means non-binding standards and guidance issued by the Board for promotion and development of the rubber industry;

(b) "Associated Activities" means "all activities incidental or ancillary to production, processing and consumption of Natural Rubber";

(c) "Board" means the Rubber Board established under section 12 of this Act;

(d) "Chairperson" means the Chairperson of the Board appointed under clause (a) of sub-section (1) of section 13 of this Act;

(e) "Chief Executive Officer" means the Chief Executive Officer of the Board appointed under sub-clause (i) of clause (e) of sub-section (1) of section 13 of this Act;

(f) "Chief Financial Officer" means the Chief Financial Officer of the Board appointed under sub-clause (ii) of clause (e) of sub-section (1) of section 13 of this Act;
(g) "Dealer" means any person who deals in rubber, whether wholesale or retail, or holds stocks of rubber, and includes the representative or agent of a dealer
(h) "estate" means any area administered as one unit which contains land planted with rubber plants;
(i) "executive officers" means the executive members appointed under clause (e) of sub-section (1) of section 13;
(j) "export" means taking out of India by sea, land or air;
(k) "exporter" means any person engaged in the export of rubber;
(l) "Fund" means the Fund constituted under section 21 of this Act;
(m) "grower" means the owner of an estate, and includes any agent of such owner, and mortgagee, lessee, or any other person in actual possession of such estate;
(n) "import" means bringing into India by sea, land or air;
(o) "India" means the territory of India;
(p) "large grower" means a grower who is not a small grower;
(q) "manufacturer" means any person engaged in the manufacture of any article in the making of which rubber is used;
(r) "member" means a member of the Board appointed under section 13 of this Act and includes the Chairperson, the Chief Executive Officer, the Chief Financial Officer, and the Rubber Production Commissioner;
(s) "prescribed" means prescribed by rules made under this Act;
(t) "processor" means a person who undertakes the processing of rubber;
(u) "rubber" means-

(i) crude rubber, that is to say, rubber prepared from the leaves, bark or latex of any rubber plant;
(ii) the latex of any rubber plant, whether fluid or coagulated, in any stage of the treatment to which it is subjected during the process of conversion into rubber;
(iii) latex (dry rubber content) in any state of concentration, and includes scrap rubber, sheet rubber, rubber in powder and all forms and varieties of crepe rubber, but does not include rubber contained in any manufactured article;
(v) “rubber industry” means the industry engaged in the production, manufacture, supply, distribution, trade and commerce, and utilisation of rubber and rubber products, and includes rubber plants, the production, processing and of Hevea wood, research, development of rubber estates, and services related thereto.

(w) “Rubber Production Commissioner” means the Rubber Production Commissioner of the Board appointed under sub-clause (iii) of clause (e) of sub-section (1) of section 13 of this Act;

(x) “rubber products” means all products of vulcanisation in their finished or semi-finished form derived wholly or partly from rubber;

(y) “rubber plant” includes plants, trees, shrubs or vines of any of the following:

i. Hevea Brasiliensis (Para Rubber);
ii. Manihot Glaziovii (Ceara Rubber);
iii. Castillloa elastica;
iv. Ficus elastica (Rambong); and
v. any other plant which the Board may, by notification in the Official Gazette declare to be a rubber plant.

(z) “Secretary” means the Secretary of the Board appointed under sub-clause (iv) of clause (e) of sub-section (1) of section 13 of this Act;

(aa) “small grower” means an owner whose estate does not exceed 10 hectares in area; and

(bb) “specified” means specified by regulations made by the Board under this Act;

<table>
<thead>
<tr>
<th>CHAPTER II</th>
</tr>
</thead>
<tbody>
<tr>
<td>PROMOTION AND DEVELOPMENT</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>PART I</th>
</tr>
</thead>
<tbody>
<tr>
<td>Promotion Schemes and Quality Enhancement</td>
</tr>
</tbody>
</table>

### Objectives

<table>
<thead>
<tr>
<th>3. The Central Government and the Board, as the case may be, while exercising its powers, discharging its functions, or undertaking any other activity under this Act, shall be guided by the following objectives namely:—</th>
</tr>
</thead>
</table>

(a) Optimising production, sale, and consumption of rubber which may include:—
(i) promoting the sale and consumption of rubber, including through e-commerce platforms;
(ii) promoting the quality of rubber which is processed and consumed in India, and exported from India;
(iii) promoting the export of rubber;
(iv) promoting and furthering the interests of growers including small growers, exporters and other stakeholders involved in the rubber industry;
(v) promoting the sustainable cultivation of rubber plants and enhancing productivity;
(vi) providing support and encouragement to small growers, including in using and implementing new technology;
(vii) encouraging fair and remunerative prices for growers including small growers;
(viii) safeguarding the interests of rubber plantation workers; and
(ix) increasing awareness among the general public about the rubber industry in India.

(b) Promoting economic, scientific, and technical research into the rubber industry, which may include:-
(i) collecting, analysing, and disseminating economic, scientific, and technical data, information, statistics, and studies related to the rubber industry in India;
(ii) promoting an understanding of plant ecology, physiology, and pathology among growers;
(iii) encouraging the adoption of best available technologies;
(iv) undertaking research for rubber agronomy and rubber products covering all forms of rubber;
(v) conducting or organising human resource training to meet the needs of rubber industry; and
(vi) aligning the practices in the rubber industry in India with global best practices.

<table>
<thead>
<tr>
<th>Measures, activities, promotion schemes etc. by Board</th>
<th>4. In order to achieve the objectives enlisted in section 3, and in exercise of its general powers and functions under section 20, the Board shall undertake such measures and activities as it may deem fit, including promotion and incentive schemes, seminars, workshops, research activities and other similar programmes.</th>
</tr>
</thead>
</table>
| Issuance of directions and advisories by the Board | 5. In order to achieve the objectives enlisted in section 3, and in exercise of its general powers and functions under section 20, the Board may issue directions or advisories to dealers, exporters, growers, manufacturers, processors, and such other persons in the rubber industry, or any class thereof, as it may deem fit: 

Provided that every direction issued shall be complied with by such person in the rubber industry to whom such direction has been issued. |
| Principle of proportionality | 6. (1) Where the Board specifies any regulations under section 34 or issues directions under section 5, it shall ensure that such regulations or directions are accessible, reasonable, and proportionate to the |
objectives enlisted under section 3 and powers and functions under Section 20.

Explanation:-Nothing in this sub-section shall apply to any action taken by the Board in furtherance of a direction issued by the Central Government under Section 28.

(2) No measures or activities undertaken under section 4, or directions and advisories issued under section 5, or regulations specified under section 34 shall be called into question in any court only on the ground that such measures or activities, or directions, or advisories, or regulations, as the case may be, are not in accordance with this section or section 3.

## PART II

### COMPLIANCES

| Certificate for Registration | 7. (1) Every person selling or purchasing or otherwise acquiring or disposing, rubber shall be liable to obtain a certificate of registration issued by the Board in such form and manner, subject to such conditions and payment of such fee, and with effect from such date as may be specified:

Provided that the Central Government may by notification in the Official Gazette exempt such persons or class of persons from the provisions of this sub-section.

Provided further that nothing in this section shall apply to small growers.

(2) The certificate of registration shall be issued or rejected after due verification in such manner and within such period as may be specified.

(3) The certificate of registration shall be deemed to have been issued after the expiry of the period specified under sub-section (2), if no deficiency has been communicated to the applicant within that period.

(4) A certificate of registration issued, or deemed to have been issued under this section shall remain valid from the date on which it was issued, or deemed to have been issued as the case may be, except it is till cancelled or suspended pursuant to an inspection under section 9. |

| Submission of returns and maintenance of accounts | 8. Every person liable to be registered under section 7 shall;
(a) submit to the Board such returns at such times, in such form, and containing such particulars, as may be specified
(b) maintain true and correct accounts and other records pertaining to their activities of purchase, sale, other acquisitions, and disposals of rubber, in such form, and containing such particulars, as may be specified: |
Provided that the Central Government may by notification in the Official Gazette exempt such persons or class of persons from the provisions of this section.

<table>
<thead>
<tr>
<th>Inspection and penalties</th>
<th>9. (1) Where the Chief Executive Officer has reason to believe that any person:-</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>(a) has contravened any direction issued to such person under section 5;</td>
</tr>
<tr>
<td></td>
<td>(b) liable to be registered under section 7 has failed to obtain registration, or has obtained registration through fraud or misrepresentation;</td>
</tr>
<tr>
<td></td>
<td>(c) liable to submit returns under section 8 has failed to submit such returns, or has submitted false returns; or</td>
</tr>
<tr>
<td></td>
<td>(d) has contravened any other provision of the Act, the Chief Executive Officer may authorise any officer of the Board by an order in writing in such manner and subject to such conditions as may be specified, to conduct an inspection.</td>
</tr>
<tr>
<td></td>
<td>(2) In the course of such inspection, such designated officer may, subject to such conditions and in such manner as may be specified:-</td>
</tr>
<tr>
<td></td>
<td>(e) enter any place or premises where any activity related to the rubber industry is undertaken;</td>
</tr>
<tr>
<td></td>
<td>(f) require the production of any books, registers, records or other articles or papers kept therein; and</td>
</tr>
<tr>
<td></td>
<td>(c) ask for any information relating to the sale or purchase of rubber.</td>
</tr>
<tr>
<td></td>
<td>(3) Upon completion of the inspection such Officers shall submit a report to the Chief Executive Officer of the Board containing:- (a) recommendations on whether there is a contravention of the provisions of this Act, or (b) in cases where there is found to be a contravention of the provisions of this Act recommendations on the:- (i) imposition of a penalty under sub-section (4) of this section if such executive officer deems fit; and (ii) suspension or cancellation of registration under section 7 if such executive officer deems fit; and (g) such other particulars as may be specified.</td>
</tr>
<tr>
<td></td>
<td>(4) Upon receipt of the report referred to in sub-section (3), after considering the recommendations provided therein, the Chief Executive Officer shall pass an order as may be deemed fit in such form, manner, and subject to such conditions as may be specified:-</td>
</tr>
<tr>
<td></td>
<td>(a) closing the matter forthwith;</td>
</tr>
<tr>
<td></td>
<td>(b) imposing a civil penalty which may extend to 10,000 rupees;</td>
</tr>
<tr>
<td></td>
<td>(c) suspending or cancelling of registration under section 7 or section 8, as the case may be; or</td>
</tr>
</tbody>
</table>
(d) both (b) and (c)

Provided that the amount of penalty imposed under this sub-section, if not paid, may be recovered as if it were an arrear of land revenue

Provided that no order of suspension or cancellation of registration shall be passed under this sub-section unless the person concerned has been given a reasonable opportunity of being heard in respect of the grounds of such suspension or cancellation.

10. All officers and other employees of the Board shall be deemed, when acting or purporting to act in pursuance of any of the provisions of the Act be public servants within the meaning of section 21 of the Indian Penal Code.

11. (1) Any person aggrieved by an order of the Board passed under the provisions of sub-section (4) of section 9 within such period of the passing of the order, prefer an appeal to the Central Government on payment of such fee in such form and manner, and subject to such other conditions as may be prescribed.

(2) The Central Government may confirm, modify or reverse the order appealed against.

(3) Subject only to such decision of the Central Government, the order of the Board shall be final and shall not be called in question in any court.

(4) Before disposing of an appeal under sub-section (2), the parties shall be given a reasonable opportunity of being heard.

CHAPTER III

RUBBER BOARD

12. (1) Notwithstanding anything contained in section 38, the body corporate by the name of “Rubber Board” constituted under sub-section (1) of section 4 and incorporated under section 4 of the Rubber Act, 1947 (Act No. 24 of 1947), shall be the Rubber Board for the purposes of this Act.

(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.

13. (1) The Board shall consist of the following members not exceeding 30:-
(a) a Chairperson to be appointed by the Central Government;

(b) 3 members of Parliament of whom 2 shall be nominated by the House of the People and 1 by the Council of States;

(c) 3 members to be nominated by the Central Government from such Ministries of the Central Government, as it may deem it;

(d) 19 members to be appointed by the Central Government from among persons who are in its opinion capable of representing the interests of the following, having regard to their experience in the rubber industry:

- (i) Governments of the States where rubber is grown;
- (ii) large growers small growers;
- (iii) manufacturers and processors;
- (iv) exporters;
- (v) plantation workers in the rubber industry;
- (vi) dealers;
- (vii) such institutes or authorities specialising in research in the rubber industry; and
- (viii) such other interests as in the opinion of the Central Government ought to be represented on the Board

(e) the following full-time executive members to be appointed by the Central Government—

- (i) a Chief Executive Officer, who shall be Member-Secretary of the Board;
- (ii) a Chief Financial Officer;
- (iii) a Rubber Production Commissioner; and
- (iv) a Secretary

(2) The manner of filling vacancies among the members of the Board shall be such as may be prescribed.

<table>
<thead>
<tr>
<th>Qualifications for appointment</th>
<th>14. The Chairperson and members of the Board shall be persons of ability and integrity having experience and knowledge of at least [•] years in matters relating to the rubber industry, governance, law, development, economics, finance, management, public affairs or administration. Exception: The prescribed qualification shall not be applicable for member of Parliament, representatives of rubber growing states and officers appointed under Clause (c) and (d) of Section 13(1)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Term of office &amp; other conditions of service of</td>
<td>15. (1) The term of office of, salaries, remuneration, or other allowances payable to, and the other terms and conditions of service of, the</td>
</tr>
</tbody>
</table>
| Chairperson and other members | Chairperson and other members of the Board shall be such as may be prescribed

(2) The office of member of the Board shall not disqualify its holder for being chosen as or for being a member of either House of Parliament

(3) Any officer of the Central Government when deputed by that Government for the purpose of attending the meeting of the Board shall have the right to attend and take part in the proceedings thereof but shall not be entitled to vote |
|---|---|
| Chairperson | 16. (1) The Chairperson shall preside over the meetings of the Board, and without prejudice to any provision of this Act, exercise and discharge such other powers and functions of the Board as may be prescribed.

(2) In the absence of the Chairperson in a meeting, the Board may elect any member who is present to preside over such meeting. |
| Chief Executive Officer | 17. (1) There shall be a Chief Executive Officer of the Board who shall have administrative control over the officers and other employees of the Board and shall exercise such other powers and perform such duties as may be prescribed.

(2) Notwithstanding anything contained in this section, the Central Government or the Board may delegate to the Chief Executive Officer, subject to such conditions and in such manner as may be prescribed, such of its powers and functions as it may deem necessary. |
| Vacancies, etc., not to invalidate proceedings of the Board | 18. No act or proceeding of the Board shall be invalid merely by reason of—

(a) any vacancy in, or any defect in the constitution of, the Board;

(b) any defect in the appointment of a person as Chairperson or member of the Board; or

(c) any irregularity in the procedure of the Board not affecting the merits of the case. |
| Committees, directors, officers, agents, and staff | 19. (1) The Board may constitute such advisory or executive committees, appoint such directors, officers and agents, and employ such staff as it deems necessary for the efficient discharge of its functions under this Act.

(2) The method of recruitment and terms and conditions of service of any directors, officers, agents appointed, and any staff employed, as the case may be, shall be such as may be specified. |
20. (1) The Board shall be responsible for promotion and development of the Indian rubber industry.

(2) Without prejudice to the generality of sub-section (1), the powers and functions of the Board shall include—

(a) Developing and assisting new rubber plantation, revive existing rubber plantation and, undertaking associated activities;
(b) improving the marketing and export of rubber and rubber products;
(c) taking such steps as it deems necessary in order to achieve its objectives enlisted under sections 3 of this Act;
(d) monitoring and propagating data and other information regarding the demand for and marketability of rubber in India and in the foreign market;
(e) supplying scientific and technical advice aimed at improving the production and productivity among rubber growers, processors and manufacturers of rubber products;
(f) undertaking research of rubber agronomy and rubber products covering all forms of rubber;
(g) undertaking, assisting or encouraging scientific, technological and economic research;
(h) collecting statistics from owners of rubber estates, dealers, processors and manufacturers of rubber and rubber products and such other persons, or class of persons as may be specified on any matter relating to rubber industry;
(i) planning and implementation of human resource training and skill development in line with the needs of rubber industry;
(j) implementing standards for quality, marking, labelling and packing for rubber produced or processed in, imported into or exported from, India; and
(k) taking steps either by itself or through accredited agencies to ensure quality standards for rubber produced in India are maintained;
(l) collaborating and cooperating with national and international scientific and economic bodies dealing with plantation crops for the benefit of the rubber industry;
(m) collaborating and cooperating with departments of Central and State governments on all matters relating to the promotion and development of the rubber industry;
(n) subscribing to the share capital of or entering into any arrangement or other arrangements (whether by way of partnership, joint venture or any other manner) with any other body corporate for the purpose of promoting the development of rubber industry or for promotion and marketing of rubber in India or elsewhere;
(o) advising the Central Government on all matters relating to the promotion and development of the rubber industry, including but not limited to the import and export of rubber;
(p) advising the Central Government with regard to participation in any International Conference or scheme relating to the rubber
industry;
(q) securing better working conditions and improvement of amenities and incentives for workers;
(r) providing advisory services on matters including but not limited to research, testing, and training to such other class of persons upon the payment of such fee or other charges as may be specified; and
(s) any other actions in the interest of the rubber industry.

CHAPTER IV
FINANCE, ACCOUNTS & AUDIT

<table>
<thead>
<tr>
<th>Rubber Promotion and Development Fund</th>
<th>21. (1) The Board shall maintain a Fund to be called the Rubber Promotion and Development Fund.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>(2) The following shall be credited to the Rubber Promotion and Development Fund—</td>
</tr>
<tr>
<td></td>
<td>(a) all sums transferred to, or vested in the Board;</td>
</tr>
<tr>
<td></td>
<td>(b) any grants and loans made to the Board by the Central Government;</td>
</tr>
<tr>
<td></td>
<td>(c) all fees levied and collected in respect of certificates of registration issued and any other fees or charges</td>
</tr>
<tr>
<td></td>
<td>collected under this Act or the rules and regulations made thereunder;</td>
</tr>
<tr>
<td></td>
<td>(d) all sums received by the Board from such other sources as may be decided upon by the Central Government;</td>
</tr>
<tr>
<td></td>
<td>(e) all assets transferred from the erstwhile Rubber Development Fund under the Rubber Act, 1947 (Act No. 24 of</td>
</tr>
<tr>
<td></td>
<td>1947).</td>
</tr>
<tr>
<td></td>
<td>(3) The fund shall be applied:—</td>
</tr>
<tr>
<td></td>
<td>(a) to meet the salary, remuneration, pension, gratuity or other allowances of the members, directors, officers,</td>
</tr>
<tr>
<td></td>
<td>agents and employees of the Board as applicable;</td>
</tr>
<tr>
<td></td>
<td>(b) to meet the expenses relating to such measures as the Board may undertake under this Act from time to time</td>
</tr>
<tr>
<td></td>
<td>in order to achieve the objectives enlisted in Section 3, and in exercise of its general powers and functions</td>
</tr>
</tbody>
</table>
|                                      | under section 20;                                               
|                                      | (c) to meet the other administrative expenses of the Board and any other expenses authorised by or under this Act; |
|                                      | (d) to repay loans; and                                        |
|                                      | (e) to settle any liabilities arising out of legal proceedings.                                                |
|                                      | (f) to meet the expenditure for rehabilitation of small growers; and                                            |
|                                      | (g) for making such grants to rubber estates or for meeting the cost of such other assistance to rubber estates |
|                                      | as the Board may think necessary for the development of such estates.                                          |
| Power to borrow | 22. The Board may, from time to time, with the previous sanction of the Central Government and under such conditions as may be prescribed, borrow any sum required for any of the purposes for which it is authorized to expend under this Act, from –

(a) any bank or other financial institution by taking loan; or
(b) the public by issue of bonds or debentures or any such instrument in the form and manner approved by the Central Government. |
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Budget</td>
<td>23. The Board shall prepare in such from and manner, at such time, and at such intervals as may be prescribed, for the next financial year, showing the estimated receipts and expenditure of the Board and forward the same to the Central Government.</td>
</tr>
<tr>
<td>Accounts &amp; Audit</td>
<td>24. The accounts of the Board shall be maintained and audited in such manner as may, in consultation with the Comptroller and Auditor-General of India, be prescribed and the Board shall furnish to the Central Government before such date, as may be prescribed, its audited copy of accounts together with the auditors' report thereon.</td>
</tr>
</tbody>
</table>
| Annual Report | 25. (1) The Board shall prepare, in such form and manner and at such time each financial year, as may be prescribed its annual report, giving a full account of its activities during the previous financial year, and submit a copy thereof to the Central Government.

(2) The annual report prepared under sub-section (1) shall contain:-

(a) a description of all the activities of the Board for the previous years;
(b) the plan of the Board for the upcoming year and
(c) such other details as may be provided under any law for the time being in force |
| Auditor’s report and Annual report to be laid before Parliament | 26. The Central Government shall cause the auditor's report under section 24and the annual report under section 25to be laid, as soon as may be after they are received, before each House of Parliament. |
| CHAPTER V |
| MISCELLANEOUS | |
| Power of the Central Government to supersede the Board | 27. (1) If at any time the Central Government is of the opinion-

(a) that on account of grave emergency, the Board is unable to discharge the functions and duties imposed on it by or under the provisions of this Act; or |
(b) that the Board has persistently made default in complying with any
direction issued by the Central Government under this Act, in achieving
the objectives enlisted in section 3, or in exercising its general powers
and functions under section 20 and as a result of such default the
financial position of the Board or the administration of the Board has
deteriorated; or
(c) that circumstances exist which render it necessary in the public
interest so to do, the Central Government may, by notification in the
Official Gazette, supersede the Board for such period, not exceeding six
months, as may be specified in that notification,

(2) Upon the publication of a notification under sub-section (1)
superseding the Board,-
(a) all the members shall, as from the date of supersession vacate their
offices as such;
(b) the general powers and functions which may, by or under the
provisions of this Act, be exercised or discharged by or on behalf of the
Board, shall until the Board, is reconstituted under sub-section (3), be
exercised and discharged by such person or persons as the Central
Government may direct; and
(c) all property owned or controlled by the Board shall, until the Board
is reconstituted under sub-section (3), vest in the Central Government.

(3) On the expiration of the period of supersession specified in the
notification issued under sub-section (1), the Central Government may
reconstitute the Board by a fresh appointment and in such case any
person or persons who vacated their offices under clause (a) of
subsection (2), shall not be deemed disqualified for appointment;

Provided that the Central Government may, at any time, before the
expiration of the period of supersession, take action under this
subsection.

(4) The Central Government shall cause a notification issued under
subsection (1) and a full report of any action taken under this section
and the circumstances leading to such action to be laid before each
House of Parliament at the earliest.

**Power of the Central Government to issue directions**

28. Without prejudice to the foregoing provisions of this Act, the Board, in
discharge of its general powers and functions under this Act, shall be
bound by such directions as the Central Government may give in
writing to it from time to time:

Provided that the Board shall, as far as practicable, be given an
opportunity to express its views before any direction is given under this
sub-section.

**Power to prohibit or control imports and exports rubber**

29.(1) The Central Government may, by order published in the Official
Gazette, make provision for prohibiting, restricting or otherwise
controlling the import or export of rubber, either generally or in
specified classes of cases.
| Power to fix maximum and minimum prices for sale of rubber | 30. (1) The Central Government may, if it deems necessary by order published in the Official Gazette, fix the maximum price or the minimum price or the maximum and minimum prices to be charged, in the course of a business of any class specified in the order, for rubber of any description so specified.

(2) Any such order may fix different maximum or minimum prices to be charged in the course of businesses of different classes for the same description of rubber.

(3) If any person buys or sells, or agrees to buy or sell, rubber at a price which is more than the maximum price, or less than the minimum price, fixed under sub-section (1) in that behalf, he shall be punishable with imprisonment for a term which may extend to one year, or with fine, or with both. |
<table>
<thead>
<tr>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Power to delegate</td>
</tr>
<tr>
<td>Protection of action taken in good faith</td>
</tr>
</tbody>
</table>
| Power to make rules | 33. (1) The Central Government may, by notification in the Official Gazette, make rules to carry out the provisions 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 form and the manner of, and the conditions to be met and fee to be paid for, prefer an appeal to the Central Government under sub-section (1) of section 11;
(b) the powers and duties of members appointed under clause (e) of sub-section (1) of section 13;
(c) the manner of filling of vacancies among the members of the Board sub-section (2) of section 13; |
(d) the procedure to be followed at meetings of the Board and at committees thereof for the conduct of business, and the number of members which shall form a quorum at any meeting;

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

(f) the term of office of, salaries, remuneration, or other allowances payable to, and the other terms and conditions of service of, the Chairperson and other members of the Board under sub-section (1) of section 15;

(g) the other powers and functions of the Board which shall be discharged by the Chairperson under sub-section (1) of section 16;

(h) the other powers and duties of the Chief Executive Officer under sub-section (1) of section 17;

(i) the conditions to be met for borrowing any sum under section 22;

(j) the form and the manner of, the time at which, and the intervals for the preparation of a Budget under section 23;

(k) the form and the manner in which the accounts of the Board shall be audited and the date before which the audited copy of the accounts may be furnished to the Central Government under section 24;

(l) the form and the manner of, and the time at which the annual report shall be prepared under section 25;

(m) the form and the manner of, the conditions to be met and fee to be paid for, and the date of effect of certificate of, registration under sub-section (1) of section 7;

(n) the manner of verification of an application to obtain certificate of registration and the period within which such certificate shall be issued or rejected under sub-section (2) of section 7;

(o) the period of validity of a certificate of registration of curing under sub-section (4) of section 7;

(p) the form and the manner of, the particulars to be contained and the times at which returns shall be submitted under section 8;

(q) the conditions subject to which the Chief Executive Officer may authorise any officer of the Board to conduct an inspection by an order in writing under sub-section (1) of section 9;

(r) the conditions subject to and manner in which inspection is to be conducted under sub-section (2) of section 9;

(s) the particulars to be contained in the report to be submitted by an officer upon completion of investigation under sub-section (3) of section 9;

(t) the form, manner, and conditions subject to which the Board shall pass an order under sub-section (4) of section 9;

(u) The method of recruitment and terms and conditions of service of any directors, officers, and agents appointed, and any staff employed under sub-section (2) of section 19;

(v) The fee or other charges for providing advisory services under clause (r) of sub-section (2) of section 20;

(w) the staff which may be employed by the Board and the pay and allowances and leave and other conditions of service of officers and other employees of the Board;

(x) the deposit of the funds of the Board in banks and the investment of
such funds;
(y) the conditions subject to which the Board may incur expenditure outside India;
(z) the collection of any information or statistics in respect of rubber or any product of rubber;
(aa) the manner in which rubber shall be graded and marketed;
(bb) the re-appropriation of the estimated savings from any budget heads to any other budget head and
(cc) any other matter which is to be, or may be, prescribed or in respect of which provision is to be, or may be, made by rules.

<table>
<thead>
<tr>
<th>Power to make regulations</th>
</tr>
</thead>
<tbody>
<tr>
<td>34. Subject to the provisions on section 3, and with the approval of the Central Government, the Board may by notification in the Official Gazette make such regulations consistent with this Act and any rules made thereunder to carry out its functions under this Act.</td>
</tr>
</tbody>
</table>

| Rules & Regulations to be laid before Parliament |
|-------------------------------------------------
| 35. 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 or both Houses agree that the rule or regulation 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. |

<table>
<thead>
<tr>
<th>Power to remove difficulties</th>
</tr>
</thead>
</table>
| 36. (1) If any difficulty arises in giving effect to the provisions of this Act, the Central Government may, by order, published in the Official Gazette, make such provisions not inconsistent with the provisions of this Act as may appear to be necessary for removing the difficulty:

Provided, no such order shall be made under this section after the expiry of three years from the commencement of this Act.

(2) Every order made under this section shall be laid, as soon as may be after it is made, before each House of Parliament. |

<table>
<thead>
<tr>
<th>Transitional provision</th>
</tr>
</thead>
</table>
| 37. (1) Notwithstanding anything contained in Section 38, on and from the date of commencement of this Act,—

(a) any reference to the Rubber Board in any contract or other instrument shall be deemed to be a reference to the Board;
(b) all property, movable and immovable, of or belonging to the Rubber
Board shall be deemed to be that of the Board;
(c) all rights and liabilities of the Rubber Board shall be deemed to be
that of the Board;
(d) all suits and other legal proceedings instituted by or against the
Rubber Board, immediately before the commencement of this Act, shall
be deemed to have been instituted by or against the Board; and
(e) the existing committees, directors, officers, agents, and staff of the
Rubber Board shall be deemed to be committees, directors, officers,
agents, and staff, constituted, appointed, or employed, as the case may
be, under section 19;

Explanation.- For the purpose of this sub-section, the expression
"Rubber Board" shall mean the body corporate by the name of
"Rubber Board" constituted under sub-section (1) of section 4 and
incorporated under section 4 of the Rubber Act, 1947 (Act No. 24 of
1947).

(2) On and from the date of commencement of this Act, any person
liable to be registered under section 7 who has a valid registration or
license by whatever name called, under The Rubber Act, 1947 (Act No.
27 of 1947), shall be deemed to be registered under section 7 of this
Act, and shall be deemed to remain so registered till the registration or
license as the case may be, remains valid under The Rubber Act, 1947
(Act No. 27 of 1947)

| Repeal & Savings | 38. (1) The Rubber Act, 1947 (Act No. 27 of 1947) are hereby repealed.
(2) Notwithstanding such repeal, anything done or any action taken
under the provisions of the said Act shall, in so far as such thing or
action is not inconsistent with the provisions of this Act, be deemed to
have been done or taken under the provisions of this Act as if the said
provisions were in force when such thing was done or such action was
taken and shall continue in force accordingly until superseded by
anything done or any action taken under this Act.
(3) The mention of particular matters in sub-section (2) shall not be
held to prejudice or affect the general application of section 6 of the
General Clauses Act, 1897 (Act No. 10 OF 1897) with regard to the
effect of repeal. |
| Declaration as to expediency of Union control | 39. It is hereby declared that it is expedient in the public interest that the
Union should take under its control the rubber industry. |