

# The Forest Industries Development Corporation Ordinance, 1959 (East Pakistan Ordinance)

( Ordinance NO. LXVII OF 1959 )

## An Ordinance to establish a Corporation for the purpose of promoting the development of Forest Industries in Bangladesh.<sup>1♣</sup>

WHEREAS it is expedient to establish a Corporation for the purpose of promoting the development of Forest Industries and industries based on forest products and water resources in the Forest areas in Bangladesh.

NOW, THEREFORE, in pursuance of the Presidential Proclamation of the seventh day of October, 1958, the Governor is pleased in exercise of all powers enabling him in that behalf, to make and promulgate the following Ordinance.

### Short title, extent and commencement

1. (1) This Ordinance may be called the <sup>2</sup>[\* \* \*] Forest Industries Development Corporation Ordinance, 1959.

(2) It extends to the whole of Bangladesh.

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

### Interpretation

2. In this Ordinance, unless there is anything repugnant in the subject or context,-

(a) "Board" means the Board of Directors of the Corporation;

(b) "Corporation" means Bangladesh Forest Industries Development Corporation established under this Ordinance;

(c) "Prescribed" means prescribed by rules or regulations under this Ordinance; and

(d) "Schedule" means schedule appended to this Ordinance.

**Establishment  
and  
incorporation**

3. (1) As soon as may be after the commencement of this Ordinance, the Government shall establish a Corporation to be called "The Bangladesh Forest Industries Development Corporation".

(2) The Corporation shall be a body corporate having perpetual succession and a common seal with power, subject to the provisions of this Ordinance, to acquire, hold and dispose of property both movable and immovable and shall by the said name sue and be sued.

**Share  
Capital**

4. (1) The authorised share capital of the Corporation shall be one crore of taka divided into ten thousand fully paid-up shares of one thousand taka each, of which two thousand five hundred shares shall be issued in the first instance and the remaining shares may be issued from time to time by the Corporation with the previous sanction of the Government.

(2) The Government shall be a share holder of the Corporation and shall subscribe to and hold not less than fifty-one per centum of the shares issued by the Corporation at any time, the remaining shares being open for public subscription.

(3) Nothing in sub-section (1) shall prevent the Corporation from increasing the authorised share capital as it may think fit with the previous sanction of the Government.

**Management**

5. (1) The general direction and administration of the Corporation and its affairs shall vest in a Board, which may exercise all powers and do all acts and things which may be exercised or done by the Corporation.

(2) The Board in discharging its functions shall act on commercial considerations and shall be guided on questions of policy involving the national interest (including commercial and industrial interest) by such directions as the Government, which shall be the sole judge whether the national interest is involved, may give it from time to time.

(3) If the Board fails to carry out any direction as aforesaid, the Government may remove the Directors including the Chairman, and notwithstanding anything contained in section 6, appoint persons in their

place to be Directors temporarily until a fresh Board of Directors are appointed in accordance with the provision of that section.

**Appointment  
and terms  
of office of  
Directors**

6. (1) The Board shall consist of not more than five Directors including Chairman to be appointed by the Government.

(2) Each Director shall:-

(a) be a wholetime officer of the Corporation;

(b) perform such duties as the Board may by regulations assign to him;

(c) divest himself of any directorship or other interest held by him in any Corporation, company or concern other than companies sponsored by the Corporation under sub-section (2) of section 14 before assuming office as Director;

(d) hold office for a term of three years unless sooner removed or transferred by the Government and may be appointed thereafter for a further term or terms of such duration as the Government may in appointing him thereafter, determine; and

(e) receive such salary and allowances as the Government may determine:

Provided that the Government may in exceptional circumstances where it considers necessary to do so in the public interest, exempt by a special order any person who has been appointed or is about to be appointed a Director from the operation of clauses (a) and (c) of this sub-section.

**Chairman**

7. (1) The Government shall appoint one of the Directors to be the Chairman of the Board;

(2) Subject to his continuing to hold office as a Director, the Chairman shall hold office as Chairman for a term of three years and subject as aforesaid shall remain in office as Chairman thereafter until his successor in that office is appointed and be eligible to hold that office for a further like term or terms.

## **Disqualification of Directors**

8. (1) No person shall be or shall continue to be a Director who-

(a) is or at any time has been convicted of an offence involving moral turpitude; or

(b) is or at any time has been adjudicated insolvent; or

(c) is found to be lunatic or of unsound mind; or

(d) is a minor.

(2) No Director shall continue in office after absenting himself from three consecutive meetings of the Board without the leave of absence from the Chairman, or, in the case of the Chairman, from the Government.

(3) A Government servant serving as Chairman or a Director shall automatically cease to be the Chairman or a Director of the Corporation, as the case may be, on his transfer from the Corporation.

## **Appointment of officers, etc.**

9. The Corporation may appoint such officers, advisers and employees as it considers necessary for the efficient performance of its functions on such terms and conditions as may be prescribed by rules.

## **Meeting of the Board**

10. (1) The meeting of the Board shall be held at such time and such places as may be prescribed by rules:

Provided that until rules are made in this behalf such meetings shall be convened by the Chairman of the Board.

(2) To constitute a quorum at a meeting of the Board, not less than two Directors shall be present.

(3) Each Director including the Chairman shall have one vote, and in the event of an equality of votes the Chairman shall have a second or casting vote.

(4) If for any reason the Chairman is unable to be present at a meeting, the Director so authorised by him in writing shall preside at the meeting, and in default of such authorisation, the Directors shall elect from among themselves a Chairman to preside at that meeting.