


The Investment Board Act, 1989

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Act No.17 of 1989



An Act made to establish a Board for the purpose of promoting industrial investments and offering facilities and assistance necessary for the establishment of industries in non- governmental sectors

Whereas it is expedient to establish a Board for the purpose of promoting industrial investments and offering facilities and assistance necessary for the establishment of industries in the non- governmental sectors;

Now, therefore, it is herewith enacted as follows:-

1. Short title and commencement.- (1) This Act may be called the Investment Board Act, 1989.
(2) It shall be deemed to have come into effect on 8th Pausha, 1395/22nd December, 1988, respectively.
2. Definitions In this Act, unless there is anything repugnant in the subject or context,-

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- (a) "licence" means a licence granted under section 11 (4) in connection with the establishment of any industry;
- (b) "Chairman" means the Chairman of the Board;
- (c) "Executive Committee" means the Executive Committee constituted under section 8 (1);
- (d) "rule" means any rule made under this Act;
- (e) "non-governmental sector" means any such industrial sector as has not been declared by the Government to be reserved for the Government;
- (f) "Board" means the Board established under section 4;
- (g) "person" shall include any group of persons, company or commercial organisation;
3. Act to overrule other laws.- Notwithstanding anything to the contrary contained in any other law for the time being in force, the provisions of this Act and the rules made thereunder shall have effect.
4. Establishment of the Investment Board.- On commencement of this Act, the Government shall, as soon as possible, by notification in the official Gazette, establish the Investment Board.
5. Head office.- The head office of the Board shall be situated in Dhaka and it may, if necessary, set up branch offices at any place.
6. Composition of the Board.- (1) The Board shall consist of the following members, namely:-
- (a) the Chairman;
- (b) the Minister in charge of the ministry or department relating to industry, who shall also be its Vice-Chairman, ex-officio;
- (c) the Minister in charge of the ministry or department relating to finance, ex-officio;
- (d) the Minister in charge of the ministry or department relating to electricity, fuel and mineral resources, ex-officio;
- (e) the Minister in charge of the ministry or department relating to commerce, ex-officio;
- (f) the Minister in charge of the ministry or department relating to cloth, ex-officio;
- (g) the Minister in charge of the ministry or department relating to jute, ex-officio;
- (h) the Minister in charge of the ministry or department relating to planning, ex-officio;
- (i) the Governor of the Bangladesh Bank, ex-officio;
- (j) the Secretary of the ministry or department relating to industry, ex-officio;
- (k) the Secretary of the ministry or department relating to finance, ex-officio;
- (l) the Secretary of the ministry or department relating to domestic resources, ex-officio;
- (m) the President of the Federation of Bangladesh Chambers of Commerce and Industries, ex-officio;
- (n) the President of the Bangladesh Chamber of Industries, ex-officio;
- (o) the Chairman of the executive committee, who shall also be its Secretary, ex-officio;
- (2) The Chairman of the Board shall be the President of the Republic or any person nominated by him from amongst the members of the Board who are ministers.
- (3) The Board may also nominate and include not more than four further members.
- (4) No act or proceeding of the Board shall be illegal nor any question relating thereto be raised merely on the ground of the existence of a vacancy in, or any defect in the constitution of, the Board.
7. Functions.- The functions of the Board shall be as follows, namely:-

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- (a) to give all kinds of opportunity for the investment of domestic and foreign capital for the purpose of swift industrialisation in non-governmental sectors;
- (b) to implement the policy of the Government in connection with the investment of capital in the industries in non-governmental sectors;
- (c) to prepare and implement a schedule of industrial investments in non-governmental sectors;
- (d) to prepare a schedule of areas for the establishment of industries in non-governmental sectors and to create special facilities for such areas;
- (e) to approve and register all industrial projects provided with domestic and foreign capital in non-governmental sectors;
- (f) to assign sectors and facilities for investment in industries in non-governmental sectors and to widely propagate such sectors and facilities at home and abroad;
- (g) to devise and implement well-defined strategies for the development of investments in industries in non-governmental sectors;
- (h) to create structural advantages for industries in non-governmental sectors;
- (i) to determine the conditions for the employment of foreign officers, experts and employees required for industries in non-governmental sectors;
- (j) to formulate and implement policies for the transfer and gradual local generating of technologies in non-governmental sectors;
- (k) to render the assistance required for the rehabilitation of sick industries in non-governmental sectors;
- (l) to finance and render assistance in the financing of, important new industries in non-governmental sectors;
- (m) to make such arrangements as are required for the collection of investment capital for industries in non-governmental sectors;
- (n) to collect, compile, analyse and distribute all kinds of industrial data and to set up therefore a data-bank;
- (o) to take any measure necessary for the performance of the functions mentioned above.

8. Executive Committee.- (1) There shall be an Executive Committee to the Board, which shall consist of one Chairman and no more than six members.

(2) The Chairman and the other members of the Executive Committee shall be appointed by the Government and the period and terms and conditions of their service shall be determined by the Government.

(3) The Chairman of the Executive Committee shall be called the Executive Chairman and he shall function as the chief executive officer of the Board.

(4) The Executive Committee shall render advice and assistance to the Board so that it may discharge its functions properly, it shall be responsible for the implementation of any decision of the Board and shall exercise all powers and discharge all duties entrusted by the Board.

(5) If the office of the Executive Chairman becomes vacant or if for reason of absence, sickness or others he is unable to discharge his functions, any member of the Executive Committee nominated by the Government shall function as Executive Chairman until a newly appointed Executive Chairman takes up office or the Executive Chairman is again able to discharge his functions.

9. Meeting.- (1) Subject to the other provisions of this section, the Board may regulate the proceedings of its own meetings, and of the meetings of the Executive Committee.

(2) The meetings of the Board shall, after consent of its Chairman, be summoned by its secretary, and shall be held at least once in three months at such place and time as may be determined by the Chairman.

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(3) The meetings of the Board shall be presided over by its Chairman and, in his absence, by its Vice-Chairman and, in the absence of both, by any member nominated by the members which are present at the meeting from among themselves.

(4) All meetings of the Executive Committee shall be summoned by order of the Executive Chairman, and shall be held at such time and place as may be determined by him.

(5) All meetings of the Executive Committee shall be presided over by the Executive Chairman and, in his absence, by any member appointed by him.

10. Registration.- (1) All industries established in non-governmental sectors except industries under the control of the Bangladesh Export Processing Zones Authority, the Bangladesh Small and Cottage Industries Organization, textile industries set up on their own capital and industrial undertakings licensed by the Board shall be registered in the prescribed manner.

(2) All industries registered under this Act shall be deemed to be industries licensed by the Board under this Act and all facilities offered by the Board in the case of licensed industries shall also, in view of their application, be offered in the case of such industries.

11. Licensing of industrial undertakings etc. - (1) Any person intending to establish in a non-governmental sector any industry other than an industry under the control of the Bangladesh Export Processing Zones Authority and the Bangladesh Small and Cottage Industries Organization, if he wants a licence for an industrial undertaking proposed by him, shall make an application to the Board in the manner and form prescribed by the Board.

(2) Notwithstanding anything contained in sub-section (1), the Government may from time to time, by notification in the official Gazette, on recommendation of the Board, exempt any industry or industrial undertaking from the application of this section.

(3) The Board may, for better consideration of an application received under sub-section (1), give order to the applicant to supply any information required in the opinion of the Board and the Board may take advice from any Authority concerned with any matter relating to the proposed industrial undertaking.

(4) Where on consideration of an application an undertaking has been considered fit for approval, the Board shall, under the strict conditions of its consideration, approve the scheme and grant a licence to the applicant, and shall determine in such licence the period within which to implement the scheme and to start production.

(5) The Board may, when approving any industrial undertaking under sub-section (4), pass, subject to its relevance, and transfer to the person or authority concerned, clear resolutions in respect of all matters necessary for the timely implementation of industrial undertakings, especially in respect of all or any of the following matters, namely:-

- (a) the amount and conditions of foreign credits and suppliers' credits;
- (b) the allotment of land in industrial areas in the possession or under the control of the Government or any local authority, except the Bangladesh Export Processing Zones Authority and the Bangladesh Small and Cottage Industry Organization;
- (c) the period of allocation of electricity, gas and water;
- (d) the period of allocation of drains;
- (e) the period of allocation of all kinds of telecommunication;
- (f) the period of exemption from charges by the Customs Authority in the case of imported equipments, spare parts and raw material;
- (g) the period of bestowal of a licence in respect of environmental pollution;

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(h) all other facilities required for the acceleration of establishing industries.

(6) Every resolution passed by the Board under sub-section (5) in respect of any matter shall be deemed to be a resolution passed by a person or authority authorised or competent to pass public or legal resolutions on the matters concerned and shall be implemented in accordance therewith.

(7) No person shall, without the prior consent of the Board, use the facilities granted under sub-section (5) for any purpose other than the industrial undertaking concerned.

(8) The Board may, in the case where an industrial undertaking licensed under sub-section (4) is a company registered under the Companies Act, 1913 (VII of 1913), in respect of all matters connected with the issue of its capital and the sale of its shares, exercise all the powers and discharge all the functions which the Government may exercise and discharge under the Capital Issue (Continuance of Control) Act, 1947 (XXI of 1947).

(9) Where there appears any difficulty in starting production in any industrial undertaking within or after the expiry of the period determined in its licence, the producer concerned may apply to the Board for removal of such difficulty and the Board shall, in view of such application, attempt to render adequate assistance.

(10) The Board may, from time to time, in respect of any industrial undertaking licensed under sub-section (4), call for such informations as it may require from the scheme producer.

12. Determination of import quotas.- (1) Where there is need for import quotas for the import of equipments, spare parts, raw materials and package materials for any industrial institution established in a non-governmental sector, except industries under the control of the Bangladesh Export Processing Zones Authority and the Bangladesh Small and Cottage Industries Organization and textile industries, the institution shall make an application in the prescribed manner and form to the Board.

(2) The Board shall, after consideration of the application, determine the import quotas and grant the licence required for the import of the equipments, spare parts, raw materials and package materials stated therein in accordance with the import quotas.

13. Royalties and fees.- Where any industrial institution established in a non-governmental sector, except any industry under the control of the Bangladesh Export Processing Zones Authority, has to pay any royalties or fees for technical knowledge or technical assistance to any foreign person or institution, the industrial institution concerned shall, in such manner as may be prescribed by the Board, make an application to the Board for determination of the said royalties or fees and shall pay the royalties or fees determined by the Board.

14. Duties of other authorities concerned with licensed industrial undertakings.- (1) Where, on occasion of the approval of any industry under section, the Board transmits any resolution to any person or authority, such person or authority shall, within such period as may be prescribed, take adequate measures for the implementation of such resolution.

(2) Where such person or authority fails, or is incapable, to take, within the period determined by the Board, adequate measures in accordance with its resolution, the Board may, after consideration of the matter, give adequate direction for taking measures in accordance with the said resolution and the person or authority concerned shall be bound to take measures in accordance with such direction.

15. Cancellation of licence.- Where any industrial undertaking licensed under section 11 transgresses any provision of this Act or of any rule made thereunder or breaks any condition

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relating to the licence, the Board may, in such manner as may be prescribed, cancel the licence of the industrial undertaking.

16. Supervision, investigation, etc..- The Board or any person or authority appointed by it may supervise the progress of the implementation of any industrial undertaking licensed under section 11 and shall submit a report of such supervision to the Board.

17. Declaration of industrial area.- The Government may, for carrying out the purposes of this Act, by notification in the official Gazette, declare one or more areas specified in the notification to be industrial areas.

18. Requisition of land for industrial areas.- Where any land situated in an area which has been declared to be an industrial area under section 17 is required for any industrial undertaking licensed under section 11, such land shall be considered to be required in the public interest and shall be confiscated or requisitioned in accordance with the provisions of the Acquisition and Requisition of Immovable Property Ordinance, 1982 (11 of 1982):

19. Committees.- The Board may, if necessary, appoint one or more committees to give it assistance in the discharge of its duties and the duties and responsibilities of every such committee shall be determined by the Board.

20. Officers and employees of the Board.- The Board may appoint such number of officers and other employees and advisers or counsellors as may be required for the proper discharge of its duties.

21. Delegation of powers.- The Board may, by order, delegate any of its powers or duties under this Act or any rule made thereunder to the Executive Committee or the Executive Chairman or any member of the Executive Committee or any Committee appointed by the Board.

22. Power to make rules.- The Government may, by notification in the official Gazette, make rules on occasion of the implementation of the purposes of this Act.

23. Repeals and savings.- (1) The Investment Board Ordinance, 1988 (Ordinance No.32, 1988) stands herewith repealed.

(2) Notwithstanding such repeal, any actions done or measures taken under the repealed Ordinance shall be deemed to have been done or taken under this Ordinance.