

THE FILM DEVELOPMENT CORPORATION ACT, 1957**CONTENTS**

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THE FILM DEVELOPMENT CORPORATION ACT, 1957

ACT NO. XV OF 1957

[21st May, 1957]

An Act to establish a Corporation for the purpose of promoting the development of film industry in Bangladesh.*

Whereas it is expedient to establish a Corporation for the purpose of promoting the development of film industry in Bangladesh;

It is hereby enacted as follows:-

1. (1) This Act may be called the ¹[* * *] Film Development Corporation Act, 1957. Short title,
extent and
commencement

(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.

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

(a) “Board” means the Board of Directors of the Corporation;

(b) “Borrower” means any person or persons or body of persons, whether incorporated or not, to whom a loan is made by the Corporation under this Act and the successors and assignees of such person or persons;

(c) “Corporation” means the Film Development Corporation established by this Act;

* Throughout this Act, the words “Government”, “Bangladesh”, and “taka” or “Tk” were substituted for the words “Provincial Government”, “East Pakistan” and “rupees” or “Rs” respectively by section 3 and the Second Schedule of the Bangladesh Laws (Revision and Declaration) Act, 1973 (Act No. VIII of 1973).

¹ The words “East Pakistan” were omitted by Article 6 of the Bangladesh (Adaptation of Existing Laws) Order, 1972 (President’s Order No. 48 of 1972).

(d) “Film industry” means an industry engaged in the production of motion pictures for commercial exhibition and includes the setting up and maintaining of studios for the production of films;

(e) “Film” means celluloid film used for producing motion pictures for commercial exhibition;

¹[(f) “Scheduled Bank” means a Bank for the time being included in the list of Banks maintained under clause (1) of Article 37 of the Bangladesh Bank Order, 1972 (P.O. No. 127 of 1972)]; and

²[* * *]

Establishment
and
incorporation of
Corporation

3. (1) A Corporation to be called The Film Development Corporation shall be established as soon as may be after the commencement of this Act.

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

Share capital
and
shareholders

4. (1) The authorised capital of the Corporation shall, in the first instance, be one crore of taka, divided into ten lakh fully paid up shares of Tk 10 each. These shares may be issued and allotted by the Corporation from time to time with the previous sanction of the Government.

(2) The authorised capital may, with the previous approval of the Government, be increased from time to time by the Corporation.

(3) The Government shall be a shareholder 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 shall be reserved for public subscription.

¹ Clause (f) was substituted by section 3 and the Second Schedule of the Bangladesh Laws (Revision and Declaration) Act, 1973 (Act No. VIII of 1973).

² Clause (g) was omitted by section 3 and the Second Schedule of the Bangladesh Laws (Revision and Declaration) Act, 1973 (Act No. VIII of 1973).

5. The shares and debentures of the Corporation shall be deemed to be “approved securities” for the purposes of the Trusts Act, 1882. Approved securities

6. (1) The general direction and administration of the Corporation and its affairs shall vest in a Board of Directors, which, with the assistance of an Executive Committee and a Managing Director, may exercise all powers and do all acts and things, which may be exercised or done by the Corporation. Management

(2) The Board in discharging its functions shall act on commercial considerations and shall be guided on questions of policy by such directions as the Government, which shall be the sole judge whether a question is a question of policy, may direct from time to time.

(3) If the Board fails to carry out any direction given as aforesaid, the Government may remove the Directors, including the Chairman with the exception of Directors elected under section 7(b) for reasons to be recorded in writing, and, notwithstanding anything in section 7, appoint persons in their place to be Directors temporarily until a fresh Board is constituted in accordance with the provisions of that section.

7. The Board of Directors shall consist of the following, namely:- Board of Directors

- (a) four Directors to be appointed by the Government; and
- (b) not more than three Directors to be elected in the prescribed manner by the shareholders of the Corporation other than the Government at any time being determined in accordance with the following table:-

If the total number of shares subscribed to by the shareholders other than the Government is equal to or exceeds:	The number of elected Directors shall be:
16-1/3 <i>per centum</i> of the total number of shares issued at the time.	One.
32-2/3 <i>per centum</i> of the total number of shares issued at the time.	Two.
49 <i>per centum</i> of the total number of shares issued at the time.	Three.

- (c) The Managing Director to be appointed by the Government under section 9:

Provided that when the Board is first constituted the Directors referred to in clause (b) shall be appointed by the Government in accordance with the table given in the said clause from amongst the shareholders and shall, for the purpose of this Act, be deemed to be elected Directors.

Terms of office
of Directors

8. (1) A Director appointed by the Government shall hold office during the pleasure of the Government.

(2) An elected Director shall hold office for a period of three years, shall continue in office after the expiry of his term until his successor is elected, and shall be eligible for re-election.

(3) A casual vacancy in the office of the Director shall be filled by election or appointment, as the case may be, and the Director elected or appointed to fill the vacancy shall hold office for the unexpired period of the term of his predecessor:

Provided that it shall not be necessary to fill a casual vacancy occurring within three months of the end of the term in which it occurs.

(4) No act or proceeding of the Board shall be invalid merely on the ground of the existence of any vacancy in, or any defect in the composition of, the Board.

Managing
Director

9. The Managing Director shall be appointed by the Government and shall-

¹[* * *]

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

(c) divest himself of any directorship in any other corporation, company or concern;

¹ Clause (a) was omitted by section 2 of the Film Development Corporation (Amendment) Act, 1967 (East Pakistan Act No. XIV of 1967).

- (d) hold office, unless removed earlier by the Government, for a term of three years and shall be eligible for re-appointment for a further term or terms:

Provided that any such further term may be for such period not exceeding three years as the Government may determine; and

- (e) be entitled to receive such salary and allowances as the Government may determine.

10. (1) The Executive Committee shall consist of three members, that is to say, the Managing Director (who shall be the Chairman of the Committee), one Director appointed by the Government from amongst the appointed Directors and one Director elected from amongst the elected Directors in the prescribed manner by the shareholders of the Corporation other than the Government:

Constitution and powers of the Executive Committee

Provided that-

- (a) if there is only one elected Director at any time, he shall be deemed to have been elected as a member;
- (b) if there is no elected Director at any time, the membership reserved for elected Directors shall be filled, until such time as a Director is elected, by a Director appointed by the Government from amongst the appointed Directors.

(2) An elected member shall hold office for three years and shall be eligible for re-election, but shall cease to hold office when he ceases to be an elected Director.

(3) Subject to such general or special directions as may from time to time be given by the Board, the Executive Committee shall be competent to deal with any matter within the competence of the Board.

(4) The minutes of every meeting of the Executive Committee shall be laid before the Board at its next following meeting.

Disqualification
for the office of
Director

11. No person shall be or shall continue to be a Director who-

- (a) is a salaried official of the Corporation other than the Managing Director, 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 or at any time has been convicted of an offence which in the opinion of the Government is an offence involving moral turpitude, or
- (e) is a minor.

Directors absent
from three
consecutive
meetings

12. A person shall cease to be a Director if he absents from three consecutive meetings of the Board without leave of absence from the Chairman, or, in the case of the Chairman, from the Government.

Appointment of
officers,
advisers and
consultants

13. The Corporation may, subject to such instructions as may be issued by the Government in this behalf, appoint or employ such persons, including advisers and consultants, as it considers necessary for the efficient performance of its functions.

Chairman of the
Board

14. (1) The Government shall appoint one of the Directors other than the Managing Director 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 thereafter until his successor is appointed and shall be eligible for re-appointment.

Technical
Advisory
Committee

15. The Corporation shall appoint a Committee of experts to be called "The Technical Advisory Committee" to give it technical advice on schemes submitted to the Corporation for financial assistance or on any point that may be referred to the Committee by the Board.

16. No information given by a person applying for financial assistance and made known to the Committee shall be disclosed or used by any member of the Committee without the written consent of such person.

Restriction on disclosure of information

17. (1) The meetings of the Board and the Executive Committee shall be held at such times and at such places as may be prescribed by rules:

Meetings of the Board and the Committee and quorum thereof

Provided that until rules are made in this behalf such meetings shall be convened by the Chairman of the Board or the Committee, as the case may be.

(2) To constitute a quorum at a meeting of-

- (a) the Board, not less than three Directors shall be present;
- (b) the Executive Committee, not less than two members shall be present.

(3) At a meeting of the Board or of the Executive Committee, each Director or member of the Committee, as the case may be, shall have one vote, and in the event of equality of votes the Chairman shall have a casting vote.

(4) No Director shall vote on any matter relating to an industrial concern in which he is directly or indirectly interested.

(5) If for any reason the Chairman is unable to be present at a meeting-

- (a) of the Board, a Director other than the Managing Director authorised in writing by the Chairman shall preside at that meeting and in default of such authorisation the Directors present may elect a Chairman to preside at that meeting;
- (b) of the Executive Committee, a member authorised in writing by the Managing Director shall preside at that meeting and in default of such authorisation the members present may elect a Chairman to preside at that meeting.

Fees for attending meetings	18. Directors other than the Managing Director and not being servants of the Government shall be paid such fees for attending the meetings of the Board or the Executive Committee, if they are members of it, as may be prescribed by the Board.
Offices	19. The Corporation shall establish its Head Office in ¹ [Dhaka].
Deposit accounts	20. The Corporation may open a deposit account with the ² [Sonali Bank] or with such other Scheduled Bank as the Government may approve.
Investment of funds	21. The Corporation may invest its funds in such securities or in such other manner as may be prescribed by rules.
Borrowing power	22. (1) The Corporation, with the prior approval of the Government, may issue and sell bonds and debentures carrying interest at such rates as may be approved by the Government for the purpose of raising its working capital: Provided that the total of sums due on such bonds and debentures issued and outstanding and of the contingent liabilities of the Corporation in respect of guarantees or underwriting agreements shall not at any time exceed five times the combined amount of the paid-up share capital and the reserve fund of the Corporation. (2) The bonds and debentures of the Corporation shall be guaranteed by the Government as to the repayment of principal and payment of interest at such rate as may be fixed by the Government at the time when the bonds and debentures are issued.
Deposits	23. The Corporation may accept deposits on such terms and conditions and to such extent as may be approved by the Government.

¹ The word "Dhaka" was substituted for the word "Dacca" by section 3 and the Second Schedule of the Bangladesh Laws (Revision and Declaration) Act, 1973 (Act No. VIII of 1973).

² The words "Sonali Bank" were substituted for the words "National Bank of Pakistan" by section 3 and the Second Schedule of the Bangladesh Laws (Revision and Declaration) Act, 1973 (Act No. VIII of 1973).

24. (1) The Corporation shall take such measures as it thinks fit to render assistance in the development of film industry.

Functions of the Corporation

(2) In particular and without prejudice to the generality of the foregoing power, the Corporation may, in order to carry out the purposes of this Act,-

- (a) give loans to persons or companies for producing motion pictures, and establishment and maintenance of studios;
- (b) give loans to persons or corporations for setting up film studios;
- (c) set up studios itself and to make available the use of such studios on hire to film producers:

Provided that the loans given or guaranteed under clauses (a) and (b) shall be repayable within a period not exceeding three years;

- (d) prepare and submit to the Government schemes for the development of film industry and small-scale industries, including schemes of research in connection thereto;
- (e) import cinematograph films and other necessary requisites for production or processing of films for distribution to film producers;
- (f) give loans to motion picture exhibitors for purchase of projectors and ancillaries thereto.

This shall not include loans for lands, construction of buildings and fittings and furnishings.

Explanation.- Loans may be given by the Corporation in kind and may include letting of its studios on hire.

¹[(3) Nothing in section 116 of Companies Act, 1994 (Act 18 of 1994) shall apply to the Corporation.]

¹ Sub-section (3) was substituted by section 3 and the Second Schedule of the Bangladesh Laws (Revision and Declaration) Act, 1973 (Act No. VIII of 1973).

Limit of accommodation	<p>25. The Corporation shall not grant or make any such loan as is mentioned in clause (a) or clause (b) or clause (f) of subsection (2) of section 24 to an extent which in the aggregate exceeds 10 <i>per centum</i> of the paid-up share capital:</p> <p>Provided that in individual cases the limit of ten <i>per centum</i> may be relaxed by the Government for special reasons on the recommendation of the Corporation, but in no case shall the amount of any loan exceed three lakhs of taka.</p>
Security for loans	<p>26. No loan shall be made unless it is fully secured by pledge, mortgage, hypothecation or assignment of such property, movable or immovable, and of such value in proportion to the loan as may be prescribed.</p>
Interest on loans	<p>27. The rate of interest chargeable on loans made by the Corporation shall be determined and notified by the Government from time to time.</p>
Limit of loans	<p>28. The Corporation shall not make loans in excess of the following aggregate limits, namely:-</p> <p>(a) when made to an individual -Tk 50,000.</p> <p>(b) when made to a company - Tk 1,00,000:</p> <p>Provided that the above limits may be relaxed by the Government in special cases for special reasons on the recommendation of the Corporation subject to the limit prescribed in the proviso to section 25.</p>
Power to impose conditions	<p>29. (1) At the time of entering into any transaction under section 24, the Corporation may impose such conditions as it may think necessary or expedient for protecting its own interest and for securing that the loan, underwriting or other aid shall be put to the best use.</p> <p>(2) Where aid is granted on the condition that a Director shall be appointed by the Corporation to the Board of a Company, such condition shall have effect notwithstanding anything contained in the ¹[Companies Act, 1994 (Act 18 of 1994)], or any other law for the time being in force.</p>

¹ The words, comma, figures and brackets “Companies Act, 1994 (Act No. 18 of 1994)” were substituted for the words, comma, figures and brackets “Companies Act, 1913 (VII of 1913)” by section 3 and the Second Schedule of the Bangladesh Laws (Revision and Declaration) Act, 1973 (Act No. VIII of 1973).

30. The Corporation shall not-

Prohibited
business

- (a) accept deposits except as provided in or under this Act; or
- (b) subscribe directly to the shares or stock of any company having limited liability.

31. (1) For the purpose of granting a loan to an individual or a company in foreign currency, the Corporation may, with the previous consent of the Government ¹[* * *], borrow any such currency from the International Bank for Reconstruction and Development or from other sources, and may pledge, mortgage, hypothecate or assign to the said Bank or other lender all or any part of the security taken by the Corporation for the loan granted in foreign currencies.

Loans in
foreign
currency

(2) All loans granted in foreign currency shall be repayable either-

- (a) in the currency in which they are granted, or
- (b) in ²[Bangladesh] currency at the rate of exchange prevailing prevailing on the date of repayment.

32. (1) Notwithstanding anything in any agreement, if-

Power to
demand
immediate
payment of
the entire sum

- (a) it is found that the loan was obtained by information supplied by the borrower which was false or misleading in any material particular; or
- (b) the borrower is found to have committed a breach of the terms of his agreement with the Corporation relating to the loan; or
- (c) the loan or any part of it is found to have been utilised otherwise than for the purpose for which it was made; or
- (d) there is a reasonable apprehension that the borrower will be unable to pay his debts or may go into liquidation; or

¹ The words "and the Government of Pakistan" were omitted by section 3 and the Second Schedule of the Bangladesh Laws (Revision and Declaration) Act, 1973 (Act No. VIII of 1973).

² The word "Bangladesh" was substituted for the word "Pakistan" by section 3 and the Second Schedule of the Bangladesh Laws (Revision and Declaration) Act, 1973 (Act No. VIII of 1973).

- (e) the property pledged, mortgaged, hypothecated or assigned to the Corporation as security for the loan is not kept in a proper condition by the borrower or in case the property has depreciated in value by more than the prescribed percentage and the borrower is unable to give additional security to the satisfaction of the Corporation; or
- (f) without the permission of the Board the house, land or other property mortgaged as security for the loan is in any way disposed of or charged by the borrower; or
- (g) without the permission of the Board, machinery or other equipment is removed from the premises of the borrower's establishment without being replaced; or
- (h) for any other reason, it is necessary in the opinion of the Board to do so in order to protect the interests of the Corporation;

any officer of the Board authorised generally or specially in this behalf by the Board may by notice call upon the borrower to pay up the entire sum then remaining unpaid by the borrower in respect of the loan and the interest payable thereon, or any lesser sum, or require the borrower to comply with such directions as the Board may consider it necessary to give in order to safeguard its interest.

(2) Such notice shall specify the time within which the borrower was required to make the payment or to carry out the directions given, and shall also contain a warning that, if the borrower fails to pay the amount demanded or to carry out the directions given within the time specified, the Board may issue a certificate certifying the borrower to be a defaulter and certifying the sum due from the borrower to be recoverable as arrears of land revenue.

Certification of
sums
recoverable

33. (1) If the borrower fails to make the payment demanded or to carry out the directions given in a notice under section 32 within the time specified in the notice, the Board may issue a certificate in the prescribed form and manner certifying the borrower to be a defaulter and certifying the aggregate sum, including interest, payable by the borrower to the Corporation on and up to the date of the certificate and the rate at which interest was payable thereon thereafter.

(2) Subject to the provisions of sub-section (3), a certificate issued under sub-section (1) shall be conclusive evidence that the sums certified in the certificate together with further interest at the rate certified were recoverable by the Corporation from the borrower, and such sums shall be immediately recoverable as arrears of land revenue.

(3) The borrower may appeal to the Government against a certificate issued under sub-section (1) within 15 days of its issue and the Government may cancel or modify the certificate.

34. (1) When a certificate under section 33 has been issued and is subsisting against a borrower, any officer nominated for this purpose by the Corporation may file a suit by presenting a plaint in the prescribed manner in the Court within the local limits of whose jurisdiction the loan was made or the establishment or concern in respect of which the loan was made or any immovable property charged as security was situated for any one or more or all of the following reliefs, namely:-

Special provisions for enforcement of the claims of the Corporation

- (a) an order for the recovery of the amount due to the Corporation executable personally against the borrower and by a sale of the properties pledged, mortgaged, hypothecated or assigned by the borrower as security for the loan;
- (b) an injunction restraining the borrower from in any manner removing, transferring or disposing of any of the properties referred to in clause (a); and
- (c) an *ad interim* attachment attaching the properties referred to in clause (a) above and such other properties of the borrower as in the opinion of the Court may be sufficient to cover the claim of the Corporation against the borrower.

(2) The plaint under sub-section (1) shall be in the prescribed form and shall state the nature and extent of the liability of the borrower to the Corporation, the grounds upon which it is made and such other particulars as may be prescribed.

(3) Save as otherwise provided by this section, the Code of the Civil Procedure, 1908, shall so far as may be applicable to the proceedings on such a plaint.

(4) The borrower shall not appear to defend the suit unless he obtains leave from the Court as hereinafter provided so to appear and defend; and in default of his obtaining such leave or of his appearance and defence in pursuance thereof, the allegations in the plaint shall be deemed to be admitted and the Corporation shall be entitled to decree accordingly.

(5) If the borrower discloses such facts upon affidavit or otherwise as in the opinion of the Court are sufficient to entitle him to appear and defend the suit, the Court shall grant him leave to appear and defend. Such leave may be granted unconditionally or subject to such terms as to payment into Court, giving security framing and recording of issues or otherwise as the Court thinks fit.

(6) A decree passed under this section may be executed forthwith.

(7) After the decree the Court may under special circumstances set aside the decree and, if necessary, stay or set aside execution and may give leave to the borrower to appear and defend the suit if it seems reasonable to the Court so to do, and on such terms as the Court thinks fit.

(8) A decree passed under this section shall be appealable.

Act XVIII of
1891 to apply to
the books of the
Corporation

35. The Corporation shall be deemed to be a Bank for the purpose of the Banker's Book Evidence Act, 1891.

Disposal of
profit

36. After making provision for bad and doubtful debits, depreciation of assets and any other matters which are usually provided for by bankers, the Corporation shall, out of its net annual profit, establish a Reserve Fund and may declare a dividend.

The rate of such dividend shall not exceed five *per centum per annum*.

37. (1) A general meeting (hereinafter referred to as the annual general meeting) shall be held at the office of the Corporation annually within two months from the date on which the annual accounts of the Corporation are closed and a general meeting may be convened by the Board at any other time.

General meetings

(2) The shareholders present at the annual general meeting shall be entitled to discuss the annual accounts, the annual report of the Board on the working of the Corporation and the auditors' report on the annual balance sheet and accounts, and to express their views in the form of resolutions; and the Corporation shall consider such views and give such effect to them as it considers fit.

38. (1) The accounts of the Corporation shall be audited by not less than two auditors holding a certificate under ¹[section 212 of the Companies Act, 1994 (Act 18 of 1994)], who shall be appointed by the Government on such remuneration as it may fix, and such remuneration shall be paid by the Corporation.

Audit

(2) Every auditor appointed under sub-section (1) shall be given a copy of the annual balance sheet of the Corporation, and shall examine it together with the accounts and vouchers relating thereto, and shall have a list delivered to him of all books kept by the Corporation, and shall at all reasonable times have access to the books, accounts and other documents of the Corporation, and may in relation to such accounts examine any Director or Officer of the Corporation.

(3) The auditors shall report to the shareholders upon the annual balance sheet and accounts and in their report they shall state whether in their opinion the balance sheet exhibits a true and correct view of the state of the Corporation's affairs according to the best of their information and the explanations given to them and as shown by the books of the Corporation,

¹ The words, figures, comma and brackets "section 212 of the Companies Act, 1994 (Act No. XVIII of 1994)" were substituted for the words, figures, comma and brackets "section 144 of the Companies Act, 1913 (Act No. VII of 1913)" by section 3 and the Second Schedule of the Bangladesh Laws (Revision and Declaration) Act, 1973 (Act No. VIII of 1973).

and whether in their opinion books of accounts have been kept by the Corporation in a proper manner and, in case they have called for any explanation or information from the Board, whether it has been given and whether it is satisfactory.

(4) The Government may at any time issue directions to the auditors requiring them to report to it upon the adequacy of the measures taken by the Corporation for the protection of interests of its shareholders and creditors or upon the sufficiency of their procedure in auditing the affairs of the Corporation, and may at any time enlarge or extend the scope of the audit or direct that a different procedure in audit be adopted or that any other examination be made by the auditor if in its opinion the public interest so requires.

Returns

39. (1) The Corporation shall furnish to all shareholders within ten days of the date to which the statement relates, a statement in the prescribed form of its assets and liabilities as they stand at the close of business on the last Thursday of each month, or if that day is a public holiday under the Negotiable Instruments Act, 1881, then as they stand at the close of business on the preceding working day.

(2) The Corporation shall furnish in the prescribed form to the Government such returns and statements at such intervals as the Government may require from time to time.

(3) The Corporation shall furnish to the Government within two months of the close of the financial year an audited statement in the prescribed form of its assets and liabilities as they stand at the close of that year together with a profit and loss account for the year and a report on the working of the Corporation during the year, and copies of the said statement, account and report shall be published in the *official Gazette* and shall be laid before ¹[Parliament].

Liquidation of Corporation

40. No provision of law relating to the winding up of companies or corporations shall apply to the Corporation and the Corporation shall not be wound up save by order of the Government and in such manner as it may direct.

¹ The word "Parliament" was substituted for the words "the Provincial Legislature" by section 3 and the Second Schedule of the Bangladesh Laws (Revision and Declaration) Act, 1973 (Act No. VIII of 1973).

41. (1) Every Director shall be indemnified by the Corporation against all losses and expenses incurred by him in the discharge of his duties except such as are caused by his own wilful act or default.

Indemnity of Directors

(2) A Director shall not be personally responsible for the acts of any other Director or of any officer or servant of the Corporation for any loss or expense resulting to the Corporation by reason of the insufficiency or deficiency in value of or title to any property or security acquired or taken on behalf of the Corporation or by the wrongful act of any person under a liability to the Corporation, or by anything done by him in good faith in the execution of the duties of his office.

42. Every Director, auditor, officer or servant of the Corporation shall, before entering upon his duties, make a declaration of fidelity and secrecy.

Declaration of fidelity and secrecy

43. For the purposes of the ¹[Income-tax Ordinance, 1984 (XXXVI of 1984)], the Corporation shall be deemed to be a company within the meaning of that Act, and shall be liable to income-tax and super-tax accordingly on its income, profits and gains.

Provision relating to income-tax and super-tax

44. (1) Whoever wilfully makes a false statement or knowingly makes use of any false statement for the purpose of obtaining a loan from the Corporation or of inducing the Corporation to accept any security in any form or kind shall be punishable with imprisonment for a term which may extend to two years, or with a fine which may extend to two thousand taka, or with both.

Offences

(2) Whoever being a member of the Board or of any Committee of the Corporation discloses or uses for a purpose not connected with the discharge of his duties as a member of the Board or of such Committee any information supplied to the Corporation or to the Board or to the Committee by a person

¹ The words, comma, figures and brackets “Income-tax Ordinance, 1984 (XXXVI of 1984)” were substituted for the words, comma, figures and brackets “Income-tax Act, 1922 (XI of 1922)” by section 3 and the Second Schedule of the Bangladesh Laws (Revision and Declaration) Act, 1973 (Act No. VIII of 1973).

applying for financial assistance shall be punishable with imprisonment for a term which may extend to six months, or with fine which may extend to one thousand taka, or with both.

(3) No Court shall take cognizance of any offence punishable under this Act otherwise than on a complaint in writing signed by an officer of the Corporation authorised by the Board in this behalf.

Power of Government to make rules

45. The Government may make rules not inconsistent with this Act for the purpose of giving effect to the provisions of this Act, and where the regulations framed under the next succeeding section are inconsistent with the rules, the rules shall prevail.

Power of the Board to make regulations

46. (1) The Board may, with the previous sanction of the Government, make regulations not inconsistent with this Act or the rules made under this Act to provide for all matters for which provision is necessary or expedient for the purpose of giving effect to the provisions of this Act.

(2) In particular and without prejudice to the generality of the foregoing powers, such regulations may provide for-

- (a) the holding and conduct of elections under this Act including the final decision of doubts or disputes regarding the validity of elections;
- (b) the manner in which and the conditions subject to which the first allotment of the shares of the Corporation shall be made;
- (c) the manner in which and the conditions subject to which the shares of the Corporation may be held and transferred and generally all matters relating to the rights and duties of the shareholders;
- (d) the manner in which the general meeting shall be convened, the procedure to be followed thereat, and the manner in which the right to vote may be exercised;

- (e) the calling of the meetings of the Board and of the Executive Committee, fees for attending the meeting thereof and the conduct of business thereat;
- (f) the manner and terms of issue and redemption of bonds and debentures by the Corporation;
- (g) the conditions subject to which the Corporation may grant loans;
- (h) the form and manner of determining the sufficiency of the security taken under section 26;
- (i) the manner in which and the conditions subject to which the Corporation may borrow in foreign currency from foreign lenders;
- (j) the form of returns and statements required under this Act;
- (k) the terms and conditions of service, duties and conduct of officers and servants and agents of the Corporation;
- (l) the disclosure of interest, direct or indirect, of a Director of the Board in any application for loan;
- (m) the taking over of, and the management of the business of a subsidiary corporation or a company or co-operative society committing a breach of its agreement with the Corporation;
- (n) the preparation of annual estimates of income and expenditure of the Corporation in the prescribed form and their submission to the Board and the Government for approval on prescribed dates; and
- (o) the efficient conduct of the affairs of the Corporation generally.

(3) All regulations made under this section shall be published in the *official Gazette*, and shall come into force on such publication.
