

**THE PUBLIC INVESTMENTS (FINANCIAL
SAFEGUARDS) ORDINANCE, 1960**

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THE PUBLIC INVESTMENTS (FINANCIAL SAFEGUARDS) ORDINANCE, 1960

ORDINANCE NO. XLVI OF 1960

[2nd November, 1960]

An Ordinance to provide for financial safeguards in respect of certain investments made out of public revenues.*

WHEREAS it is expedient to provide for financial safeguards in respect of certain investments made out of public revenues;

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

Short title and commencement

1. (1) This Ordinance may be called the Public Investments (Financial Safeguards) Ordinance, 1960.

(2) It shall come into force at once.

2. [Definition.- Omitted by section 3 of the Public Investments (Financial Safeguards) (Amendment) Ordinance, 1976 (Ordinance No. LVIII of 1976).]

Power to Government to prescribe procedures, etc., in certain cases

3. (1) Where any corporation, institution or undertaking, whether incorporated in pursuance of a ¹[Bangladesh law] or not so incorporated, has been established by Government with the aid of public revenues, the Government shall, notwithstanding anything in any law, or in any instrument, deed or other document relating to such corporation, institution or undertaking, have power-

(a) to prescribe financial procedures, including procedures for internal financial control, in respect of matters relating

* Throughout this Ordinance, the word "Government" was substituted for the words "appropriate Government" by section 2 of the Public Investments (Financial Safeguards) (Amendment) Ordinance, 1976 (Ordinance No. LVIII of 1976).

¹ The words "Bangladesh law" were substituted for the words "Central or Provincial law" by section 4 of the Public Investments (Financial Safeguards) (Amendment) Ordinance, 1976 (Ordinance No. LVIII of 1976).

to the receipt and expenditure of moneys and sanctions thereto;

- (b) to give general or special financial directions to such corporations, institutions and undertakings; and
- (c) to depute such of its officer or officers to scrutinise their financial procedures and transactions as it may think necessary.

(2) Where any procedure is prescribed under clause (a) of sub-section (1), or any financial direction is given, or officer deputed, under clause (b) or clause (c) thereof, it shall be the duty of the Corporation, institution or undertaking concerned to comply with the procedure or direction, or, as the case may be to receive the officer and afford him every convenient means of fulfilling the purpose of his deputation.

4. Where any corporation has been established otherwise than by Government, but Government, or any such corporation, institution or undertaking as is referred to in section 3, has provided a portion of the capital or funds thereof, and is thereby entitled to appoint one or more Directors, the Government may, notwithstanding anything in the ¹[Companies Act, 1994 (Act 18 of 1994)], or in any other law or in any instrument, deed or other document relating thereto, give the director or directors so appointed such general or special financial directions as it may think necessary, and it shall be the duty of every such director to comply with the directions so given.

Power to
Government to
give directions
in certain other
cases

5. The Government may, in order to ensure proper compliance with the provisions of this Ordinance, call for any information, including any book, account, record or other document, from any such corporation, institution or undertaking as is referred to in section 3, or from any such director as is referred to in section 4.

Power to call
for documents,
etc.

¹ The words, comma, figures and brackets “Companies Act, 1994 (Act 18 of 1994)” were substituted for the words, comma, brackets and figure “Companies Act, 1913 (VII of 1913)” by section 3 of the Bangladesh Laws (Revision and Declaration) (Third Amendment) Act, 2001 (Act No. XLVIII of 2001).

Penalties

6. Whoever fails to discharge any duty imposed by or under this Ordinance, or to comply with any direction given or any rule or order made or issued thereunder, shall be punishable with simple imprisonment for a term which may extend to three months, or with fine which may extend to ¹[Taka fifty thousand] , or with both.

Offences by
Corporations,
etc.

7. If an offence punishable under this Ordinance is committed by a Corporation, institution or undertaking, every director, manager, secretary, agent or other officer or person concerned with the management thereof, shall, unless he proves that the offence was committed without his knowledge or consent, or that he exercised due diligence to prevent its commission, be deemed to be guilty of such offence.

False
information, etc.

8. Any person who,

- (a) when required under this Ordinance to furnish any information, furnishes any information which is false in any material particular and which he knows or has reasonable cause to believe to be false, or does not believe to be true, or
- (b) knowingly makes any false statement in any book, account, record or other document which he is required under this Ordinance to furnish,

shall be punishable with the same punishment as is provided in section 6.

Cognizance of
offence

9. No Court inferior to that of a Magistrate of the First Class shall take cognizance of any offence punishable under this Ordinance, and cognizance shall not be so taken save on a complaint made in writing by or under the authority of the Government.

Power to make
rules

10. The Government may, by notification in the *official Gazette*, make rules for carrying out the purposes of this Ordinance.

¹ The words "Taka fifty thousand" were substituted for the words "ten thousand rupees" by section 5 of the Public Investments (Financial Safeguards) (Amendment) Ordinance, 1976 (Ordinance No. LVIII of 1976).