

**THE TRADING CORPORATION OF BANGLADESH
ORDER, 1972**

PRESIDENT'S ORDER NO. 68 OF 1972

[14th June, 1972]

WHEREAS, it is expedient to provide for the establishment of a Trading Corporation to carry on the business of imports and exports of all kinds of goods and materials and for matters ancillary thereto;

NOW, THEREFORE, in pursuance of the Proclamation of Independence of Bangladesh, read with the Provisional Constitution of Bangladesh Order, 1972, and in exercise of all powers enabling him in that behalf, the President is pleased to make the following Order:-

1. (1) This Order may be called the Trading Corporation of Bangladesh Order, 1972.

(2) It extends to the whole of Bangladesh and shall apply to the business of the Corporation outside Bangladesh.

(3) It shall come into force at once and shall be deemed to have taken effect on the first day of January, 1972.

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

- (a) "Board" means the Board of Directors of the Corporation;
- (b) "Chairman" means the Chairman of the Board;
- (c) "Corporation" means the Trading Corporation of Bangladesh established under this Order;
- (d) "Director" means a Director of the Corporation;
- (e) "Government" means the Government of the People's Republic of Bangladesh;
- (f) "prescribed" means prescribed by rules or regulations made under this Order.

3. (1) On the commencement of this Order there shall be established a Corporation to be called the Trading Corporation of Bangladesh for the purposes of this Order.

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

4. (1) The Head Office of the Corporation shall be located at Dacca.

(2) The Corporation may establish such regional or other offices, branches and agencies as the Board may think fit.

5. (1) The authorised capital of the Corporation shall be five crores of Taka to be subscribed by the Government from time to time according to the requirements of the Corporation.

(2) The Government may increase the authorised capital from time to time.

6. (1) Subject to rules and regulations made under this Order, the general direction and superintendence of the affairs and business of the Corporation shall vest in a Board of Directors which may exercise all such powers and do all such acts and things as may be exercised or done by the Corporation.

(2) The Board, in discharging its functions, shall act on commercial considerations with due regard to the interest of the nation and the public generally and be guided by such general or special instructions as may be given to it by the Government from time to time.

7. (1) The Board shall consist of a Chairman and not more than ¹ [such number of other Directors as may be determined by Government from time to time] to be appointed by the Government.

¹ The words "such number of other Directors as may be determined by Government from time to time" were substituted for the words "six other Directors" by section 2 of the Trading Corporation of Bangladesh (Amendment) Act, 1974 (Act No. VI of 1974).

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

8. (1) The Chairman shall be the chief executive officer of the Corporation.

(2) The Chairman and other Directors shall be whole-time officers of the Corporation and shall hold office for such period and on such terms and conditions as may be determined by the Government.

(3) The Chairman and other Directors shall exercise such powers, perform such functions and discharge such duties as may be prescribed or assigned to them by the Board.

9. (1) The meetings of the Board shall be held at such times and places and in such manner as may be prescribed:

Provided that a meeting may also be otherwise convened by the Chairman when he so thinks fit.

(2) If for any reason the Chairman is unable to be present at a meeting of the Board, a Director authorised in writing by the Chairman shall preside over the meeting.

(3) At a meeting of the Board each director shall have one vote, but in the event of equality of votes the Chairman shall have a second or casting vote.

10. The Board may appoint such committee or committees as it thinks fit to assist it in the efficient discharge of its functions.

11. (1) The Corporation may appoint such officers, advisers and other employees as it considers necessary for the efficient performance of its functions on such terms and conditions as it may deem fit.

(2) The Chairman may, in cases of urgency, appoint such officers, advisers or other employees on such terms and conditions as he thinks fit:

Provided that every appointment of officer or adviser under this clause shall be reported to the Board without unreasonable delay and shall not continue beyond six months unless approved by the Board.

12. Subject to the provisions of this Order, the functions of the Corporation shall be-

- (a) to carry on the business of imports and exports of goods, commodities, materials and merchandise from and to all countries in the world in accordance with the policy of the Government from time to time;
- (b) to arrange for the sale and distribution of the goods, commodities, materials and merchandise imported by it and to appoint dealers, agents and other means for the purpose subject to Government directives from time to time in this regard; and
- (c) to do all other acts and things connected with or ancillary to any of the matters referred to in clauses (a) and (b).

13. The Board may, by general or special order in writing, direct that such of its powers shall, in such circumstances and under such conditions, if any, as may be specified in the order, be exercisable also by the Chairman or by such Director or officer of the Corporation as may be so specified.

14. The Corporation may, with the prior approval of the Government, borrow money in Bangladesh or foreign currency.

15. The Corporation may open accounts with any bank or banks.

16. The Corporation may invest its funds in such securities as may be authorised by the Government.

17. The Corporation shall, by such date in each year as may be prescribed by rules, submit to the Government for approval a statement, to be called the Annual Budget Statement, in the prescribed form for each financial year showing the estimated receipts and expenditure and the sums which are likely to be required from the Government during that financial year.

18. (1) The Corporation shall maintain proper accounts and shall prepare annual statement of accounts, including the profit and loss account and balance-sheet, in accordance with such general directions as may be issued, and in such form as may be prescribed, by the Government.

(2) The accounts of the Corporation shall be audited by not less than two auditors, being chartered accountants within the meaning of the Chartered Accountants Ordinance, 1961 (Ord. No. X of 1961), who shall be appointed by the Government.

(3) Every auditor appointed under clause (2) shall be given a copy of the annual balance-sheet and other accounts of the Corporation and shall examine it together with the account books 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.

(4) The auditors shall report to the Government upon the annual balance-sheet and accounts, and in their report they shall state whether, in their opinion, the balance-sheet contains all necessary particulars and is properly drawn up so as to exhibit a true and correct view of the state of the Corporation's affairs, and if they have called for any explanation or information from the Board, whether it has been given and whether it is satisfactory.

(5) The Government may, at any time, issue directions to the auditors requiring them to report to it upon the adequacy of measure taken by the Corporation for the protection of the interest of the Government and of the creditors of the Corporation 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 different procedure in audit shall be adopted or that any other examination shall be made by the auditors or any other person or persons if, in its opinion, the interest of the Government so requires.

19. (1) The Corporation shall furnish to the Government such returns, reports and statements as the Government may from time to time require.

(2) The Corporation shall, as soon as possible after the end of every financial year, furnish to the Government a statement of accounts audited by the auditors under Article 18 together with an annual report on the conduct of its affairs for that year and on its proposal for the next ensuing financial year.

(3) The copies of the audited accounts and annual report received by the Government under clause (2) shall be published in the *official Gazette* and shall be laid before the Legislature.

20. After making provisions for bad and doubtful debts, depreciation of assets and such other matter as may be prescribed by regulations, the Corporation may, out of its net annual profits, establish a reserve fund and any surplus remaining thereafter shall be paid to the Government.

21. 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 wrongful act or default.

22. No provision of law relating to the winding up of companies 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.

23. Notwithstanding anything contained in any other law for the time being in force or in any memorandum or articles of association, deed or other instrument, on the commencement of this Order,-

- (a) all assets of the Trading Corporation of Pakistan Limited, hereinafter referred to as the said company, in Bangladesh shall stand transferred to, and vested in, the Corporation;

Explanation.- The expression "assets" includes all rights, powers, authorities and privileges, all property, movable

and immovable, including lands, buildings, cash balances, bank deposits, reserve funds, investments and all other rights and interests in, or arising out of, such property and all books of accounts, registers, records and all other documents of whatever nature relating thereto;

- (b) all debts and liabilities incurred, all obligations undertaken, all contracts entered into and all agreements made in Bangladesh by or with the said company shall, unless the Government otherwise directs stand transferred to, and be deemed to have been incurred, undertaken, entered into or made by or with, the Corporation;
- (c) all suits or other legal proceedings instituted by or against the said company in Bangladesh before the commencement of this Order shall, unless the Government otherwise directs, be deemed to have been instituted by or against the Corporation and may be continued or proceeded with accordingly;
- (d) all officers and other employees of the said company in Bangladesh shall stand transferred to the Corporation on such terms and conditions as the Corporation may determine:

Provided that an officer or other employee so transferred shall have the option not to continue in the service of the Corporation.

24. The Government may, by notification in the *official Gazette*, make rules for the purpose of giving effect to the provisions of this Order.

25. (1) The Board may, with the previous approval of the Government, make regulations, not inconsistent with the provisions of this Order and the rules, to provide for all matters for which provision is necessary or expedient for the purpose of giving effect to the provisions of this Order.

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