

**THE BANGLADESH SERICULTURE BOARD
ORDINANCE, 1977**

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**THE BANGLADESH SERICULTURE BOARD
ORDINANCE, 1977**

ORDINANCE NO. LXII OF 1977

[30th December, 1977]

**An Ordinance to make provision for the establishment
of the Bangladesh Sericulture Board.**

WHEREAS it is expedient to make provision for the establishment of the Bangladesh Sericulture Board for the welfare of persons engaged in sericulture and sericulture industry and for matters connected therewith;

NOW, THEREFORE, in pursuance of the Proclamations of the 20th August, 1975, and the 8th November, 1975, and in exercise of all powers enabling him in that behalf, the President is pleased to make and promulgate the following Ordinance :-

Short title

1. This Ordinance may be called the Bangladesh Sericulture Board Ordinance, 1977.

Definitions

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

- (a) "Board" means the Bangladesh Sericulture Board established under section 3;
- (b) "Chairman" means the Chairman of the Board appointed under section 6;
- (c) "filature raw silk" means raw silk reeled from silkworm cocoons with the help of any instrument worked by any form of energy, including electrical energy, which is mechanically transmitted and is not generated by human or animal agency;
- (d) "member" means a member of the Board and includes the Chairman;
- (e) "prescribed" means prescribed by rules or regulations made under this Ordinance;

- (f) “regulations” means regulations made under section 21;
- (g) “rules” means rules made under section 20;
- (h) “spun silk” means silk yarn spun from pierced or spoilt cocoons, Eri cocoons, pieces of silk, noils or other silk waste.

3. (1) As soon as may be after the commencement of this Ordinance, the Government shall, by notification in the *official Gazette*, establish a Board to be called the Bangladesh Sericulture Board for carrying out the purposes of this Ordinance.

Establishment of the Board

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

4. (1) The Head Office of the Board shall be at Rajshahi.

Head Office, etc.

(2) The Board may establish offices and branches at such places as it may think fit.

5. The Board in discharging its functions shall be guided on questions of policy by such directions as may be given to it, from time to time, by the Government.

Management

6. (1) The Board shall consist of the following members, namely:-

The Board

Full-time members-

- (a) a Chairman to be appointed by the Government;
- (b) not more than three persons to be appointed by the Government;

Part-time members-

- (c) the Registrar of Co-operative Societies, *ex-officio*;
- (d) the Director of Textiles, *ex-officio*;

- (e) four persons to be nominated by the Government, one each from amongst the silkworm rearers, silk reelers, silk weavers and silk dealers; and
- (f) one person to be nominated by the Government in the Ministry of Finance from amongst the officials of the banks and other financial institutions.

(2) The members other than the *ex-officio* members shall hold office for a period of three years from the date of their appointment or, as the case may be, nomination.

(3) The full-time members shall be appointed on such terms and conditions as the Government may determine.

(4) The members other than the *ex-officio* members may, at any time, resign his office by notice in writing addressed to the Government:

Provided that no resignation shall take effect until it has been accepted by the Government.

(5) The Chairman shall be the Chief Executive of the Board.

(6) The Chairman and the other full-time members shall perform such functions as may be assigned to them, from time to time, by the Board or as may be prescribed.

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

Disqualifications
and removal of
members

7. (1) No person shall be, or shall continue to be, a member who-

- (a) is, or at any time has been, disqualified for employment in, or dismissed from, Government Service; or
- (b) is, or at any time has been, convicted of an offence involving moral turpitude; or
- (c) is, or at any time has been, adjudicated insolvent; or

- (d) stands declared by a competent Court to be of unsound mind; or
- (e) is a minor; or
- (f) absents himself from three consecutive meetings of the Board without leave of absence granted by the Chairman, or, in the case of the Chairman, by the Government:

Provided that this clause shall not apply in the case of the *ex-officio* members.

(2) Notwithstanding anything contained in sub-section (2) of section 6, the Government may, by order in writing remove any member if he-

- (a) refuses or fails to discharge, or becomes, in the opinion of the Government, incapable of discharging, his responsibilities under this Ordinance; or
- (b) has, in the opinion of the Government, abused his position as member; or
- (c) has knowingly acquired, or continued to hold, without the permission in writing of the Government, directly or indirectly or through a partner, any share or interest in any contract or employment with, or by or on behalf of, the Board.

8. The functions of the Board shall be-

Functions of the Board

- (a) to plan and develop sericulture and silk industry;
- (b) to undertake, assist or encourage scientific, technological and economic research and training in sericulture;
- (c) to devise means for improved methods of mulberry cultivation, castor cultivation and other related plants;
- (d) to rear, develop and distribute healthy silkworm seeds;
- (e) to reel silkworm cocoons and to improve the quality and production of raw silk, if necessary, by making it compulsory for all raw silk to be marketed only after the same has been tested and graded in properly equipped raw silk conditioning houses;

- (f) to provide technical advice to the persons engaged in *charkha* reeling and filature;
- (g) to improve the quality of raw silk and silk products;
- (h) to collect and collate statistics on sericulture and sericulture industry;
- (i) to make arrangements for credit facilities for sericulturists;
- (j) to make arrangements for supply to silk reelers, weavers and printers of necessary raw materials including dyes, chemicals, spares and accessories as required for sericulture and silk industry at fair price;
- (k) to make arrangements for marketing of sericulture and silk products and publicity for their popularisation both at home and abroad;
- (l) to render promotional and extension facilities for standardisation of silk products for export and to provide for training facilities to silk rearers, reelers, spinners, weavers and printers;
- (m) to prepare, implement and operate common facilities schemes for the persons engaged in sericulture and sericulture industry;
- (n) to take steps for establishment of spun silk mills;
- (o) to collect cess;
- (p) to do such acts and things as may be necessary or convenient to be done in connection with, or incidental or conducive to, the performance of the aforesaid functions.

Meeting of the
Board

9. (1) Save as hereinafter provided, the meetings of the Board shall be conducted in accordance with such procedure as may be prescribed by regulations and, until such regulations are made, in such manner as the Chairman may direct.

(2) The meetings of the Board shall be held on such dates and at such times and place as may be determined by the Chairman:

Provided that at least one meeting of the Board shall be held every month.

(3) To constitute a quorum at a meeting of the Board, not less than three members, including the Chairman, shall be present.

(4) All meetings of the Board shall be presided over by the Chairman and, in his absence, by any other member authorised in writing in this behalf by the Chairman.

(5) All questions at a meeting of the Board shall be decided by a majority of the members present and voting and, in the case of equality of votes, the person presiding shall have a second or casting vote:

Provided that if any decision taken by a majority of the members present and voting appears, in the opinion of the Chairman to be inconsistent with the Government policy in the matter, the Chairman shall refer it to the Government whose decision in the matter shall be final.

10. (1) There shall be a fund of the Board to which shall be credited-

Fund of the Board, etc.

- (a) grants and loans from the Government;
- (b) loans raised in Bangladesh;
- (c) aids and grants received from foreign countries or organisations with the prior approval of the Government;
- (d) income from investments and properties; and
- (e) cess collected under this Ordinance.

(2) The fund of the Board shall be utilised by the Board to meet the charges in connection with the functions under this Ordinance and all payments of the Board shall be made out of that fund.

(3) The fund of the Board shall be kept in such bank or banks as may be approved by the Board.

(4) The Board may invest its funds in such securities as may be authorised by the Government.

Power to borrow

11. The Board may, with the previous approval of the Government, borrow money in Bangladesh.

Imposition of
cess

12. (1) With effect from such date as the Government may, by notification in the *official Gazette*, appoint, there shall be levied and collected a cess, for the purposes of this Ordinance, on all filature raw silk and spun silk at such rate or rates as the Government may from time to time, by notification in the *official Gazette*, fix.

(2) The cess shall be payable by the reelers of filature raw silk and spun silk and shall be paid by them to the Board within one month from the date of the receipt of the notice of demand from the Board in that behalf.

(3) The cess shall be recoverable as an arrear of land revenue.

(4) For the purposes of assessing the amount of the cess payable under this section,—

- (a) the Board shall, by notification in the *official Gazette*, fix the period in respect of which assessments shall be made, and
- (b) every person liable to pay cess shall furnish to the Board, within such time as may be prescribed by regulations, a return specifying the total quantity of filature raw silk or spun silk reeled during such period.

(5) If any assessee fails to furnish the return under clause (b) of sub-section (4) within the prescribed time, or furnishes a return which the Board has reason to believe to be incorrect or defective, the Board may assess the amount payable by such assessee in such manner as may be prescribed by regulations.

(6) Any assessee feeling himself aggrieved by an assessment made under this section may, within three months of the receipt of the notice under sub-section (2), apply to the Government for the cancellation or modification of the assessment, and the Government shall, after giving the Board and the assessee an opportunity of being heard, pass such order as it thinks proper, and such order shall be final.

(7) The proceeds of the cess after deducting the cost of collection, if any, shall be credited to the fund of the Board and shall be applied by the Board for meeting the expenses of measures taken in the performance of its functions and for contributing towards a contributory provident fund constituted and maintained in such manner as may be prescribed by regulations for the benefit of the employees of the Board.

13. The Board shall, by such date in each year as may be fixed by the Government, submit to the Government for approval a statement to be called the annual budget statement in such form as the Government may specify for the next succeeding financial year showing the estimated receipts and expenditure and the sums which are likely to be required from the Government during that financial year.

Budget

14. (1) The Board shall maintain proper accounts and other relevant records, and prepare annual statement of accounts in accordance with such general directions as may be issued, and in such form as may be specified, by the Government in consultation with the Comptroller and Auditor-General, hereinafter referred to as the Auditor-General.

Account and
audit

(2) The accounts of the Board shall be audited by not less than two auditors, being chartered accountants within the meaning of the Bangladesh Chartered Accountants Order, 1973 (P.O. No. 2 of 1973), who shall be appointed by the Government on such remuneration as the Government may think fit, and such remuneration shall be paid by the Board.

(3) Notwithstanding anything contained in sub-section (2), the Auditor-General may, at any time, either on his own motion or upon a request made in this behalf by the Government, undertake such audit of the accounts of the Board as may be considered necessary, and the Board shall, at the time of such audit, produce the books of accounts and connected documents at such place or places as the Auditor-General or any officer authorised by him in this behalf may ask for.

(4) Every auditor appointed under sub-section (2) shall be given a copy of the annual balance-sheet and other accounts of the Board 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 Board, and shall, at all reasonable times, have access to the books of accounts and other documents of the Board, and may, in relation to such accounts, examine any member or officer of the Board.

(5) 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 affairs of the Board and, if they have called for any explanation or information from the Board, whether it has been given and whether it is satisfactory.

(6) The Board shall comply with any direction issued by the Government for the rectification of matters objected to in the audit report.

Statement of
accounts, etc.

15. (1) The Board shall, as soon as possible after the end of every financial year, furnish to the Government a statement of the accounts audited by the auditors together with comments, if any, of the Board thereon and an annual report on the conduct of its affairs during that year.

(2) The Board shall furnish to the Government such other statements, returns and reports as the Government may, from time to time, require.

Appointment of
officers, etc.

16. The Board may, on such terms and conditions as may be prescribed by regulations, appoint such officers and other employees as it considers necessary for the efficient performance of its functions:

Provided that no post shall be created by the Board without the previous approval of the Government.

Delegation of
powers

17. (1) The Board may delegate to the Chairman or any member or officer, any of its powers under this Ordinance or the rules or regulations made thereunder.

(2) The Chairman may likewise delegate to any member or officer any of his powers under this Ordinance or the rules or regulations made thereunder not being a power delegated to him by the Board under sub-section (1).

18. No provisions of law relating to the winding up of companies shall apply to the Board and the Board shall not be wound up save by the order of the Government and in such manner as it may direct.

Winding up of the Board

19. No suit, prosecution or other legal proceedings shall lie against the Board or any member, officer or other employee of the Board for anything which is, in good faith, done or intended to be done under this Ordinance.

Indemnity

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

Power to make rules

21. (1) The Board may, with the previous approval of the Government, make regulations, not inconsistent with the provisions of this Ordinance 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 Ordinance.

Power to make regulations

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

22. Notwithstanding anything contained in any other law for the time being in force or in any contract or agreement or in any other instrument, upon the establishment of the Board,-

Transfer of Sericulture establishments, etc.

(a) the ¹[* * *] Sericulture Extension Programme, and all sericulture nurseries and silk factories, hereinafter referred to as the said sericulture establishments, of the Small and Cottage Industries Corporation established under the Bangladesh Small and Cottage Industries Corporation Act, 1957 (E.P. Act XVII of 1957), shall stand transferred to, and vested in, the Board;

(b) all assets, rights, powers, authorities and privileges and all properties, movable and immovable, funds, cash and bank balances and grants of the said sericulture establishments and all other interests and rights in, or

¹ The words and comma “Sericulture Research and Training Institute,” were omitted by section 2 of the Bangladesh Sericulture Board (Amendment) Act, 2003 (Act No. XXIV of 2003).

arising out of, such properties and all books of accounts, registers, records and other documents of whatever nature relating thereto, shall stand transferred to, and vested in, the Board;

- (c) all debts, liabilities and obligations of whatever kind of the said sericulture establishments subsisting immediately before its transfer shall be the debts, liabilities and obligations of the Board;
- (d) services of all officers and employees of the said sericulture establishments shall, notwithstanding anything contained in any contract or agreement or in the terms and conditions of service, stand transferred to the Board and they shall be deemed to be officers and employees of the Board appointed by it on the same terms and conditions of service as were applicable to them before their transfer unless such terms and conditions are altered, not being to their disadvantage, by the Board;
- (e) all suits and other proceedings instituted by or against the said sericulture establishments before their transfer shall be deemed to have been instituted by or against the Board.
