

**THE BANGLADESH HANDLOOM BOARD  
ORDINANCE, 1977**

**CONTENTS**

SECTIONS

1. Short title
  2. Definitions
  3. Establishment of the Board
  4. Head Office
  5. Management
  6. Composition of the Board
  7. Disqualifications and removal of members
  8. Functions of the Board
  - 8A. Registration etc. of weavers' societies
  9. Meetings of the Board
  10. Fund of the Board
  11. Power to borrow
  12. Budget
  13. Surplus Funds
  14. Accounts of the Board
  15. Audit
  16. Reports, etc.
  17. Appointment of officers, etc.
  18. Declaration of fidelity and secrecy
  19. Indemnity
  20. Recovery of dues
  21. Delegation of powers
  22. Winding up
  23. Power to make rules
  24. Power to make regulations
  25. Transfer of functions, etc.
  26. Transfer of textile facility centres to the Board
-

**THE BANGLADESH HANDLOOM BOARD  
ORDINANCE, 1977**

ORDINANCE NO. LXIII OF 1977

[31<sup>st</sup> December, 1977]

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

WHEREAS it is expedient to make provision for the establishment of the Bangladesh Handloom Board for the development of handloom industry and welfare of persons engaged in handloom 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 Handloom Board Ordinance, 1977.

Definitions

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

- (a) "Board" means the Bangladesh Handloom Board established under section 3;
- (b) "Chairman" means the Chairman of the Board;
- (c) "handloom" means a weaving device operated manually for production of fabrics other than 100% silk or artsilk and includes the following types of looms falling outside the scope of the Factories Act, 1965 (E.P. Act IV of 1965), namely:-
  - (i) shuttle pit loom including carpet loom and tape loom;
  - (ii) fly shuttle pit loom;
  - (iii) fly shuttle frame loom;

- (iv) semi-automatic or Chittaranjan loom;
  - (v) Hattersley's loom;
  - (vi) special type looms used by tribal people;
  - (vii) "cottage loom", that is, power looms up to three units located in household and driven by power;
  - (viii) any other loom which is operated in the household for production of heavy or light fabrics;
- (d) "member" means a member of the Board and includes the Chairman;
- (e) "prescribed" means prescribed by rules made under this Ordinance.

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 Handloom 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 Dacca.

Head Office

(2) The Board may establish as many branches at such other places as it thinks fit.

5. The Board shall act on commercial consideration having due regard to the public interest and shall, in discharging its functions, be guided on question of policy by such directions as may be given to it by the Government from time to time.

Management

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

Composition of the Board

**Full-time members**

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

**Part-time members**

(c) the Registrar, Co-operative Societies, *ex-officio*;

(d) the Director of Textiles, *ex-officio*;

<sup>1</sup>[(dd) the Chairman, Bangladesh Sericulture Board, *ex-officio*;

(e) the Chairman, Bangladesh Jatiya Samabay Shilpa Samity Limited, *ex-officio*;

(f) a representative of the Bangladesh Textile Mills Corporation of the rank of a Director to be nominated by that Corporation; <sup>2</sup>[[ \* \* \*]

(ff) representatives from amongst the weavers in Bangladesh, not exceeding two in number, to be nominated by the Government; and]

(g) one person to be nominated by the Government in the Ministry of Finance from amongst the officials of the banks and other financial institutions engaged in rural banking.

(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) A member other than an *ex-officio* member 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.

<sup>1</sup> Clause (dd) was inserted by section 2 of the Bangladesh Handloom Board (Amendment) Ordinance, 1978 (Ordinance No. XXVI of 1978).

<sup>2</sup> The word “and” was omitted and thereafter clause (ff) was inserted by section 2 of the Bangladesh Handloom Board (Amendment) Ordinance, 1978 (Ordinance No. XXVI of 1978).

(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.

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

Disqualifications  
and removal of  
members

- (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 other 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.

Functions of the Board

**8.** The functions of the Board shall be-

- (a) to undertake survey, census and planning for rational growth of handloom industry;
- (b) to maintain statistics relating to handloom industry;
- (c) to conduct enquiries and investigations relating to handloom industry;
- (d) to promote handloom industry primarily with the help of the primary, secondary and apex <sup>1</sup>[weavers' societies];
- (e) to render promotional and advisory services to units of handloom industry;
- (f) to arrange credit facilities for handloom industry;
- (g) to make arrangement for supply of yarn to the weavers at reasonable price primarily through <sup>2</sup>[weavers' societies];
- (h) to make arrangement for supply of consumables like dyes, chemicals, spares and accessories to the weavers primarily through <sup>3</sup>[weavers' societies];
- (i) to make arrangement for marketing at home and abroad primarily through <sup>4</sup>[weavers' societies] of articles manufactured by handloom industry;
- (j) to undertake and organise publicity and propaganda for the popularisation of handloom products both at home and abroad;

---

<sup>1</sup> The words "weavers' societies" were substituted for the words "weavers' co-operative societies" by section 2 of the Bangladesh Handloom Board (Amendment) Act, 1990 (Act No. LII of 1990).

<sup>2</sup> The words "weavers' societies" were substituted for the words "weavers' co-operative societies" by section 2 of the Bangladesh Handloom Board (Amendment) Act, 1990 (Act No. LII of 1990).

<sup>3</sup> The words "weavers' societies" were substituted for the words "weavers' co-operative societies" by section 2 of the Bangladesh Handloom Board (Amendment) Act, 1990 (Act No. LII of 1990).

<sup>4</sup> The words "weavers' societies" were substituted for the words "weavers' co-operatives" by section 2 of the Bangladesh Handloom Board (Amendment) Act, 1990 (Act No. LII of 1990).

- (k) to make arrangement for maintenance of depots primarily through <sup>1</sup>[weavers' societies] for the supply of raw materials to, and purchase of finished products from, handloom industries and also for maintenance of common facilities for design, yarn preparation, bleaching, dyeing, calendaring, printing and finishing;
- (l) to render promotional and extension facilities for standardisation for domestic and export sales of handloom products and grant certificate of quality and of the country of origin;
- (m) to provide training facilities and promote research;
- (n) to prepare and implement common facility schemes;
- (o) to collect fees;
- (p) to float subsidiary companies; and
- (q) to do such other acts and things as may be necessary or conducive to be done for the smooth operation and rational growth of handloom industry.

<sup>2</sup>[8A. Notwithstanding anything contained in any other law for the time being in force, any primary, secondary or apex weavers' society as mentioned in section 8 shall be formed, registered, inspected and controlled in such manner as may be prescribed.]

Registration etc.  
of weavers'  
societies

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.

Meetings of the  
Board

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

---

<sup>1</sup> The words "weavers' societies" were substituted for the words "weavers' co-operatives" by section 2 of the Bangladesh Handloom Board (Amendment) Act, 1990 (Act No. LII of 1990).

<sup>2</sup> Section 8A was inserted by section 3 of the Bangladesh Handloom Board (Amendment) Act, 1990 (Act No. LII of 1990).

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 four members 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 on any matter 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.

Fund of the Board

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

- (a) the grants and loans received 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) fees, if any, collected by the Board.

(2) The fund of the Board shall be utilised by the Board to meet charges in connection with its 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.

Power to borrow

**11.** The Board may, with the prior approval of the Government, borrow money for carrying out the purposes of this Ordinance and for servicing any loan obtained by it.



**12.** The Board shall, by such date before the commencement of any financial year as the Government may direct, submit to the Government for approval a budget, in such form as the Government may specify, 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.

Budget

**13.** Any surplus money remaining after payment of all taxes and other dues shall be credited to a fund to be called the Surplus Fund and shall be utilised for such purpose and in such manner as the Government may direct.

Surplus Funds

**14.** The Board shall maintain in accounts in such manner and form as the Government may direct.

Accounts of the Board

**15.** (1) The accounts of the Board shall be audited by the Comptroller and Auditor-General of Bangladesh (hereinafter referred to as the Auditor-General) in such manner as he deems fit.

Audit

(2) For the purpose of audit under sub-section (1) the Auditor-General or any person authorised by him in this behalf shall have access to all records, books, documents, cash, securities, stores and other property of the Board and may examine the Chairman, any member or any officer or other employee of the Board.

(3) The Auditor-General shall submit his audit report to the Government and shall forward a copy thereof to the Board.

**16.** (1) The Board shall furnish to the Government such reports and statements as the Government may, from time to time, require.

Reports, etc.

(2) The Board shall, as soon as possible after the end of every financial year, furnish to the Government a statement of audited accounts together with annual report on the conduct of its affairs during that year.

**17.** The Board may appoint such officers and other employees as it considers necessary for the efficient performance of its functions on such terms and conditions as it may deem fit:

Appointment of officers, etc.

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

Declaration of fidelity and secrecy

**18.** All officers and employees of the Board shall, before entering upon their duties, make a declaration of fidelity and secrecy in such form as may be prescribed.

Indemnity

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

Recovery of dues

**20.** Without prejudice to the right of the Board to recover its dues in any other manner, all sums due to the Board shall be recoverable as an arrear of land revenue.

Delegation of powers

**21.** (1) The Board may delegate to the Chairman 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).

Winding up

**22.** No provisions of law relating to the winding up of bodies corporate shall apply to the Board, and the Board shall not be wound up except by order of the Government and in such manner as the Government may direct.

Power to make rules

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

Power to make regulations

**24.** (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.

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

**25.** Notwithstanding anything contained in any other law for the time being in force or in any contract, deed or agreement or in any other instrument, upon the establishment of the Board all functions relating to handloom and handloom manufacture of the Bangladesh Handloom Goods Export Corporation Limited, a company under the Companies Act, 1913 (VII of 1913), shall stand transferred to the Board and all shares of the Bangladesh Jatiya Samabaya Shilpa Samiti Ltd. in the said Corporation held by the shareholders of the said Shilpa Samiti shall, on payment by the Board of the par value of the shares allotted to and paid by such shareholders, stand transferred to, and vest in, the Board.

Transfer of functions, etc.

**26.** 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 textile facility centres to the Board

- (a) all textile facility centres, hereinafter referred to as the said facility centres, existing immediately before the establishment of the Board and administered by the Bangladesh Small and Cottage Industries Corporation established under section 3 of the Bangladesh Small and Cottage Industries Corporation Act, 1957 (E.P. Act XVII of 1957), or, as the case may be, by any other Government agency shall, along with all their assets, liabilities and obligations, including all rights, powers, authorities and privileges and all properties, movable and immovable, funds, cash and bank balances, grants and all other interests and rights in, or arising out of, such properties and books and accounts, registers, records and all other documents of whatever nature relating thereto, stand transferred to, and vested in, the Board; and
- (b) services of such officers and other employees of the said facility centres as the Government may direct, 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 other 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; and
- (c) all suits and other proceedings instituted by or against the said facility centres before their transfer shall be deemed to have been instituted by or against the Board.

Copyright @ Ministry of Industries and Commerce, Government of Bangladesh, Bangladesh.