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MAJLIS AMANAH RAKYAT ACT 1966

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LAWS OF MALAYSIA

Act 489

MAJLIS AMANAH RAKYAT ACT 1966

An Act to establish a corporate body by the name of the Majlis Amanah Rakyat and for the purposes connected therewith.

*[Throughout Malaysia—
1 March 1966, P.U. 71/1966]*

BE IT ENACTED by the Seri Paduka Baginda Yang di-Pertuan Agong with the advice and consent of the Dewan Negara and Dewan Rakyat in Parliament assembled, and by the authority of the same, as follows:

PART I

PRELIMINARY

Short title, commencement and application

1. (1) This Act may be cited as the Majlis Amanah Rakyat Act 1966, and shall come into operation on such date as the Minister may by notification in the *Gazette* appoint, such date not being earlier than the date on which the notification is published.

(2) This Act shall have effect throughout Malaysia.

Interpretation

2. In this Act, unless the context otherwise requires—

“appointed day” means the day appointed by the Minister under section 1;

“Chairman” means the Chairman of the Majlis appointed under section 4 and includes the Deputy Chairman;

“corporation” means a corporation established by the Majlis in the exercise of its power under section 25;

“director” means an executive officer in the service of the Majlis appointed under section 8;

“Director General” means the Director General of the Majlis and includes the Deputy Director General;

“Fund” means the fund established under section 13;

“Majlis” means the Majlis Amanah Rakyat established and incorporated under section 3.

PART II

ESTABLISHMENT OF MAJLIS

Establishment of the Majlis

3. (1) There is hereby established a body corporate by the name of “the Majlis Amanah Rakyat” (in this Act referred to as “the Majlis”) with perpetual succession and a common seal and may sue and be sued in its name and, subject to and for the purposes of this Act, may enter into contracts and may acquire, purchase, take, hold and enjoy movable and immovable property of every description and may convey, assign, surrender, yield up, charge, mortgage, demise, reassign, transfer or otherwise dispose of, or deal with, any movable or immovable property or any interest therein vested in the Majlis upon such terms as it deems fit.

(2) First Schedule shall have effect with respect to the Majlis.

(3) The Majlis shall consist of the following members to be appointed by the Minister:

(a) a Chairman;

(b) a Deputy Chairman; and

(c) not less than five nor more than nine other members of whom not less than three shall be public officers.

(4) The Minister shall, in respect of each member of the Majlis who is a public officer, appoint an alternate member who may attend any meeting of the Majlis which the member is for any reason whatsoever unable to attend and the alternate member, when so attending, shall for all purposes be deemed to be a member of the Majlis.

(5) If the Chairman is unable to exercise his functions under this Act owing to illness, absence from Malaysia or for any cause whatsoever, the Minister may appoint any other person, whether or not he is a member of the Majlis, to be a temporary Chairman who shall perform the functions and exercise the powers of the Chairman under this Act.

(6) A member of the Majlis, other than the Chairman, shall, unless his appointment is sooner resigned or revoked, hold office for such terms as may be specified in the instrument appointing him, and shall be eligible for re-appointment:

Provided that a member, other than the Chairman, shall not hold office for a term exceeding two years at any one time.

Appointment and salary of Chairman and fees and allowances of members

4. (1) The Chairman shall be appointed upon such terms and conditions as the Minister may determine.

(2) There shall be paid to the members of the Majlis such remuneration or allowances as the Majlis may determine with the approval of the Minister.

Powers of the Minister to give directions

5. The Minister may give to the Majlis directions, not inconsistent with this Act, as to the exercise of the functions of the Majlis⁵, and the Majlis shall give effect to all such directions.

Duties and powers of the Majlis

6. (1) It shall be the duty of the Majlis to promote, stimulate, facilitate and undertake economic and social development in Malaysia and more particularly in the rural areas thereof.

(2) Subject to the prior approval of the Minister, and in the case of the power set out in paragraph (d), the concurrence of the Minister of Finance, the Majlis shall have powers for the purpose of the discharge of its duty under subsection (1)—

- (a) to carry on all activities particularly the development of commercial and industrial enterprises, the carrying on whereof appears to it to be requisite, advantageous or convenient for or in connection with the discharge of its said duty, including the manufacturing, assembling, processing, packing, grading and marketing of products, research and training;
- (b) to promote the carrying on of any such activities by other bodies or persons, and for that purpose to establish or expand, or promote the establishment or expansion of, other bodies to carry on any such activities either under the control or partial control of the Majlis or independently, and to give assistance to such bodies or to other bodies or persons appearing to the Majlis to have facilities for the carrying on of any such activities, including financial assistance by the taking up of share or loan capital, or by loan or otherwise;

- (c) to carry on such activities in association with any person, public authority, corporation, company or other body (including the Federal Government or any State Government) as managing agent on its behalf or otherwise;
- (ca) for the purpose of carrying on any such activities, to enter into a partnership, joint venture or co-operation in any manner or to enter into an arrangement for the sharing of profits;
- (cb) to establish or promote the establishment of companies under the *Companies Act 1965 [*Act 125*] to carry on or engage in any activity which has been planned or undertaken by the Majlis (including the taking over of the functions of a corporation which has been wound up and dissolved under Fourth Schedule);
- (cc) to dispose of capital assets and to apply the proceeds of such disposals;
- (d) to purchase, underwrite or otherwise acquire shares and securities of any public authority, corporation, company or other body, and to sell, hold or reissue, with or without guarantee, such shares and securities or otherwise dispose of or deal with them as the Majlis may determine;
- (e) to establish, operate and maintain training and educational institutions and to do all things expedient or reasonably necessary for or incidental to the performance of this function; and
- (f) to do all acts which the Majlis considers desirable or expedient.

(3) Notwithstanding any other provision in this Act or section 95 of the Private Higher Educational Institutions Act 1996 [*Act 555*], the Private Higher Educational Institutions Act 1996 shall apply to an

*NOTE— The Companies Act 1965 [*Act 125*] has been repealed by the Companies Act 2016 [*Act 777*] w.e.f. 31 January 2017.

educational institution established, operated and maintained under paragraph (2)(e).

6A. *(Deleted by Act A302).*

PART III

DIVISIONS, COMMITTEES, OFFICERS AND SERVANTS

Director General and Deputy Director General

7. The Director General, who shall be appointed by the Minister, shall be responsible for the preparation of programmes, schemes or projects for the consideration of the Majlis, for the issue of policy guidance or of elucidation of decisions of the Majlis to officers and servants of the Majlis and for the supervision and control over the implementation of such decisions and he shall be assisted by one or more Deputy Director Generals to be appointed by the Majlis with the approval of the Minister.

Organization of Majlis into divisions, appointment of directors and their responsibility

8. (1) The Majlis may set up such divisions as it may think desirable, and each division shall be under the control and charge of an executive officer designated as “the director”.

(2) The director of each division shall be appointed by the Majlis with the approval of the Minister and shall be responsible to Director General.

(3) It shall be the responsibility of the director of an appropriate division subject to the direction of the Director General to implement and execute the decision of the Majlis on matters pertaining to his division, to submit policy recommendations for consideration by the Majlis, to participate, without the right to vote, in any meeting of the Majlis whenever matters pertaining to his division are being

considered in that meeting and also to exercise all powers that may be delegated to him by the Majlis.

Appointment of committees

9. (1) The Majlis may appoint such committees as it may think desirable to exercise such functions as may be delegated to them by the Majlis and to examine and report to the Majlis on any matter whatsoever arising out of or connected with any of its powers and duties under this Act.

(2) Any committee appointed under subsection (1) may include as its members and invite to any of its meetings, persons other than members officers or servants of the Majlis; and where such persons are so included or invited, the Majlis may by resolution declare the remuneration or allowances of such persons; and such remuneration or allowances shall be paid out of the Fund.

(3) Any committee appointed under this section may appoint one or more than one subcommittee.

Appointment of other officers

10. (1) Subject to any rules that may be made under section 12, the Majlis may appoint on such terms and conditions as the Majlis may think desirable such other officers and servants as may be necessary for carrying out the purpose of this Act.

(2) An officer or servant of the Majlis appointed under subsection (1) shall subject to the direction of the Director General be under the administrative control of the director to whose division such officer or servant is appointed, transferred or assigned.

Power of Majlis to delegate

11. (1) The Majlis may delegate to any of the members of the Majlis or to any director or any committee the power and authority to carry

out on its behalf such duties, powers or functions as the Majlis may determine, and may authorize any such person or committee to delegate to any person or subcommittee thereof any duties, powers or functions delegated to such person or committee.

(2) The Majlis may at the time of delegating any power or authority under subsection (1) to any of the members of the Majlis, director or committee or at any time thereafter give directions as to the manner in which such delegated power or authority is to be exercised and may at any time revoke, modify or increase such delegation.

(3) Without prejudice to the generality of subsection (1) and subject to subsection (2), the Majlis may delegate to any of the members of the Majlis, director, committee or any person, whether an officer or servant of the Majlis or not, authority to sanction expenditure from the Fund or any other money under the control of the Majlis up to such limit as the Majlis shall in each case prescribe.

Power to make rules relating to salaries, provident fund scheme, etc.

12. (1) The Majlis may with the approval of the Minister make rules for or in respect of the salaries, allowances and conditions of service of its officers and servants generally.

(2) Second Schedule shall apply to the rules made under this section.

PART IV

FINANCE

Establishment of the Fund

13. (1) For the purposes of this Act there is hereby established a fund (in this Act referred to as “the Fund”) to be administered and controlled by the Majlis.

(2) The Fund shall consist of—

- (a) such sums as may be provided from time to time for that purpose by Parliament;
- (b) such sums as may be allocated from time to time to the Majlis from loan funds;
- (c) all sums from time to time received by or falling due to the Majlis in respect of the repayment of any loan made by the Majlis and the interest payable in respect of any such loan;
- (d) moneys earned by the operation of any project, scheme or enterprise financed from the Fund;
- (e) moneys earned or arising from any property, investments, mortgages, charges or debentures acquired by or vested in the Majlis;
- (f) any property, investments, mortgages, charges or debentures acquired by or vested in the Majlis;
- (g) sums borrowed by the Majlis for the purpose of meeting any of its obligations or discharging any of its duties; and
- (h) all other sums or property which may in any manner become payable to or vested in the Majlis in respect of any matter incidental to its powers and duties.

(3) In this section, the expression “loan funds” means such sums as may be made available from time to time to the Government by way of loan.

Balancing of revenue account

14. It shall be the duty of the Majlis to conserve the Fund by so exercising and performing its functions and duties under this Act as to secure that the total revenues of the Majlis are sufficient to meet all sums properly chargeable to its revenue account, including, without

prejudice to the generality of that expression, provisions in respect of its obligations under sections 13 and 15 and depreciation and interest on capital, taking one year with another.

Reserve fund

15. (1) The Majlis shall establish and manage a reserve fund.

(2) The payment into and out of the reserve fund shall be determined by the Majlis: Provided that no part of the reserve fund shall be applied otherwise than for the purposes of the Majlis.

Expenses to be charged on the Fund

16. The Fund shall be expended for the purposes of—

- (a) paying all expenses incurred under sections 22 and 23;
- (b) granting loans under section 24;
- (c) paying any expenses lawfully incurred by the Majlis, including survey, legal and other fees and costs, and the remuneration of officers and servants appointed and employed by the Majlis, including superannuation allowances, pensions or gratuities;
- (d) paying any other expenses, cost or expenditure properly incurred or accepted by the Majlis in the execution of its duty or in the discharge of its functions under section 6;
- (e) purchasing or hiring plant, equipment, machinery, stores and any other materials and acquiring land and erecting buildings and carrying out any other works and undertakings in the execution of its duty or in the discharge of its functions under section 6, in contemplation of loans to be made for those purposes under section 24, so, however, that any sums expended by the Majlis under this paragraph shall be set off

against the loans in contemplation of which they were expended upon the actual making of such loans.

Expenditure and preparation of estimates

17. (1) The expenses of the Majlis up to such amount as may be authorized by the Minister for any one year shall be defrayed out of the Fund.

(2) Before the beginning of September of each year the Majlis shall submit to the Minister an estimate of the expenses (including those for development projects) for the following year in such form and containing such particulars as the Minister may require; and the Minister shall before the beginning of that following year notify the Majlis of the amount authorized for expenses generally or of the amounts authorized for each description of expenditure.

(3) The Majlis may at any time submit to the Minister a supplementary estimate for any one year and the Minister may allow the whole or any part of the additional expenditure included therein.

Accounts and audit

18. (1) The Majlis shall keep proper accounts and other records in respect of its operation and shall prepare statements of accounts in respect of each financial year.

(2) The accounts of the Majlis shall be audited annually by the Auditor General or other auditor appointed by the Majlis with the approval of the Minister.

(3) After the end of each financial year, and as soon as the accounts of the Majlis have been audited, the Majlis shall cause a copy of the statement of accounts to be transmitted to the Minister, together with a copy of any observations made by the Auditor General or other auditor appointed under subsection (2) on any statement or on the accounts of the Majlis.

(4) The Minister shall cause a copy of every such statement and observations to be laid before each House of Parliament.

Annual report

19. (1) The Majlis shall not later than 30 June of each year, cause to be made and transmitted to the Minister a report dealing with the activities of the Majlis during the preceding year and containing such information relating to the proceedings and policy of the Majlis as the Minister may from time to time require.

(2) The Minister shall cause a copy of every such report to be laid before each House of Parliament.

PART V

OTHER POWERS OF THE MAJLIS

Power to borrow

20. The Majlis may from time to time borrow, at such rate of interest and for such period and upon such terms as to the time method of repayment and otherwise as the Minister of Finance may approve, any sums required by the Majlis for meeting any of its obligations or discharging any of its duties.

Power to invest trust funds

21. The Majlis may invest its trust funds in any of the investment authorized by the Trustee Act 1949 [*Act 208*], or in such manner as the Minister of Finance may approve.

General powers to transact business

22. The Majlis shall have power to do anything and to enter into any transaction (whether or not involving expenditure, borrowing, granting

of loans or investment of money in accordance with this Act in that behalf, the acquisition, use and disposal of any movable or immovable property, including vehicles and vessels, or rights) which in its opinion is calculated to facilitate the proper discharge of its duty or is incidental or conducive thereto.

Power to employ agents

23. The Majlis may employ and pay agents and technical advisers including advocates and solicitors, bankers, stockbrokers, surveyors or valuers or other persons, to transact any business or to do any act required to be transacted or done in the execution of its duties or for the better carrying into effect the purposes of this Act.

Power to make loans

24. (1) In the execution of its duty or in the discharge of its functions under section 6, the Majlis may make loans, and such loans may be granted subject to such terms and conditions as the Majlis may deem fit to impose in particular cases.

(2) Third Schedule shall apply to the loans granted by the Majlis under this section.

Power to establish corporations

25. (1) The Majlis may from time to time by order published in the *Gazette* establish, with the approval of the Minister, a corporation by such name as the Majlis may think fit to carry out and have the charge, conduct and management of any project, scheme or enterprise (referred to in this Act as a “registered development project”) which has been planned or undertaken by the Majlis in execution of its duty or discharge of its functions under section 6.

(2) Fourth Schedule shall apply to the corporation established by the Majlis under subsection (1).

Additional functions of the Majlis

26. In addition to the duties imposed upon the Majlis by this Act, the Majlis may undertake such other functions and administer and expend such other moneys for such purposes as the Government of Malaysia or of any State may assign to it and in so doing the Majlis shall be deemed to be fulfilling the purposes of this Act and this Act shall apply to the Majlis in respect of such functions and the administration and expending of such moneys:

Provided always that the accounts of such moneys shall be kept separate and apart from those of the Fund and of every corporation.

Compulsory acquisition of land

27. (1) When any immovable property, not being State land, is needed to be acquired by the Majlis or a corporation for the purpose of this Act, such property may be acquired in accordance with any written law relating to the acquisition of land for a public purpose for the time being in force in the State in which such property is situate, and any declaration required by any such written law that such land is so needed may be made notwithstanding that compensation is to be paid by the Majlis or such corporation; and such declaration shall have effect as if it were a declaration that such land is needed for a public purpose in accordance with such written law.

(2) The expenses and compensation in respect of any immovable property acquired under this section shall be paid by the Majlis or by the corporation.

(3) When any immovable property has been acquired under this section, the Majlis or the corporation shall extract the necessary documents of title in respect of such property and shall pay any rent to which such property may be subject.

PART VI

MISCELLANEOUS PROVISIONS

Protection of the Majlis

28. No act done or proceeding taken under this Act shall be questioned on the ground—

- (a) of any vacancy in the membership of, or any defect in the constitution of, the Majlis;
- (b) of the contravention by a member of the Majlis of paragraph 4 of the First Schedule, relating to the disclosure of interest by a member; or
- (c) of any omission, defect or irregularity not affecting the merits of the case.

Public Authorities Protection

29. The Public Authorities Protection Act 1948 [*Act 198*], shall apply to any action, suit, prosecution or proceeding against the Majlis or against any member, officer, servant or agent of the Majlis or of any corporation in respect of any act, neglect or default done or committed by him in such capacity.

30. (*Deleted by Act 478*).

Public servants

31. All members, officers and servants of the Majlis or of any corporation shall be deemed to be public servants within the meaning of the Penal Code [*Act 574*].

Obligation of secrecy

32. Except for the purposes of this Act or of any criminal proceedings under this Act, no member, officer or servant of the Majlis or of any corporation shall disclose any information with respect to any individual business, which has been obtained by him in the course of his duties and which is not published in pursuance of this Act; and a person contravening this section shall be guilty of an offence and shall be liable on conviction to imprisonment for a term not exceeding six months or to a fine not exceeding one thousand ringgit or to both.

Offences in respect of loans and burden of proof

33. (1) Any person who—

- (a) obtains a loan from the Majlis under this Act by means of any false representation;
- (b) wilfully applies any loan made to him by the Majlis under this Act to any purpose other than the purpose for which the loan was made;
- (c) having obtained a loan from the Majlis under this Act, wilfully destroys any security given in relation to any such loan,

shall be guilty of an offence and shall be liable on conviction to imprisonment for a term not exceeding two years or to a fine of five thousand ringgit or to both.

(2) Any person who contravenes subsubparagraph 6(1)(b) or subparagraph 6(2) of Third Schedule shall be guilty of an offence and shall be liable on conviction to a fine not exceeding one thousand ringgit.

(3) In any criminal proceeding in respect of an offence under paragraph (1)(b), the onus of proving that he acted in good faith and without knowledge that he was not entitled so to apply the loan or any part thereof shall be upon the person charged.

Public Prosecutor's consent

34. No prosecution for offences arising out of this Act or in connection with any loan made hereunder shall be instituted except with the consent in writing of the Public Prosecutor.

Civil proceedings

35. Notwithstanding any written law, in any civil proceedings by or against the Majlis or any corporation—

- (a) any person holding the appointment of a Federal Counsel and authorized by the Attorney General for the purpose; or
- (b) any officer of the Majlis authorized in that behalf by special or general directions of the Chairman,

may, on behalf of the Majlis or the corporation, as the case may be, institute, appear in and conduct such proceedings and may make and do all appearances, acts and applications in respect of such proceedings.

The Majlis and corporation deemed to be a Malay or a native

36. For the purposes of any written law relating to land reserved for alienation to Malays or to natives of the State in which it lies, the Majlis and every corporation shall be deemed to be a Malay or a native, as the case may be.

Power to make regulations

37. The Majlis may, with the approval of the Minister make regulations not inconsistent with this Act—

- (a) with respect to any of the matters concerning the establishing of a corporation referred to in section 25;

- (b) prescribing the manner in which documents, cheques and instruments of any description shall be signed or executed on behalf of the Majlis or any corporation;
- (c) prescribing for the responsibilities and control of officers and servants of the Majlis;
- (d) imposing fees in such cases as may be determined by the Majlis;
- (e) for the opening, keeping, closing and audit of accounts of corporations; and
- (f) generally for the exercise of its powers and duties under this Act.

PART VII

TRANSITIONAL

Repeal of the Rural and Industrial Development Authority Ordinance 1953

38. On the appointed day—

- (a) the Rural and Industrial Development Authority Ordinance 1953 [*Ord. No. 48 of 1953*] (in this Act referred to as “the Ordinance”) shall cease to have effect and such cesser shall be deemed to be a repeal of that Ordinance for the purpose of the Interpretation Acts 1948 and 1967 [*Act 388*];
- (b) the Rural and Industrial Development Authority (in this Act referred to as “the Authority”) being a body corporate established under that Ordinance shall likewise cease to exist.

Continuance of laws, etc.

39. (1) Subject to this Act, all written laws, orders, rules and regulations affecting or for the protection of the Authority and in force immediately before the appointed day shall, until amended or revoked by the authority having power so to do, continue in force on and after the appointed day and be construed as if this Act had not been passed:

Provided that any references therein to the Authority unless the context otherwise requires shall be construed as references to the Majlis, and expressions importing such a reference shall be construed accordingly.

(2) All orders, directions, appointments, notifications, rules and regulations made under the Ordinance and in force immediately before the appointed day shall, insofar as they are not inconsistent with this Act, be deemed to have been made under this Act and shall continue in force until other provisions shall be made under this Act or until the date upon which they expire.

Transfer of powers, rights, liabilities and duties

40. Subject to this Act, all powers, rights, privileges, duties, liabilities or obligations which immediately before the appointed day were those of the Authority shall as from that day devolve on the Majlis.

Transfer of property

41. (1) Subject to this Act, all lands immediately before the appointed day vested in or reserved under any written law relating to land for the purpose of the Authority shall, on that day, as the case may be, vest in or be deemed to be reserved for the purpose of the Majlis.

(2) Subject to this Act and to any direction of the Minister, all property and assets other than land which immediately before the appointed day were vested in the Authority or in any person on behalf of the Authority shall on that day vest in the Majlis.

(3) It is hereby declared that any property, whether movable or immovable, which immediately before the first day of January 1954 was used for the purposes which after that date became the purposes of the Authority shall on the appointed day be vested in the Majlis.

Existing contracts

42. Subject to this Act, all deeds, bonds, agreements, instruments and working arrangements subsisting immediately before the appointed day and affecting any of the property transferred under section 40 shall be of full force and effect against or in favour of the Majlis and enforceable as fully and effectually as if, instead of the Authority, or any person acting on behalf of the Authority, the Majlis had been named therein or had been a party thereto.

Continuance of criminal and civil proceedings

43. (1) Subject to this Act, neither the repeal of the Ordinance nor anything contained in this Act shall affect any person's liability to be prosecuted or punished for offences committed under the Ordinance before the appointed day, or any proceedings brought or sentence imposed before that day in respect of such offence.

(2) Subject to this Act, any proceedings (whether civil or criminal) or cause of action pending or existing immediately before the appointed day by or against the Authority or any person acting on behalf of the Authority may be continued or instituted by or against the Majlis as it might have been by or against the Authority or such person if this Act had not been passed.

(3) Any appeal brought or any leave to appeal applied on or after the appointed day against a decision given in any legal proceedings before that day may be brought by or against the Majlis.

Transfer of Fund

44. Subject to this Act, all moneys standing in, and due to be paid to, the fund of the Authority established under section 17 of the Ordinance shall on the appointed day be transferred to the Fund.

Continuance of officers and servants

45. Every person who immediately before the appointed day was employed as an officer or servant of the Authority shall on that day be employed as an officer or servant, as the case may be, of the Majlis upon the same terms and conditions of service as those obtaining immediately before the appointed day.

Prevention of anomalies

46. If any difficulty arises with respect to the foregoing transitional provisions of this Act the Minister may by order make such modifications in those provisions as may appear to him necessary for preventing anomalies:

Provided that the Minister shall not exercise the powers conferred by this section after the expiration of two years from the appointed day.

FIRST SCHEDULE

[Subsection 3(2)]

Disqualification

1. (1) The following persons shall be disqualified from being appointed or being members of the Majlis:

- (a) a bankrupt;
- (b) a person who has been convicted of an offence and sentenced to imprisonment for a term of not less than one year;
- (c) a person who is of unsound mind or is otherwise incapable of performing his duties.

(2) A member of the Majlis shall vacate his office if he fails to attend three consecutive meetings of the Majlis without the permission in writing of the Minister or if he becomes disqualified under subparagraph (1).

Meetings of the Majlis

2. (1) The Majlis shall meet at least once in every two months.

(2) The Chairman and three members shall form a quorum at any meeting of the Majlis.

(3) If on any question to be determined by the Majlis there is an equality of votes, the Chairman shall have a casting vote.

(4) Subject to subparagraphs (1), (2) and (3) the Majlis shall determine its own procedure.

Common seal

3. (1) The common seal of the Majlis shall bear such device as the Majlis may approve and such seal may from time to time be broken, changed, altered and made anew by the Majlis as it may think fit.

(2) Until a seal is provided by the Majlis a stamp bearing the description "MARA" may be used and shall be deemed to be the common seal.

(3) The common seal or the stamp under subparagraph (2) shall be kept in the custody of the Chairman and shall be authenticated by him or by any officer

authorized by him in writing; and all deeds, documents, and other instruments purporting to be sealed with the said seal, authenticated as aforesaid, shall until the contrary is proved be deemed to have been validly executed:

Provided that any document or instrument which if executed by a person not being a body corporate would not be required to be under seal may in like manner be executed by the Majlis; and any such document or instrument may be executed on behalf of the Majlis by any officer or servant of the Majlis generally or specially authorized by the Majlis in that behalf.

- (4) The seal of the Majlis shall be officially and judicially noticed.

Disclosure of interest

4. A member of the Majlis having any interest in any company or undertaking with which the Majlis proposes to make any contract or having any interest in any such contract or in any matter under discussion by the Majlis shall disclose to the Majlis the fact of his interest and the nature thereof, and such disclosure shall be recorded in the minutes of the Majlis, and unless specifically authorized thereto by the Chairman, such member shall take no part in any deliberation or decision of the Majlis relating to the contract.

Minutes receivable in evidence

5. Any minutes made of meetings of the Majlis shall, if duly signed, be receivable in evidence in all legal proceedings without further proof and every meeting of the Majlis in respect of the proceedings of which minutes have been so made shall be deemed to have been duly convened and held and all members thereat to have been duly qualified to act.

FIRST A SCHEDULE

(Deleted by Act A302)

SECOND SCHEDULE

[Subsection 12(2)]

Power of the Majlis to establish provident fund, retiring benefit and grant loans to officers and servants**1. Rules made under section 12 may provide—**

- (a) for the establishment and management, as from such date (whether before or after the establishment of the Majlis) as may be specified in the rules, of a contributory provident fund, and for the transfer into that fund of contributions or parts of contributions paid into any other provident fund in anticipation of the establishment of the first-mentioned fund;
- (b) for retirement benefits to officers and servants who retire or otherwise cease to hold office as such officers or servants; or
- (c) for the making of loans to officers and servants for the purchase of bicycles, motor cycles and motor cars and for any other purpose approved by the Minister.

Restrictions on rules made under paragraph 1**2. The following provisions shall apply to any rules made by virtue of subsubparagraphs 1(a) and (b):**

- (a) no donation, contribution, gratuity, allowance or other payment payable under such rules, nor any right or interest acquired by any person to any gratuity, allowance or other payment thereunder, shall be assignable or transferable or liable to be attached, sequestered or levied upon for or in respect of a debt or claim whatsoever, other than a debt due to the Majlis;
- (b) any moneys paid under any such rules on the death of any person shall be deemed to be impressed with a trust in favour of the persons entitled thereto under the will or intestacy of such deceased person, but shall not be deemed to form part of his estate or be subject to his debts;
- (c) any person may by his will or by a memorandum under his hand appoint a trustee of the moneys payable on his death under any such rules, and may provide for the appointment of a new trustee or trustees of such moneys and for the investment thereof;
- (d) if at the time of the death of any person or at any time afterwards there is no trustee of such moneys or it is expedient to appoint a new trustee or trustees,

then and in any such case a trustee or trustees or a new trustee or trustees may be appointed by the High Court or a Judge thereof;

- (e) the receipt of a trustee or trustees duly appointed, or in default of any such appointment the receipt of the legal personal representative of a deceased person, shall be a discharge for any moneys payable on his death under any such rules;
- (f) no donation, contribution or interest paid under any such rules shall be subject to the debts of the contributor, nor shall such donation, contribution or interest be paid to the Director General of Insolvency on the bankruptcy of a contributor under any such rules, but if such contributor is adjudicated a bankrupt or is declared insolvent by judgment of the Court, such donation or contribution or interest shall, subject to such rules, be deemed to be impressed with a trust in favour of the person entitled thereto on the death of the contributor;
- (g) the bankruptcy of a contributor shall not affect the making of deductions from the salary of the contributor in accordance with any such rules, but such deductions shall continue to be made notwithstanding any written law, and the portion of salary so deducted shall be deemed not to form part of his after-acquired property;
- (h) any officer or servant who is a contributor under such rules shall, if he is dismissed from service as such officer or servant for fraud or dishonesty or misconduct which involves pecuniary loss to the Majlis, or retires or resigns his office with intent to escape discharge or dismissal in consequence of such fraud, dishonesty or misconduct, forfeit, subject to such conditions as may be provided by the rules, all or any part of the contributions made by the Majlis and the interest accrued thereon, as the Majlis in its discretion think fit; and an appeal shall lie to the Minister against any such forfeiture.

THIRD SCHEDULE

[Subsection 24(2)]

Charge on property and priority of loan

1. Where a loan is made by the Majlis on the security of a charge or mortgage of any property, whether with or without any other security, the property, from and after the date of the charge or mortgage, shall be charged with the payment of such loan and interest as in the charge or mortgage mentioned, in priority, save so far as otherwise specified in the charge or mortgage, to every other debt, charge or mortgage whatsoever affecting the property, except any loan due to any creditor not assenting to such priority which has been made in good faith before the loan made

by the Majlis and which has been secured by a duly registered charge or mortgage of the property executed to a person who is entitled as a bona fide creditor to the repayment thereof with interest.

Interest on loans made by the Majlis

2. In making any loan under this Act the Majlis may charge such rate of interest as it may deem fit in any particular case.

Repayment of loans made by the Majlis

3. Subject to paragraphs 4 and 5, every loan shall be repaid to the Majlis in accordance with the terms and conditions under which such loan was made and the moneys so paid shall thereupon be taken into the accounts of the Majlis.

Suspension of payment of principal and interest and power to extend time compound or release

4. The Majlis may—

- (a) postpone, for any time not exceeding five years, the payment of any sum due for principal and interest or for either principal or interest in respect of a loan made by it upon such terms and conditions for the carrying out of the purposes for which such loan was made and for ultimate repayment of such principal or payment of such interest as it may deem necessary;
- (b) from time to time extend the period for the repayment of any loan, or compound or release any loan or any part thereof subject to such terms and conditions as it may deem fit.

Payment of loan before due date

5. The Majlis may at any time accept payment of the whole or any part of the amount representing the principal of a loan and interest thereon, before the time when such payment is due, upon such terms and conditions as it may think fit.

Enquiry as to application of moneys lent

6. (1) Where the Majlis has made a loan of money under this Act it may—

- (a) from time to time, make or cause to be made such enquiry as may be necessary to ensure that the loan is being applied to the purpose for which it was made;

- (b) require reports including financial statement in such detail as it may determine to be submitted by the person, body or authority in receipt of the loan bi-annually or at shorter intervals at the discretion of the Majlis and such person, body or authority shall comply with such request.

(2) The Majlis may authorize in writing any of its officers or any other person to make such enquiry, and the person, body or authority in receipt of the loan shall produce to such officer or person all the relevant books, documents and other matters and things necessary for the purposes of the enquiry.

Order of Majlis upon such enquiry

7. Where upon an enquiry made under paragraph 6 it appears to the Majlis that any sum being the whole or any part of the loan has not been applied for the purposes for which the loan was made it may order that such sum be, within the time mentioned in the order, applied to such purposes or that such sum together with any interest due thereon on the date of the order be repaid to the Majlis within the time mentioned in the order, and any sum with the interest thereon so ordered to be repaid to the Majlis shall thereupon become a debt due to the Majlis.

Misapplication of loan secured by mortgage or otherwise

8. (1) If any loan made under this Act or any part of such loan has been misapplied the Majlis may—

- (a) where such loan has been secured by charge or mortgage, by notice in writing addressed to the chargor or mortgagor, recall the said loan or any part thereof and may require the loan or that part together with any interest due on such loan or part thereof on the date of the notice to be repaid on a date to be specified in the notice and in default of payment on such specified date any security given for the purpose of the loan may thereupon be realised;
- (b) where such loan has been secured otherwise than by way of charge or mortgage, by notice addressed to the borrower, request the loan or any part thereof together with any interest due on such loan or part thereof on the date of the notice to be repaid on a date to be specified in the notice and in default of payment on such specified date any security given for the purpose of the loan may thereupon be realised.

(2) Subparagraph (1) shall be in addition to any other proceedings under any other written law.

Enforcement of securities

9. Where any property charged or mortgaged as security for a loan under this Act is sold for the purpose of the enforcement of the security the Majlis may buy such property and may either manage and hold such property or sell or otherwise dispose of it as it may deem fit.

FOURTH SCHEDULE

[Subsection 25(2)]

Power of Majlis to make regulations in respect of a corporation

1. The Majlis shall, on or before the date on which any corporation is established under section 25, make regulations in respect of such corporation defining—

- (a) the purposes and objects for which such corporation is established;
- (b) the rights, powers, duties and functions of such corporation;
- (c) the system of management thereof; and
- (d) the relations between such corporation and the Majlis and its rights of control over such corporation.

Saving

2. Nothing in paragraph 1 shall be deemed to authorize the Majlis to make regulations to establish any corporation for any purpose or object more extensive in scope than the purposes or objects for which the Majlis was constituted or to confer on any corporation any right, duty, power or function which is not within the rights, duties, powers or functions of the Majlis under this Act.

Regulations subject to the Act

3. Subject to this Act and any regulations made under section 37, any regulations made under paragraph 1 shall be binding on the corporation in respect of which they were made and shall have effect for all purposes as if they had been enacted in this Act.

Amendment of the regulations

4. The Majlis may at any time amend, revoke, or add to, any regulations made in respect of any corporation under paragraph 1 and section 90 of the Interpretation Acts 1948 and 1967 shall apply to any such amended or revoked regulations as if such regulations had been written law.

Register of corporations

5. The Majlis shall keep a register in the prescribed form of all corporations established by it under section 25 and such register together with copies of all regulations made under paragraph 1 shall be open to public inspection at such place or places and at such times as it may prescribe.

Winding up

6. (1) The Majlis may by order published in the Gazette direct that any corporation established by it shall be wound up and dissolved.

(2) Upon the dissolution of any corporation under this paragraph the assets of the corporation after payment of all liabilities shall be transferred to and vested in the Majlis.

(3) The winding up of a corporation under this paragraph shall be conducted in such manner as the Majlis may prescribe.

Corporations to be bodies corporate

7. Every corporation established under section 25 shall be a body corporate by such name as the Majlis shall give to such corporation and shall have perpetual succession and a common seal and may sue and be sued in such name, and for the purpose of carrying into effect the registered development project for which it has been established may enter into contracts and may hold and deal in or with any immovable or movable property and may do all other matters and things incidental or appertaining to a body corporate not inconsistent with this Act and subject to such restrictions or limitations as may be prescribed by the Majlis in each case.

Common seal of the corporation

8. (1) Every corporation shall have a common seal, which bear such device as the corporation, with the approval of the Majlis, may approve, and such seal may from time to time be broken, changed, altered and made anew by the corporation, with the approval of the Majlis, as the corporation shall think fit.

(2) Until a seal is provided by the corporation under this paragraph a stamp bearing the name of the corporation encircling the letters “MARA” may be used as a common seal.

(3) The common seal, or the stamp referred to in subparagraph (2), shall be in the custody of such person as the corporation shall direct and shall be authenticated by such person; and all deeds, documents and other instruments purporting to be sealed with the said seal, authenticated as aforesaid, shall until the contrary is proved, be deemed to have been validly executed:

Provided that any document or instrument which if executed by a person not being a body corporate would not be required to be under seal may in like manner be executed by the corporation; and any such document or instrument may be executed on behalf of the corporation by any officer or servant of the corporation generally or specially authorized by the corporation in that behalf.

(4) The seal of every corporation shall be officially and judicially noticed.

LAWS OF MALAYSIA**Act 489****MAJLIS AMANAH RAKYAT ACT 1966****LIST OF AMENDMENTS**

Amending law	Short title	In force from
Act A19	Majlis Amanah Rakyat (Amendment) Act 1969	28-03-1969
Act A119	Majlis Amanah Rakyat (Amendment) Act 1972	01-09-1971
Act A210	Majlis Amanah Rakyat (Amendment) Act 1973	22-04-1973
Act A302	Majlis Amanah Rakyat (Amendment) Act 1975	30-05-1975
Act A348	Statutory Bodies Act 1976	01-06-1976
Act 478	Revocation of Exemption From Payment of Stamp Duties Act 1992	21-02-1992
Act A1178	Majlis Amanah Rakyat (Amendment) Act 2002	27-12-2002

LAWS OF MALAYSIA

Act 489

MAJLIS AMANAH RAKYAT ACT 1966

LIST OF SECTIONS AMENDED

Section	Amending authority	In force from
2	Act A119	01-09-1971
	Act A210	22-04-1973
	Act A302	30-05-1975
3	Act A19	28-03-1969
	Act A119	01-09-1971
	Act A210	22-04-1973
	Act A302	30-05-1975
4	Act A119	01-09-1971
	Act A348	01-06-1976
5	Act A348	01-06-1976
6	Act A348	01-06-1976
	Act A1178	27-12-2002
6A	Act A210	22-04-1973
	Act A302	30-05-1975
7	Act A199	01-09-1971
	Act A210	22-04-1973
	Act A302	30-05-1975
8	Act A119	01-09-1971
10	Act A119	01-09-1971
11	Act A119	01-09-1971

Section	Amending authority	In force from
18	Act A348	01-06-1976
25	Act A302	30-05-1975
29	Act A119	01-09-1971
30	Act 478	21-02-1998
31	Act A119	01-09-1971
35	Act A119	01-09-1971
First Schedule	Act A210	22-04-1973
First A Schedule	Act 210	22-04-1973
	Act A302	30-05-1975
