



**PARLIAMENT OF THE DEMOCRATIC
SOCIALIST REPUBLIC OF
SRI LANKA**

**NATIONAL INSTITUTE OF BUSINESS
MANAGEMENT (AMENDMENT)
ACT, No. 28 OF 1991**

[Certified on 10th July , 1991]

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*National Institute of Business Management
(Amendment) Act, No. 28 of 1991*

[Certified on 10th July, 1991]

L. D.—O. 87/90.

AN ACT TO AMEND THE NATIONAL INSTITUTE OF BUSINESS
MANAGEMENT LAW, No. 23 OF 1976

BE it enacted by the Parliament of the Democratic Socialist Republic of Sri Lanka as follows:—

Short title.

1. This Act may be cited as the National Institute of Business Management (Amendment) Act, No. 28 of 1991.

2. Section 3 of the National Institute of Business Management Law, No. 23 of 1976 (hereinafter referred to as the "principal enactment") is hereby amended by the repeal of subsection (1) of that section and the substitution therefor, of the following subsection:—

Amendment
of section
3 of Law
No. 23
of 1976.

"(1) The general object of the Institute shall be business management development and in particular—

- (a) to provide for and promote business management education and training;
- (b) to provide management consultancy and advisory services;
- (c) to facilitate improvement of productivity."

3. Section 4 of the principal enactment is hereby amended as follows:—

Amendment
of section 4
of the
principal
enactment.

- (1) by the repeal of paragraph (b) of that section and the substitution therefor, of the following paragraph:—

"(b) establish and operate management development training and education centres;"

- (2) by the insertion, immediately after paragraph (b) of that section, of the following new paragraphs:—

- (ba) provide for courses in business management and related subjects;
- (bb) affiliate with universities or authorities in Sri Lanka or abroad, in such manner and for such purposes as the Institute may determine;
- (bc) grant and confer diplomas and other academic distinctions on persons who have pursued approved courses of study at the Institute;
- (bd) register affiliated institutions for Business Management education;" and

(3) by the repeal of paragraph (k) of that section and the substitution therefor, of the following paragraph :—

(k) make rules in relation to business management education and general administration of the Institute.”.

Replacement
of section
6 of the
principal
enactment.

4. Section 6 of the principal enactment is hereby repealed and the following section substituted therefor :—

“Constitu-
tion of the
Governing
Council.

6. (1) The Institute shall have a Govern-
ing Council (hereafter in this Law referred
to as the “Council”, consisting of the
following members :—

(a) eight *exofficio* members, namely—

(i) Director-General of the Institute
appointed under section 16 ;

(ii) Director of the Post Graduate Insti-
tute of Management ;

(iii) President of the Institute of Char-
tered Accountants of Sri Lanka
established by the Institute of Char-
tered Accountants Act, No. 23 of
1959 ;

(iv) President of the Chartered Institute
of Management Accountants (Sri
Lanka Division) ;

(v) Chairman of the Sri Lanka Advisory
Council of Industries established
under the Industrial Promotion Act,
No. 46 of 1990 ;

(vi) Chairman of the Commercial Banks
Association ;

(vii) General Manager of the National
Development Bank established by the
National Development Bank Act,
No. 2 of 1979 ;

(viii) General Manager of the Develop-
ment Finance Corporation of
Ceylon established by the Develop-
ment Finance Corporation of Ceylon
Act, No. 35 of 1955 ;

(b) three members to be appointed by the Minister; two of them being persons with a minimum of ten years experience in business management and who have achieved distinction in the field of high level management and the other being a person with a minimum of ten years experience in industrial relations and trade union activities and has achieved distinction in that field.

(2) The Minister shall appoint one of the members of the Council other than the Director-General as the Chairman.

(3) If the Chairman of the Governing Council is by reason of illness or absence from Sri Lanka, temporarily unable to perform the duties of his office, the Minister may nominate another member of the Governing Council to act in his place.

(4) The Minister may, without assigning any reason therefor, terminate the appointment of the Chairman.

(5) The Chairman may at any time resign from office by letter addressed to the Minister, such resignation shall take effect upon it being accepted by the Minister in writing.

(6) Subject to the provisions of subsections (4) and (5), the term of office of the Chairman shall be his period of membership of the Governing Council.

(7) A person shall be disqualified from being appointed or from continuing, as a member of Council—

(a) if he is or becomes a Member of Parliament, or a Member of Provincial Council; or

(b) if he, directly or indirectly, holds or enjoys any right to benefit under any contract made by or on behalf of the Institute; or

(c) if he has any such financial or other interest as is likely to affect prejudicially the discharge by him of his function as a member of the Council.'.

Amendment
of section
7 of the
principal
enactment.

5. Section 7 of the principal enactment is hereby amended as follows:—

- (1) by the substitution in subsection (1) of that section, for the words and figure "under subsection (1)", of the words and figure "under paragraph (b) of subsection (1)";
- (2) by the substitution in paragraph (a) of subsection (2) of that section, for the words and figure "under subsection (1)", of the words and figure "under paragraph (b) of subsection (1)";
- (3) by the substitution in subsection (3) of that section, for the words and figure "under subsection (1)", of the words and figure "under paragraph (b) of subsection (1)".

Amendment
of section
8 of the
principal
enactment.

6. Section 8 of the principal enactment is hereby amended in subsection (1) of the section by the substitution for the words and figure "under subsection (1)", of the words and figure "under paragraph (b) of subsection (1)".

Amendment
of section
9 of the
principal
enactment.

7. Section 9 of the principal enactment is hereby amended by the substitution for the words "A member of the Board may", of the words and figure "A member of the Council appointed under paragraph (b) of subsection (1) of section 6 may".

Amendment
of section
10 of the
principal
enactment.

8. Section 10 of the principal enactment is hereby amended by the substitution, for the words "Any member who vacates office", of the words and figure "A member of the Council appointed under paragraph (b) of subsection (1) of section 6 who vacates his office".

Amendment
of section
13 of the
principal
enactment.

9. Section 13 of the principal enactment is hereby amended in subsection (4) of that section, by the substitution for the words "five members", of the words "four members".

10. The following new section is hereby inserted immediately after section 15 and shall have effect as section 15A of the principal enactment :—

Insertion
of new section
15A in the
principal
enactment.

"Constitution
of a Business
Management
Education
Board.

15A. (1) There shall be established a Business Management Education Board of the Institution to—

(a) advise the Council on all matters relating to business management education; and

(b) report on any other matter referred to it by the Council.

(2) The Director-General shall be the Chairman of the Business Management Education Board.

(3) The Council shall consult the Business Management Education Board before deciding on any matter relating to business management education.

(4) The Council shall make rules relating to the composition of the Business Management Education Board, the manner of appointment of its members and the term of office of its members."

11. Section 16 of the principal enactment is hereby repealed and the following section is substituted therefor :—

Replace-
ment of
section 16 of
the
principal
enactment.

"Appoint-
ment of
the Director-
General
of the
Institute.

16. (1) The Director-General shall be the Chief Executive Officer of the Institute and shall execute or perform such powers, functions and duties as may be delegated to him by the Council.

(2) The Minister shall in consultation with the Council and having regard to the qualifications and the scheme of selection specified under subsection (3), appoint a Director-General.

(3) The Council shall, with the concurrence of the Minister, specify qualifications, and the scheme of selection for the post of the Director-General.

(4) The provisions of subsections (2) and (3) shall not apply in relation to the first Director-General, who shall be appointed by the Minister.

(5) The Director-General shall hold office for a period of five years from the date of his appointment.

(6) The Minister may on recommendation of the Council made after due inquiry, remove the Director-General from office,—

(a) if he has become permanently incapable of performing his duties ; or

(b) if he has done any act which is manifestly opposed to the objects and interest of the institute.

(7) The Director-General shall be paid such remuneration as may be determined by the Minister with the concurrence of the Minister in charge of the subject of Finance.”

Amendment of section 17 of the principal enactment.

12. Section 17 of the principal enactment is hereby amended by the repeal of the paragraph (a) of subsection (1) of that section and the substitution therefor of the following paragraph :—

“ (a) appoint to the staff of the Institute, officers and servants (whether on a full or part time basis), as may be necessary for the purpose of the Institute ;”.

Amendment of the principal enactment.

13. Wherever in any provision of the principal enactment or other written law or of any notice, communication, form or other document issued, made, required or authorised by or under the principal enactment the words “Board of Governors” or “Board” denoting the Board of Governors of the Institute, occur there shall be substituted for those words the words “Governing Council” or “Council” respectively.

Sinhala text to prevail in case of inconsistency

14. In the event of any inconsistency between the Sinhala and the Tamil texts of this Act, the Sinhala text shall prevail.