

**THE BANKS AND FINANCIAL INSTITUTIONS LAWS
AMENDMENT ACT, 1980**

ACT NO. IX OF 1980

[29th March, 1980]

**An Act further to amend certain laws relating to Banks
and Financial Institutions.**

WHEREAS it is expedient further to amend certain laws relating to Banks and Financial Institutions for the purposes hereinafter appearing;

It is hereby enacted as follows:-

Short title

1. This Act may be called the Banks and Financial Institutions Laws Amendment Act, 1980.

**Amendment of
certain laws
relating to
Banks and
Financial
Institutions**

2. The laws mentioned in column 1 of the Schedule shall be amended in the manner indicated in column 2 thereof.

THE SCHEDULE

(See section 2)

Laws	Amendments
1	2
1. The Bangladesh Banks (Nationalisation) Order, 1972 (P.O. No. 26 of 1972).	1. In Article 10, the commas and words “, who shall be the Chairman of the Board,” shall be omitted. 2. After Article 15, the following new Article 15A shall be <i>inserted</i> , namely:-

“15A.- (1) The Government shall appoint one of the Directors other than the Managing Director to be the Chairman of the Board.

Laws	Amendments
1	2
	(2) Subject to his continuing to hold office as a Director, the Chairman shall hold office as Chairman for the terms of his office as Director and shall be eligible for re-appointment.
	(3) In the event of a casual vacancy in the office of the Chairman a successor shall be appointed by the Government from amongst the Directors for the unexpired term or for the period of absence, as the case may be, but the person so appointed shall not hold office beyond the date of expiry of the term of office of his predecessor.”.
2. The Bangladesh Shilpa Rin Sangstha Order, 1972 (P.O. No. 128 of 1972).	<p>3. In Article 24, in clause (1), <i>for</i> the words, comma, figures and brackets “Chartered Accountants Ordinance, 1961 (Ordinance X of 1961)” the words, comma, figures, brackets and letters “Bangladesh Chartered Accountants Order, 1973 (P.O. No. 2 of 1973)” shall be <i>substituted</i>.</p> <p>4. In Article 29, in clause (2), in sub-clause (b), <i>for</i> the words “Managing Director” the words and comma “Chairman, Managing Director” shall be <i>substituted</i>.</p> <p>1. In Article 8, in clause (1), the commas and words “, who shall be the Chairman of the Board,” shall be <i>omitted</i>.</p> <p>2. In Article 10, in clause (2), <i>after</i> the word “The” at the beginning, the word and comma “Chairman,” shall be <i>inserted</i>.</p> <p>3. After Article 11, the following new Article 11A shall be <i>inserted</i>, namely:</p> <p>“11A.- (1) The Government shall appoint one of the Directors other than the Managing Director to be the Chairman of the Board.</p> <p>(2) Subject to his continuing to hold office as a Director, the Chairman shall hold office as Chairman for the term of his office as Director and shall be eligible for re-appointment.</p>

Laws	Amendments
1	2

(3) In the event of a casual vacancy in the office of the Chairman a successor shall be appointed by the Government from amongst the Directors for the unexpired term or for the period of absence, as the case may be, but the person so appointed shall not hold office beyond the date of expiry of the term of office of his predecessor.”.

(4) In Article 33, in clauses (11) and (13), *for the words “High Court” wherever occurring, the words “High Court Division” shall be substituted.*

5. In Article 36, *for the words “Managing Director” the words and comma “Chairman, Managing Director” shall be substituted.*

6. In Article 43, in clause (2), in sub-clause (b), *for the words “Managing Director” the words and comma “Chairman, Managing Director” shall be substituted.*

3. The Bangladesh Shilpa Bank Order, 1972 (P.O. No. 129 of 1972).

1. In Article 4, in clause (3), *for the words, commas, figures, brackets and letters “State Bank Act, 1956 (Act XXXIII of 1956), read with the Bangladesh Bank (Temporary) Order, 1971 (A.P.O. No. 2 of 1971)” the words, comma, figures, brackets and letters “Bangladesh Bank Order, 1972 (P.O. No. 127 of 1972)” shall be substituted.*

2. In Article 8, in clause (1), the commas and words “, who shall be the Chairman of the Board,” shall be *omitted*.

3. In Article 10,-

(a) in clause (1), the words “who is the Chairman of the Board” shall be *omitted*; and

(b) in clause (2), after the word “The” at the beginning, the word and comma “Chairman,” shall be *inserted*.

4. After Article 11, the following new Article 11A shall be *inserted*, namely:-

Laws	Amendments
1	2
	<p>“11A.- (1) The Government shall appoint one of the Directors other than the Managing Director to be the Chairman of the Board.</p>
	<p>(2) Subject to his continuing to hold office as a Director, the Chairman shall hold office as Chairman for the term of his office as Director and shall be eligible for re-appointment.</p>
	<p>(3) In the event of a casual vacancy in the office of the Chairman a successor shall be appointed by the Government from amongst the Directors for the unexpired term or for the period of absence, as the case may be, but the person so appointed shall not hold office beyond the date of expiry of the term of office of his predecessor.”.</p>
	<p>5. In Article 29, in clause (2), <i>for</i> the words, comma, figures and brackets “Chartered Accountants Ordinance, 1961 (Ord. X of 1961)” the words, comma, figures, brackets and letters “Bangladesh Chartered Accountants Order, 1973 (P.O. No. 2 of 1973)” shall be <i>substituted</i>.</p>
	<p>6. In Article 33, in clauses (11) and (13), <i>for</i> the words “High Court” wherever occurring, the words “High Court Division” shall be <i>substituted</i>.</p>
	<p>7. In Article 36, <i>for</i> the words “Managing Director” the words and comma “Chairman, Managing Director” shall be <i>substituted</i>.</p>
	<p>8. In Article 44, in clause (2), in sub-clause (b), <i>for</i> the words “Managing Director” the words and comma “Chairman, Managing Director” shall be <i>substituted</i>.</p>
4. The Bangladesh House Building Finance Corporation Order, 1973 (P.O. No. 7 of 1973).	<p>1. In Article 7, in clause (1), the commas and words “, who shall be the Chairman of the Board,” shall be <i>omitted</i>.</p>

Laws	Amendments
1	2

2. After Article 10, the following new Article 10A shall be *inserted*, namely:-

- “10A.-** (1) The Government shall appoint one of the Directors other than the Managing Director to be the Chairman of the Board.
- (2) Subject to his continuing to hold office as a Director, the Chairman shall hold office as Chairman for the term of his office as Director and shall be eligible for re-appointment.
- (3) In the event of a casual vacancy in the office of the Chairman a successor shall be appointed by the Government from amongst the Directors for the unexpired term or for the period of absence, as the case may be, but the person so appointed shall not hold office beyond the date of expiry of the term of office of his predecessor.”.

3. In Article 13, in clause (2), *for* the word “five” occurring twice, the word “six” shall be *substituted* in both the places.

4. In Article 30, in clause (1), *for* the words, comma and figure “Chartered Accountants Ordinance, 1961” the words, comma, figures, brackets and letters “Bangladesh Chartered Accountants Order, 1973 (P.O. No. 2 of 1973)” shall be *substituted*.

5. The Bangladesh Krishi Bank Order, 1973 (P.O. No. 27 of 1973).

1. In Article 3, in clause (3), *for* the words, brackets, commas and figures “Banking Companies (Inspection) Ordinance, 1946 (Ord. No. IV of 1946), the Banking Companies (Control) Act, 1948 (Act XXII of 1948)” the words, commas, figures and brackets “Banking Companies Ordinance, 1962 (Ord. No. LVII of 1962),” shall be *substituted*.

2. In Article 7, in clause (i), the words, “who shall be the Chairman of the Board” shall be *omitted*.

3. In Article 9, in clause (2), *after* the word “The” at the beginning, the word and comma “Chairman,” shall be *inserted*.

Laws	Amendments
1	2

4. In Article 10, *for* clauses (1) and (2), the following shall be *substituted*, namely:-

“(1) There shall be an Executive Committee consisting of the Chairman, Managing Director and another Director:

Provided that if the Chairman is an officer appointed under Article 7 (ii), then the Director other than the Managing Director shall be a non-official and *vice versa*.

(2) The member of the Executive Committee, other than the Chairman and the Managing Director, shall be elected by the Board.”.

5. After Article 11, the following new Article 11A shall be *inserted*, namely:-

“11A.- (1) The Government shall appoint one of the Directors other than the Managing Director to be the Chairman of the Board.

(2) Subject to his continuing to hold office as a Director, the Chairman shall hold office as Chairman for the term of his office as Director and shall be eligible for re-appointment.

(3) In the event of a casual vacancy in the office of the Chairman a successor shall be appointed by the Government from amongst the Directors for the unexpired term or for the period of absence, as the case may be, but the person so appointed shall not hold office beyond the date of expiry of the term of office of his predecessor.”.

6. In Article 13, in clause (1), *for* the word “Chairman” the words “Managing Director” shall be *substituted*.

7. In Article 24, in clause (2), *for* the words, comma, figures and brackets “Chartered Accountants Ordinance, 1961 (Ordinance X of 1961)” the words, comma, figures, brackets and letters “Bangladesh Chartered Accountants Order, 1973 (P.O. No. 2 of 1973)” shall be *substituted*.