



**WESTERN PROVINCE PROVINCIAL COUNCIL
OF THE DEMOCRATIC SOCIALIST REPUBLIC
OF
SRI LANKA**

**INDUSTRIAL DEVELOPMENT
AUTHORITY STATUTE No. 02 OF 1994
(WESTERN PROVINCE)**

[Certified by the Governor of the Western Province on 07th May, 1994]

Printed on the Orders of the Western Province Provincial Council

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TO BE PURCHASED FROM THE OFFICE OF THE CHIEF SECRETARY OF THE WESTERN PROVINCIAL COUNCIL

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Western Province*

be stipulated by the President of the Republic or the Minister of the Cabinet of Ministers in charge of the Subject of Lands, as the case may be, when the land was made available as aforesaid.

Contracts with any public corporation, company, etc.

31. The Board may subject to the Provisions of this Statute or any other written law, enter into and perform or carry-out all such contracts and agreements with any public corporation, company or other body of persons as may be necessary for the purposes of this Statute.

Employees of the Board deemed to be Public Servants.

32. All officers and employee of the Board shall be deemed to be public servants within the meaning and for the purposes, of the Penal Code.

Secrecy.

33. No officer, employee or agent of the Board shall disclose to any person, except the Minister for the purpose of the performance of his duties or the discharge of his functions or the exercise of his powers or except when required to do so before a court under any law, any information acquired by him in the performance or discharge of his functions or exercise of his powers under this Statute.

Protection for action taken under the Statute.

34. (1) No suit or prosecution shall lie—

(a) against the Board for any act which, in good faith, is done or purported to be done by it under this Statute, or

(b) against any member of the Board, officer, employee or agent of the Board for any act which, in good faith, is done or purported to be done by him under this statute or on the direction of the Board.

(2) Any expenses incurred by any such person as is referred to in Sub-section (1) in any suit or prosecution brought against him before any court in respect of any act which is done or purported to be done by him under this Statute or on the direction of the Board shall, if the court holds that the act was done in good faith, be paid out of the Industrial Account.

Interpretation.

35. In this Statute, unless the context otherwise required—

“Company” means any company registered under the companies Act, No. 17 of 1982 ;

“Provincial Council” means the Provincial Council of the Western Province ;

“Minister” means the Minister of the Board of Ministers in charge of the subject of industries of the Provincial Council ;

“Province” means the Western Province of the Democratic Socialist Republic of Sri Lanka ; and “Public Corporation” means a corporation, board or other body which was or is established by or under any written law other than the companies Act, No. 17 of 1982 with funds or capital wholly or partly provided by the Government by way of grant, loan or otherwise.

Sinhala text to prevail in the event of inconsistency.

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

**WESTERN PROVINCE PROVINCIAL COUNCIL OF
THE DEMOCRATIC SOCIALIST REPUBLIC OF
SRI LANKA**

**INDUSTRIAL DEVELOPMENT AUTHORITY STATUTE NO. 2 OF 1994 OF THE
WESTERN PROVINCE**

I certify that the Industrial Development Authority Statute No.2 of 1994 of the Western Province consisting of Parts I to IV was approved at the Western Province Provincial Council meeting held on 07th April, 1994.

S. Sharvananda,
Governor,
Western Province.

Ariyaratna Jayatilaka,
President,
Office of the Western Province
Provincial Council.

Western Province
Industrial Development Authority Statute No. 02 of 1994
[Certified on 07th May, 1994]

A STATUTE TO PROVIDE FOR THE PROMOTION, DEVELOPMENT, EXPANSION AND ENCOURAGEMENT OF INDUSTRIES IN THE PROVINCE ; FOR THE ESTABLISHMENT OF AN AUTHORITY KNOWN AS THE INDUSTRIAL DEVELOPMENT AUTHORITY OF THE WESTERN PROVINCE ; AND CREATION OF AN INDUSTRIAL DEVELOPMENT ACCOUNT, AND FOR OTHER MATTERS CONNECTED THEREWITH OR INCIDENTAL THERE TO. THE PROVISIONS OF THIS STATUTE ARE INCONSISTENT WITH THE PROVISIONS OF THE INDUSTRIAL DEVELOPMENT ACT

BE it passed by the Provincial Council of the Western Province of the Democratic Socialist Republic of Sri Lanka as follows :

1. This statute may be cited as the Industrial Development Authority Statute of the Western Province, No.02 of 1994 and shall come into operation on such date as the Minister may appoint by order published in the Gazette.

Short title and date of operation.

2. There shall be —

- (a) Established an authority called the Industrial Development Authority ; and
- (b) Created an Industrial Development Account in accordance with the provisions of this Statute.

Establishment of Industrial Development Authority and creation of Industrial Development Account.

PART I

Industrial Development Authority of The Western Province

3. There shall be established an authority which shall be called the Industrial Development Authority of The Western Province (hereinafter referred to as "the Authority").

Industrial Development Authority of the Western Province.

4. The Authority shall, by the name assigned to it by Section 3, be a body corporate and shall have perpetual succession and a common seal.

Authority to be a body corporate.

5. The objects of the Authority shall be—

- (a) To implement the provisions of the Statute ;
- (b) To encourage and assist the industries in the Province ;
- (c) To attract local and foreign investors to the Province introduce industrial projects, assists these investor by providing them the required advice ;
- (d) To create a satisfactory climate for investments including the provision of basic facilities required for them ;
- (e) To impart the technical knowledge required for industries including giving the necessary advice, and provide required training and education and conducting the necessary researches to those who are engaged in industrial activities in the Province.

Objects of the Authority.

- (f) To maintain the rapport between the different industrialists in the Province ;
- (g) To set up markets for locally produced goods in the Province, and to encourage, and provide internal agreement to promote the production of such goods ;
- (h) To provide necessary assistance and advice for the marketing of locally produced goods;
- (i) To provide guidance to obtain necessary finance, conduct competitions, prize givings and issue certificates to develop this sector ;
- (j) To engage any other activities relevant to the purpose of this Statute ;
- (k) To engage in such other related activities as are necessary to be undertaken by the Authority in the opinion of the Minister.

**Powers of the
Authority.**

6. The Authority shall have the power —
- (a) To make possession of, hold, obtain on lease or rent, mortgage, or otherwise dispose of movable or immovable property; subject to any law;
 - (b) To cause researches to be conducted to develop Industries according to the relevant provisions of the law ;
 - (c) To enter into joint agreements or contracts to further any of the objects of the Authority in accordance with the provisions of the relevant law ;
 - (d) To charge fees or rent for the facilities provided by the Authority ;
 - (e) To appoint, employ, remunerate and enforce disciplinary control over the necessary staff and framing and enforcing rules and regulations necessary for this purpose ;
 - (f) To allocate specific duties to the members of the staff and to evaluate their performances, take remedial steps where necessary ;
 - (g) To obtain machinery, equipment and vehicles required to fulfil any of the above said objects of the Authority by way of importation or otherwise.

PART II

Board of Management of the Authority

**Board of
Management.**

7.(1) There shall be a Board of Management to act for and administer the affairs of the Authority (hereinafter referred to as "the Board") consisting of three *ex-officio* members and four appointed members.

(2) The *ex-officio* members of the Board shall be—

- (a) The Secretary to the Ministry of Industries of the Province ;
- (b) The Director of Industries of the Province ; and
- (c) The Secretary to the Ministry of Agriculture of the Province .

(3) The four appointed members to be nominated by the Minister with the consent of the Chief Minister (hereinafter referred to as "the appointed members") shall be—

- (a) A representative of the banking sector in the Province ;
- (b) A Private Sector Industrialist in the Province ;
- (c) A representative of a Commercial Establishment in the Province ;
and
- (d) A representative of the Handycraft Sector.

(4) The Minister shall appoint one of the members of the Board as its Chairman.

(5) Where one Ministry in the Province handles the subject of Industries as well as Agriculture, the Minister may nominate an additional *ex-officio* member to the Board in consultation with the Chief Minister.

8. An appointed member shall hold office for a period of three years unless he earlier vacates office by resignation, death, removal or otherwise.

Term of office of an appointed member.

9. An appointed member who vacates office by effluxion of time shall be eligible for re-appointment.

Eligibility of members for reappointment.

10. An appointed member may resign office by letter addressed to the Minister.

Resignation and removal of members.

11. A member of Parliament or a Provincial Council shall not be qualified to be or to continue as an appointed member of the Board.

Disqualifications.

12. (1) If any member is temporarily unable to discharge the duties of his office due to ill health, absence from Sri Lanka or any other cause, the Minister may subject to Section 7 appoint some other person to act as member in his place.

Appointment of acting members.

(2) If the Chairman is unable to function in his office for reasons specified in Sub-section (1), the Minister may appoint another member of the Board to act for the Chairman during his absence.

13. The Board shall meet at least once a month.

Meetings of the Board.

14. The quorum for any meeting of the Board should be four.

Quorum.

15. Subject to the other provisions of the Statute, the Board may formulate its own procedure in regard to its meetings and for transaction of business at such meetings by regulations.

Procedure at meetings of the Board.

16. Any action or decision of the Board shall not be deemed to be invalid by reason any of a vacancy existing in the Board or a defect in an appointment of a member of the Board.

Any action, etc, not to be invalid by reason of a vacancy in the Board.

Remuneration. 17. The members of the Board shall be paid such remuneration as may be decided by the Minister ;

Common Seal of the Authority. 18. (1) The common seal of the Authority shall be in the custody of such person as may be decided by the Board ;

(2) The Seal of the Authority may be altered in such manner as the Board may decide ;

(3) The seal of the Authority shall not be affixed to any instrument or document, whatsoever, except in the presence of two members of the Board, both of whom shall sign such instrument or document in token of their presence.

(4) The Board shall maintain a register to instruments of documents to which the seal of the Authority is so affixed.

Powers of the Board.

19. The Board shall have the power to exercise any or all of the power of the Authority referred to in Section 6 or any other provision of the Statute, in addition to exercising performing, and discharging the powers, functions and duties directly assigned to or conferred on the Board under or by this Statute.

Duties of the Board.

20. It shall be the duty of the Board—

(a) To render as far as possible, such services as are contemplated in the objects of the Board for the benefit of—

(i) The Provincial Council or any Ministry of the Provincial Council, or

(ii) Any industry which is, or is to be carried on in the Province, or

(iii) Any local authority.

(b) To take all such measures as may be necessary for the fulfilment of its objects ;

(c) Either on its own motion or at the request of the Minister to advise him on all matters relating to the promotion and development of industries.

Delegation of Powers, functions and duties of the Board.

21. (1) The Board may delegate to any member or employee of Board any of its powers, functions or duties under this statute.

(2) Any such member or employee to whom any powers, functions or duties have been so delegated shall exercise, discharge, or perform them subject to the general or special direction of the Board.

Minister's direction to the Board.

22. (1) In the exercise, discharge and performance of its powers, functions and duties the Board shall be subject to, and act in accordance

with, such general or special direction as the Minister may from time to time issue.

(2) The Minister shall, in giving any direction under Sub-section (1) with regard to any matter affecting the function assigned to any other Minister, shall do so in consultation with that Minister.

23. Subject to the other provisions of this Statute, the Board may—

Staff of the
Board, etc.

- (a) appoint a suitable person to be the Director of the Board on full time basis, who shall be its Chief Executive, on such remuneration and other conditions as may be determined by the Board ;
- (b) appoint, dismiss and exercise disciplinary control over the staff of the Board ;
- (c) fix the wages or salaries or other remunerations of such staff ;
- (d) determine the terms and conditions of service of such staff ;
- (e) establish and regulate a provident fund or scheme for the benefit of such staff and make contributions towards such fund or scheme.

PART III

Finance and Accounts

24. (1) There shall be operated and maintained a separate account of the Provincial Fund called the "Industrial Development Account" (hereinafter referred to as the "Industrial Account") constituting—

Industrial
Account.

- (a) funds allocated to it by the Provincial Council ;
- (b) all income received for the services provided by the Authority ;
- (c) all loans and foreign assistance received by the Authority with the approval of the Government of Sri Lanka ; and
- (d) any other income received by the Authority from its activities.

(2) The Maintenance and operation of the Industrial Account shall be subject to the provisions of Chapter III of the Provincial Councils Act, No.42 of 1987, relating to the Provincial Fund.

(3) All such sums of money as may be required from time to time, by the Board for the purposes of Sub-section (4) shall be transferred to the Industrial Account from the Provincial Fund.

(4) There shall be paid out of the Industrial Account all sums of money required to defray any expenditure incurred by the Board in exercising its powers or in discharging or performing its functions or duties under this Statute.

25. The financial year of the Authority shall be the calendar year.

Provincial Year
of the
Authority.

26. (1) The Accounts of the Authority in respect of each financial year shall be submitted to the Auditor - General for audit before the laps of six months from the end of the financial year. For the purpose of assisting him in the audit of such accounts, the Auditor-General may employ the services of any qualified auditor or auditors who shall act under his direction and control.

Audit of the
Accounts of the
authority.

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(2) For the purpose of meeting the expenses incurred by him in auditing the accounts of the Authority, the Auditor - General shall be paid from the funds of the Authority such remuneration as the Minister may determine. Any remuneration received from the Authority by the Auditor-General shall, after deducting any sums paid by him to any qualified auditor employed by him for the purpose of such audit, be credited to the Consolidated Fund of Sri Lanka.

(3) The Auditor - General and any person assisting him in the audit of the accounts of the Authority shall have access to all such books, deeds, contracts, accounts, vouchers and other documents of the Authority as the Auditor - General may consider necessary for the purpose of the audit, and the Board or its officers shall furnish them with such information within their knowledge as may be required for such purpose.

(4) For the purpose of this section, the expression "qualified auditor" means—

(a) an individual who, being a member of the institute of Chartered Accountants of Sri Lanka, or of any other Institute established by law, possesses a certificate to practise as an Accountant issued by the Council of such Institute ; or

(b) a firm of Accountants each of the resident partners of which, being a member of the Institute of Chartered Accountants of Sri Lanka or of any other Institute established by law, possesses a certificate to practise as an Accountant issued by the Council of such Institute.

Auditor-General's
report

27. (1) The Auditor - General shall examine the Accounts of the Authority and furnish a report—

(a) stating whether he has or has not obtained all the information and explanations required by him ;

(b) stating whether the accounts referred to in the report are properly drawn up so as to exhibit a true and fair view of the affairs of the Authority ; and

(c) drawing attention to any item in the accounts which in his opinion may be of interest to the Provincial Council and Examination of such activities and Accounts of the Authority

(2) The Auditor - General shall transmit his report to the Director of the Board together with the audited accounts.

Auditor-General's
report and the
report of the
annual activities
of the Authority
to be transmitted
to the Chief
Minister.

28. The Director of the Board shall, on receipt of the audited account and the Auditor - General's report each year, transmit report and such accounts together with the statement of the activities of the Authority to the Chief Minister who shall cause copies thereof to be laid before the Provincial Council within twelve months of the close of the financial year of the Authority to which the accounts relate.

PART IV

General

29. (1) The Minister may make regulations for the purpose of carrying out and giving effect to the principles and provisions of this statute, and for all matters stated or required by this statute to be prescribed, or in respect of which regulations are required to be made.

Regulations.

(2) Every regulation made by the Minister shall be published in the Gazette and shall come into force on the date of such publication or on such later date as may be specified therein.

(3) Every regulation made by the Minister shall, as soon as convenient after its publication in the Gazette, be brought before the Provincial Council for approval. Any such regulation which is not so approved shall be deemed to be rescinded as from the date of such disapproval but without prejudice to anything previously done thereunder. Notification of the date on which any regulation made by the Minister is so deemed to be rescinded shall be published in the Gazette.

30. (1) Where the Minister of the opinion that any land situated in the Province is required for any of the purposes of this Statute, the Provincial Council may, on the recommendation of the Minister, by resolution passed at a meeting of the Provincial Council resolve—

Land required
for the purposes
of this Statute.

(a) If the land is a state land, to apply to the President of the Republic of make such land available to the Provincial Council for such purpose in terms of item 1 : 2 of Appendix II of List I of the Ninth Schedule to the Constitution ; and

(b) If the land is a private land, to apply to the Minister of the Cabinet of Ministers in charge of the subject of land to acquire such land on behalf of the Provincial Council for such purpose under the Land Acquisition Act.

(2) Where the Provincial Council has made a resolution under Sub-section (1) it may make an application in such form as may be prescribed, to—

(a) the President of the Republic, if the resolution relates to a state land ; or

(b) the Minister of the Cabinet of Ministers in charge of the subject of lands, if the resolution relates to a private land requesting for such land to be made available to the Provincial Council for the said purpose.

(3) On the application under Sub-section (2) if the President of the Republic or the Minister of the Cabinet of Ministers in charge of the subject of lands, as the case may be, makes available the said land to the Provincial Council, such land shall be utilized by the Provincial Council for the purpose for which it was applied for and for no other purpose, subject to such terms and conditions, including the payment of compensation as may