

# MALAYSIAN RUBBER BOARD (INCORPORATION) ACT 1996

## ACT 551

### Preamble

An Act to repeal the Malaysian Rubber Research and Development Fund Act 1958, the Rubber Research Institute of Malaysia Act 1966, the Malaysian Rubber Exchange and Licensing Board Act 1972, the Rubber Shipping and Packing Control Act 1949 and the Rubber Export Registration Act 1966; to dissolve the Malaysian Rubber Research and Development Board, the Rubber Research Institute of Malaysia and the Board of the Rubber Research Institute of Malaysia and the Malaysian Rubber Exchange and Licensing Board; to establish the Malaysian Rubber Board and to provide for matters connected therewith and to make better provision in respect of the rubber industry of Malaysia.

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

#### 1. Short title and commencement.

(1) This Act may be cited as the **Malaysian Rubber Board (Incorporation) Act 1996**.

(2) This Act shall come into force on such date as the Minister may, by notification in the Gazette, appoint and the Minister may appoint different dates for the coming into force of this Act, or of different provisions of this Act, in West Malaysia, Sabah and Sarawak respectively.

#### 2. Interpretation.

In this Act, unless the context otherwise requires-

"appointed day" means the day on which this Act, or if different dates are appointed for the coming into force of different provisions of this Act, the day on which Part IX comes into force;

"authorised officer" means-

(a) an officer of the Board authorised under section 46;

(b) a police officer not below the rank of Inspector; or

(c) an officer of customs;

"Board" means the **Malaysian Rubber Board** established under section 3;

"cess" means the cess imposed under section 37;

"Chairman" means the Chairman of the Board appointed under section 5;

"Director-General" means the Director-General of the Board appointed under section 18;

"Fund" means the **Malaysian Rubber Board** Fund established under section 34;

"**Malaysian Rubber Exchange**" means the **Malaysian Rubber Exchange** established under the **Malaysian Rubber Exchange (Incorporation) Act 1962**[**Act 402**];

"member" means a member of the **Board** and includes an alternate member;

"research centre" means a research centre established under section 30;

"research finding" means any results from research and development activities and includes inventions and improvements in any process, apparatus, machine or technique;

"**rubber**" means all natural **rubber** in liquid, solid or blended form derived from any latex-bearing plant and synthetic **rubber** in liquid, solid or blended form derived from petrochemical products and includes all elastomers derived from natural or synthetic **rubber** or both;

"**rubber** industry" includes the production of **rubber** and havea wood, the processing and utilisation of **rubber**, the manufacture of **rubber** products, and services related thereto;

"**rubber** products means all vulcanisates in finished or semi-finished form derived wholly or partly from **rubber**;

"this **Act**" includes any subsidiary legislation made under this **Act**.

## PART II ESTABLISHMENT OF THE BOARD

### 3. The **Board** and its objectives.

(1) There is established a body corporate by the name of "**Malaysian Rubber Board**" with perpetual succession and a common seal, which may sue and be sued in its corporate 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 **Board** upon such terms as it thinks fit.

(2) The objectives of the **Board** are-

(a) to promote and develop the **rubber** industry of Malaysia; and

(b) to develop national objectives, policies and priorities for the orderly development and administration of the **rubber** industry of Malaysia.

(3) The provisions of this First Schedule shall apply to the **Board**.

### 4. Functions and powers of **Board**.

(1) The functions of the **Board** shall be-

(a) to implement policies and developmental programmes to ensure the viability of the **rubber** industry of Malaysia;

(b) to promote and implement research and development activities in the production, use and consumption of **rubber**;

(c) to plan, co-ordinate and monitor all **rubber** research and development activities;

(d) to regulate the **rubber** industry, in particular in relation to dealings in **rubber**, packing, grading, shipping and export of **rubber**;

(e) to control and monitor the quality of **rubber**, **rubber** planting materials and **rubber** products;

(f) to develop, transfer, exploit and promote research findings;

(g) to provide technical, advisory and consultancy services to the **rubber** industry;

(h) to administer and manage the Fund;

(i) to regulate the **Malaysian rubber** market and manage the **Malaysian Rubber** Exchange;

(j) to formulate and implement an international marketing strategy for the **rubber** industry of Malaysia;

(k) to liaise and co-operate with **rubber** agencies within or outside Malaysia to further enhance the **rubber** industry of Malaysia;

(l) to plan and implement human resource training in line with the needs of the **rubber** industry;

(m) to be the resource and information centre for the **rubber** industry; and

(n) to publish or sponsor the publication of periodicals, booklets and other information materials.

(2) The **Board** shall have power-

(a) to undertake and co-ordinate activities relating to research and development into the production, use, consumption and marketing of **rubber** and **rubber** products, and services related thereto;

(b) to commission any person or body to carry out research;

(c) to carry on all activities, particularly activities which are commercial in nature the carrying on of which appears to it to be requisite, advantageous or convenient for or in connection with the performance of its functions;

(d) to impose fees or any other charges it thinks fit for the use of any facility relating to research, investigation, testing, technical advice or any other service provided by the **Board**;

(e) to acquire by purchase, bailment, application or otherwise, any rights, privileges or licences that it considers necessary for the performance of its functions;

(f) to dispose of by sale, bailment or otherwise, or turn to account or otherwise deal with any rights, privileges or licences of the **Board**;

(g) to enter into such negotiations and agreements or arrangements as it thinks fit for discharging its functions;

(h) to award certificates of proficiency in respect of training and accredited programmes;

(i) to plan, co-ordinate and undertake such activities as it thinks necessary for the purpose of protecting and furthering the interests of the **rubber** industry of Malaysia;

(j) to impose fees or any other charges it thinks fit for giving effect to any of its functions or powers; and

(k) to do such other things as it thinks fit to enable it to perform its functions and powers effectively or which are incidental to the performance of its functions.

#### **5. Membership of **Board**.**

(1) The **Board** shall consist of the following members who shall be appointed by the Minister:

(a) a Chairman;

(b) a representative of the Ministry charged with the responsibility for the **rubber** industry;

(c) a representative of the Treasury;

(d) a representative of the **Rubber** Industry Smallholders' Development Authority;

(e) a representative of the smallholder sector of the **rubber** industry;

(f) a representative of the estate sector of the **rubber** industry;

(g) a representative of the **rubber** processing sector;

(h) a representative of the **rubber** trade sector;

(i) two representatives of the **rubber** products manufacturing sector;

(j) two representatives of such States as the Minister may determine;

(k) two persons who, in the opinion of the Minister, are able to contribute to the development of the **rubber** industry; and

(l) the Director-General.

(2) The **Board** shall be deemed to be duly constituted notwithstanding that any of the members to be appointed under paragraph (1)(j) or (k) has not been appointed.

#### **6. Tenure of office.**

Subject to such conditions as may be specified in his instrument of appointment, a member of the **Board** shall, unless he sooner resigns or vacates his office or his appointment is sooner revoked, hold office for a term not exceeding two years and is eligible for reappointment.

#### **7. Alternate members.**

(1) The Minister may, in respect of each member appointed under paragraphs 5(1)(b) to (k), appoint an alternate member to attend, in place of that member, meetings of the **Board** that that member is for any reason unable to attend.

(2) When attending meetings of the **Board**, an alternate member shall for all purposes be deemed to be a member of the **Board**.

(3) An alternate member shall, unless he sooner resigns his membership or his appointment is sooner revoked, cease to be an alternate member when the member in respect of whom he is an alternate ceases to be a member of the **Board**.

## **8. Temporary exercise of functions of Chairman.**

(1) Where the Chairman is for any reason unable to perform the functions of the Chairman or during any period of vacancy in the office of the Chairman, the Minister may appoint any member of the **Board** other than the Director-General to perform the functions of the Chairman.

(2) Until an appointment under subsection (1) is made or in default of such appointment or in the absence of the Chairman from any meeting of the **Board**, the member appointed under paragraph 5(1)(b) shall perform the functions of the Chairman.

(3) A member appointed under subsection (1) or (2), as the case may be, shall, during the period in which he is performing the functions of the Chairman under this section be deemed to be the Chairman.

## **9. Revocation and resignation.**

(1) The appointment of any member may at any time be revoked by the Minister without assigning any reason therefor.

(2) A member may at any time resign his office by a written notice addressed to the Minister.

## **10. Vacation of office.**

(1) The office of a member of the **Board** shall be vacated-

(a) if he dies;

(b) if there has been proved against him, or he has been convicted on, a charge in respect of-

(i) an offence involving fraud, dishonesty or moral turpitude;

(ii) an offence under any law relating to corruption; or

(iii) any other offence punishable with imprisonment (in itself only or in addition to or in lieu of a fine) for more than two years;

(c) if he becomes a bankrupt;

(d) if he is of unsound mind or is otherwise incapable of discharging his duties;

(e) if he absents himself from three consecutive meetings of the **Board** without leave of the Chairman or in the case of the Chairman, without leave of the Minister;

(f) in the event of his resignation being accepted by the Minister; or

(g) if his appointment is revoked by the Minister.

(2) Where any person ceases to be a member by reason of any of the provisions of this **Act**, another person shall be appointed in his place in accordance with the provisions applying.

## **11. Non-liability of members of **Board**.**

No member of the **Board** shall incur personal liability for any loss or damage caused by an **act** in administering the affairs of the **Board**, unless the loss or damage is occasioned by an intentionally wrongful **act** on his part.

## 12. Public Authorities Protection **Act** 1948 [**Act** 198].

The Public Authorities Protection **Act** 1948 shall apply to any action, suit, prosecution or proceedings against the **Board** or against any member, officer, servant or agent of the **Board** in respect of any **act**, neglect or default done or committed by him in such capacity.

## 13. Public servant.

All members of the **Board** or any of its committees or any officer, servant or agent of the **Board**, while discharging their duties as such member, officer, servant or agent shall be deemed to be public servants within the meaning of the Penal Code. [F.M.S. Cap. 45]

## 14. Power of Minister to give directions.

- (1) The **Board** shall be responsible to the Minister.
- (2) The Minister may give directions not inconsistent with this **Act** and the **Board** shall, as soon as possible, give effect to such directions.

## 15. Returns, reports, accounts and information.

- (1) The **Board** shall furnish to the Minister, and such public authority as may be directed by the Minister, such returns, reports, accounts and information with respect to its property and activities as the Minister may require or direct.
- (2) Without prejudice to the generality of subsection (1), the **Board** shall, as soon as practicable after the end of each financial year, cause to be made and transmitted to the Minister and, if so directed by the Minister, to any other public authority, a report dealing with the activities of the **Board** during the preceding financial year and the report shall be in such form and shall contain such information relating to the proceedings and policy of the **Board** as the Minister may specify.

## 16. Delegation of **Board**'s functions, powers or duties.

- (1) The **Board** may, subject to such conditions, limitations or restrictions as it thinks fit to impose, delegate any of its functions, powers or duties, except the power to borrow money, grant loans, establish corporations or make regulations, to-
  - (a) any member of the **Board**;
  - (b) any committee established by the **Board**; or
  - (c) any officer or servant of the **Board**,and any function, power or duty so delegated may be performed, exercised or discharged by the member, officer or servant, as the case may be, in the name and on behalf of the **Board**.
- (2) A delegation under this section shall not preclude the **Board** itself from performing or exercising at any time any of the functions, powers or duties so delegated.
- (3) Without prejudice to the generality of subsection (1) and the other provisions of this **Act**, the **Board** may delegate to the Director-General-
  - (a) the power to grant loans and make advances to the officers and servants of the **Board** under section 20; and

(b) the authority to sanction expenditure from the Fund or any other monies vested in or under the control of the **Board** up to such limit as the **Board** shall specify.

**17. Board may establish committees.**

(1) The **Board** may establish such committees as it considers necessary or expedient to assist it in the performance of its functions under this **act**, including a Management Committee for the purpose of managing the **Malaysian Rubber** Exchange.

(2) The **Board** may appoint any person to be a member of any committee established under subsection (1) provided that any committee so established shall include at least one member of the **Board**.

(3) A committee established under this section may elect any of its members to be chairman and may regulate its own procedure and, in the exercise of its powers under this subsection, such committee shall be subject to and **act** in accordance with any direction given to the committee by the **Board**.

(4) Meetings of a committee established under this section shall be held at such times and places as the chairman of the committee may, subject to subsection (3), determine.

(5) A committee may invite any person, for the purpose of advising it on any matter under discussion, to attend any meeting of the committee but the person so invited shall not be entitled to vote at any such meeting.

(6) Members of a committee or any person invited to attend any meeting of a committee may be paid such allowances and other expenses as the **Board** may determine.

(7) A member of a committee shall hold office for such term as may be specified in his instrument of appointment and is eligible for reappointment.

(8) The appointment of any member of a committee may at any time be revoked by the **Board** without assigning any reason therefor.

(9) A member of a committee may at any time resign his office by a written notice addressed to the Chairman of the **Board**.

### PART III

#### DIRECTOR-GENERAL, OFFICERS AND SERVANTS OF THE BOARD

**18. Appointment of Director-General.**

(1) The Minister shall appoint a Director-General of the **Board** on such terms and conditions as the Minister may determine.

(2) The **Board** shall vest in the Director-General such powers and shall impose upon him such duties as the **Board** may determine.

(3) The Director-General shall be responsible for-

(a) the proper administration and management of the affairs of the **Board**;

(b) the preparation of-

(i) all programmes, schemes, projects and activities;

(ii) an estimate of expenditure for the implementation of the annual programmes; and

(iii) an estimate of income,

for the approval of the **Board**;

(c) the execution of the annual programme of the **Board**; and

(d) the carrying out of the decisions and directions of the **Board**.

(4) The Director-General shall have general control of the officers and servants of the **Board**.

(5) The Director-General shall perform such further duties as the **Board** may direct.

(6) In discharging his duties, the Director-General shall **act** under the general authority and direction of the **Board**.

(7) If the Director-General is temporarily absent from Malaysia or is temporarily incapacitated through illness or for any other sufficient reason from performing his duties, the **Board** may direct the Deputy Director-General to perform his duties during such temporary absence or incapacity.

(8) For the purposes of subsection (7)-

(a) if there is more than one Deputy Director-General, the **Board** shall nominate a Deputy Director-General to perform the duties; and

(b) if the office of Deputy Director-General is vacant, the **Board** may direct any other officer of the **Board** to perform the duties.

#### **19. Appointment of officers and servants.**

(1) Subject to any regulations made under subsection (3), the **Board** may-

(a) with the approval of the Minister, appoint such number of Deputy Directors-General;

(b) appoint such number of the other officers and servants as may be necessary for carrying out the purposes of this **act**,

on such terms and conditions as the **Board** considers desirable.

(2) No person shall be eligible for employment as an officer or servant of the **Board** if he has, directly or indirectly, by himself or his partner, any share or interest in any contract or proposed contract with, for or on behalf of the **Board**.

(3) The **Board** may, with the approval of the Minister, make regulations with respect to the conditions of service of its officers and servants.

(4) The appointment of the Director-General and Deputy Directors-General shall be published in the Gazette.

#### **20. Power to grant loans and make advances to officers and servants.**

The **Board** may grant loans and make advances to its officers and servants on such terms and conditions as the **Board** may determine.

#### **21. Delegation of Director-General's duties.**

(1) The Director-General may in writing delegate any of the functions, powers or duties assigned to him under this **Act** to any officer of the **Board**, subject to such terms and conditions as he thinks fit.

(2) A delegation under this section shall not preclude the Director- General himself from performing or exercising at any time any of the functions, powers or duties so delegated.

## **22. Disciplinary committees.**

(1) The **Board** shall have disciplinary authority over all its officers and servants and shall exercise disciplinary control in respect of all such persons in accordance with this **Act** and any regulations made under section 24.

(2) For the purposes of this section-

(a) there shall be established a disciplinary committee of the **Board** in respect of the Director-General consisting of-

(i) the Chairman, who shall be the chairman of the committee; and

(ii) at least two members of the **Board**, which shall not include the Director-General, as shall be determined among the members themselves; and

(b) the **Board** may, by notification in the Gazette, establish different disciplinary committees for different categories of officers and servants of the **Board**.

(3) The following shall apply to any disciplinary committee established under paragraph (2)(b):

(a) such committee shall consist of any number of members of the **Board**, other than the Chairman of the **Board**, or officers of the **Board**, or any combination of such members and officers; and

(b) an officer who is a member of a disciplinary committee shall not be lower in rank than any officer or servant over whom the committee of which he is a member has disciplinary authority.

(4) The committee established under paragraph (2)(b) shall exercise its powers in all matters relating to the discipline of officers and servants placed under its jurisdiction.

(5) In the exercise of its disciplinary functions and powers, a disciplinary committee referred to in subsection (2) shall have the power to take disciplinary action and impose any disciplinary punishment or any combination of two or more disciplinary punishments as may be provided for under any regulations made under section 24.

## **23. Appeal against decision of disciplinary committee.**

(1) A decision of the disciplinary committee established under paragraph 22(2)(a) shall be appealable to the Minister.

(2) A decision of the disciplinary committee established under paragraph 22(2)(b) shall be appealable to the Disciplinary Appeal **Board** which shall consist of the following members:

(a) the Chairman of the **Board**, who shall be the chairman of the Disciplinary Appeal **Board** and having a casting vote; and

(b) three members of the **Board**, not being members of the disciplinary committee whose decision is the subject-matter of the appeal, to be appointed by the chairman of the Disciplinary Appeal **Board** with the approval of the **Board** for the purpose of the appeal.

(3) The Minister or the Disciplinary Appeal **Board**, as the case may be, may confirm, reverse or vary the decision of the disciplinary committee.

(4) When the Disciplinary Appeal **Board** considers an appeal made under subsection (2), a member of the disciplinary committee against whose decision the appeal is made who is also a member of the **Board** shall not be present or in any way participate in any proceedings relating to that appeal.

(5) The decision of the Minister or the Disciplinary Appeal **Board** under subsection (3) shall be final and conclusive.

#### **24. Power to make disciplinary regulations.**

(1) The **Board** may, with the approval of the Minister, make such regulations as it thinks necessary or expedient to provide for the discipline of the officers and servants of the **Board**.

(2) The disciplinary regulations made under this section-

(a) may create disciplinary offences;

(b) may provide for disciplinary punishments as the **Board** thinks appropriate, and the punishments may extend to warning, fine, forfeiture of emoluments, a deferment of salary movement, reduction of salary, reduction in rank and dismissal;

(c) shall provide for an opportunity to the person against whom disciplinary proceedings are taken to make representations against the disciplinary charge laid against him before a decision is arrived at by the disciplinary committee except in the following cases:

(i) where an officer or servant of the **Board** is dismissed or reduced in rank on the ground of conduct in respect of which a criminal charge has been proved against him;

(ii) where the **Board**, on the recommendation of the Minister charged with the responsibility for home affairs, is satisfied that in the interest of the security of Malaysia or any part thereof it is not expedient to carry out the requirements of this paragraph; or

(iii) where there has been made against an officer or servant of the **Board** any order of detention, supervision, restricted residence, banishment or deportation, or where there has been imposed on such officer or servant of the **Board** any form of restriction or supervision by bond or otherwise, under any law relating to the security of Malaysia or any part thereof, prevention of crime, preventive detention, restricted residence, banishment, immigration, or protection of women and girls;

(d) may provide for the interdiction with reduced emoluments of an officer or servant of the **Board** during the tendency of criminal proceedings against him or disciplinary proceedings against him with the view to his dismissal or reduction in rank; and

(e) may provide for the suspension without emoluments of an officer or servant of the **Board** where the officer or servant has been convicted by any criminal court or where an order of detention or restriction has been made in respect of or imposed on the officer or servant.

#### **25. Imposition of surcharge.**

(1) A person who is or was in the employment of the **Board** may be surcharged if it appears to the **Board** that the person-

- (a) has failed to collect monies owing to the **Board** for the collection of which he is or was responsible;
- (b) is or was responsible for any improper payment of monies from the **Board** or for any payment of monies which is not duly approved;
- (c) is or was responsible, directly or indirectly, for any deficiency in, or for the destruction of, any monies, stores or other property of the **Board**;
- (d) being or having been an accounting officer, fails or has failed to keep proper accounts or records; or
- (e) has failed to make any payment, or is or was responsible for any delay in the payment from the **Board**, of monies to any person to whom such payment is due under any law or under any contract, agreement or arrangement entered into between that person and the **Board**.
- (2) The **Board** shall, before the person is surcharged, serve on him a written notice calling on him to show cause why he should not be surcharged.

(3) If a satisfactory explanation is not received within fourteen days from the date of service of the aforesaid notice, the **Board** may-

(a) in the case of paragraphs (1)(a), (b) and (c), surcharged against the person a sum not exceeding the amount not collected, or of the improper payment made, or of the deficiency in or destruction of the property caused; and

(b) in the case of paragraphs (1)(d) and (e), surcharge against the person, such sum as the **Board** thinks fit.

#### **26. Notification of surcharge.**

The **Board** shall notify the person surcharged in respect of any surcharge made under subsection 25(3).

#### **27. Withdrawal of surcharge.**

Notwithstanding subsection 25(3) and section 26, the **Board** may at any time withdraw any surcharge in respect of which a satisfactory explanation has been received or if it otherwise appears that no surcharge should have been made, and the **Board** shall forthwith notify the person surcharged of the withdrawal.

#### **27. Withdrawal of surcharge.**

Notwithstanding subsection 25(3) and section 26, the **Board** may at any time withdraw any surcharge in respect of which a satisfactory explanation has been received or if it otherwise appears that no surcharge should have been made, and the **Board** shall forthwith notify the person surcharged of the withdrawal.

#### **28. Recovery of surcharge.**

The amount of any surcharge made under subsection 25(3) and not withdrawn under section 27 shall be a debt due to the **Board** from the person surcharged and may be sued for and recovered in any court at the suit of the **Board** and may also, if the **Board** so directs, be recovered by deduction-

- (a) form the salary of the person surcharged;

(b) from the pension of the person surcharged,  
by equal monthly instalments not exceeding one-fourth of the total monthly salary or pension, as the case may be, of that person.

#### **29. Composition of **Board** in special cases.**

In any action for surcharge against the Director-General, the composition of the **Board** for the purposes of sections 25 to 28 shall not include the Director-General.

### **PART V FINANCE**

#### **34. The Fund.**

(1) There is established, for the purposes of this **Act**, a fund to be known as the "**Malaysian Rubber Board** Fund", to be administered and controlled by the **Board**.

(2) The Fund shall consist of-

- (a) such sums as may be provided for the purposes of this **Act** by Parliament;
- (b) monies earned by the operation of any project, scheme or enterprise financed from the Fund;
- (c) monies earned or arising from any property, investment, mortgage, charge or debenture acquired by or vested in the **Board**;
- (d) any property, investment, mortgage, charge or debenture acquired by or vested in the **Board**;
- (e) sums borrowed by the **Board** for the purposes of meeting any of its obligations or discharging any of its duties;
- (f) monies earned from the consultancy, advisory or any other services provided by the **Board** and the research centres;
- (g) monies collected or paid under section 37;
- (h) monies collected or paid under section 57;
- (i) monies collected by the **Board** under the regulations made under this **Act** and specified therein as sums payable into the Fund;
- (j) monies distributed as dividends from the corporations established under this **Act**;
- (k) donations and contributions received from within or outside Malaysia and includes monies received from any government or organisation outside Malaysia; and
- (l) all other sums or property which may in any manner become payable to or vested in the **Board** in respect of any matter incidental to its functions and powers.

#### **35. Expenditure to be charged on Fund.**

The Fund shall be expended for the purpose of-

- (a) paying any expenditure lawfully incurred by the **Board**, including legal fees and costs and other fees and costs, and the remuneration of officers and servants of the **Board**, including the granting of loans, superannuation allowances, pensions or gratuities;
- (b) financing research and development activities;
- (c) contributing to research centres established under this **Act**;
- (d) contributing to the Tun Abdul Razak Research Centre;
- (e) contributing to international **rubber** bodies or organisations of which the **Board** is a member;
- (f) contributing to organisations related to the **rubber** industry as the Minister may determine;
- (g) financing scholarships for higher education as may be approved by the **Board**;
- (h) granting loans to institutions of higher learning within or outside Malaysia concerned in the teaching and training of **rubber** technologist;
- (i) granting loans or providing capital for corporations established under this **Act**;
- (j) financing the operation and activities of the **Malaysian Rubber** Exchange;
- (k) paying any other expenses, costs or expenditure properly incurred or accepted by the **Board** in the performance of its functions or the exercise of its powers under this **Act**;
- (l) purchasing or hiring equipment, machinery and any other materials, acquiring land and erecting buildings, and carrying out any other works and undertakings in the performance of its functions or the exercise of its powers under this **Act**;
- (m) repaying any monies borrowed under this **Act** and the interest due thereon; and
- (n) generally, paying any expenses for carrying into effect the provisions of this **Act**.

### **36. Conservation of Fund.**

It shall be the duty of the **Board** to conserve the Fund by so performing its functions and exercising its powers under this **Act** as to secure that the total revenues of the **Board** are sufficient to meet all sums properly chargeable to its revenue account including depreciation and interest on capital taking one year with another.

### **37. Cess on **rubber** and **rubber** products.**

(1) The Minister may, after consultation with the Minister of Finance, make orders for the imposition, variation or cancellation of a cess on **rubber** and **rubber** products produced in or exported from Malaysia and the orders may specify the nature, amount and rate of the cess and the manner of collection of the cess.

(2) Except in so far as may otherwise be provided in any such order, such cess shall be deemed for the purposes of collection and the enforcement of the collection thereof to be a customs duty imposed under the Customs **Act** 1967. [**Act** 235]

(3) An order made under this section may prescribe different amounts, rates and manner of collection for different types or grades of **rubber** and **rubber** products.

(4) A person who fails or refuses to pay any cess imposed under this section commits an offence and shall, on conviction, be liable to a fine not exceeding ten times the amount of cess due or to imprisonment for a term not exceeding three years or to both.

(5) The amount of any cess imposed under this section shall be a debt due to the **Board** from the person on whom the cess is imposed and may be sued for and recovered in any court at the suit of the **Board**.

(6) The institution of proceedings under this section shall not relieve any person from liability for the payment of any cess for which he is or may be liable or from liability to make any return which he is required by this **Act** to make.

### **38. Fees for technical advisory services.**

The **Board** may fix and collect fees and other charges in respect of any technical advisory services or other services provided by the **Board** under this **Act**.

### **39. Expenditure and preparation of estimates.**

(1) The expenditure of the **Board** up to such amount as may be authorised by the Minister for any one year shall be defrayed out of the Fund.

(2) Before the beginning of September of each year, the **Board** shall submit to the Minister an estimate of the expenditure (including the expenditure for research and development activities) for the following year in such form and containing such particulars as the Minister may direct; and the Minister shall, before the beginning of the following year, notify the **Board** of the amount authorised for expenditure generally or of the amounts authorised for each description of expenditure.

(3) The **Board** 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.

### **40. Statutory Bodies (Accounts and Annual Reports) **Act** 1980.**

The Statutory Bodies (Accounts and Annual Reports) **Act** 1980 [**Act** 240] shall apply to the **Board** and any corporation established under this **Act**.

## **PART VI**

### **OTHER POWERS AND FUNCTIONS OF THE BOARD**

#### **41. Power to borrow.**

The **Board** may, with the approval of the Minister after consultation with the Minister of Finance, borrow, at such rate of interest and for such period and upon such terms as to the time and method of repayment and otherwise as the Minister after consultation with the Minister of Finance may approve, any sums required by the **Board** for meeting any of its obligations or discharging any of its duties.

#### **42. Investment.**

(1) The monies of the **Board** shall, in so far as they are not required to be expended by the **Board** under this **Act**, be invested in such manner as the Minister, after consultation with the Minister of Finance, may approve.

(2) Without prejudice to the generality of subsection (1), the **Board** may, with the approval of the Minister, acquire and develop land and property for or in connection with the exercise of its powers and for this purpose may enter into such negotiations, arrangements or agreements as may be necessary for generating income required for the operation of the **Board**.

(3) The **Board** may make available any research finding vested in the **Board** to any person or body subject to such conditions and the payment of such fees or royalties, if any, as the **Board** may determine with the approval of the Minister, for the purpose of its commercialisation.

#### **43. Powers to employ agents, etc.**

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

#### **44. Power to grant loans.**

The **Board** may, with the approval of the Minister after consultation with the Minister of Finance, grant loans at such rate of interest and for such period and upon such terms as to the time and method of repayment and otherwise as the Minister, after consultation with the Minister of Finance, may approve.

#### **45. Power to establish corporations.**

(1) The **Board** may, with the approval of the Minister after consultation with the Minister of Finance, by order published in the Gazette, establish a corporation, by such name as the **Board** thinks fit, to carry out and have the charge, conduct and management of any project, scheme or enterprise which has been planned or undertaken by the **Board** in the performance of its functions, the exercise of its powers or the discharge of its duties.

(2) The provisions of the Second Schedule shall apply to every corporation established by the **Board** under subsection (1).

### **PART VII**

#### **ENFORCEMENT**

#### **46. Authorisation of officers.**

(1) The Director-General may in writing authorise any officer of the **Board** not below the rank of Assistant Enforcement Officer to exercise the powers under this Part.

(2) An officer authorised under subsection (1) when acting under this **Act** shall, on demand, declare his office, and produce to the person against whom he is acting or from whom he seeks any information such authority card as the Director-General may direct to be carried by such officer.

#### **47. Power of investigation.**

An authorised officer shall have the power to investigate the commission of any offence under this **Act**.

#### **48. Search by warrant.**

(1) If it appears to a Magistrate upon written information on oath and after such enquiry as he considers necessary that there is reasonable cause to believe that in any premises there is or has been any contravention of this **Act**, the Magistrate may issue a warrant authorising any authorised officer named therein, at any reasonable time by day or by night and with or without assistance, to enter the premises, if need be by force, and there to-

(a) search for and seize any **rubber**, **rubber** product, thing, book, document or other article that is reasonably believed to furnish evidence of the contravention of this **Act**;

(b) take samples of any **rubber**, **rubber** product or thing found in the premises for the purposes of ascertaining, by testing or otherwise, where the offence has been committed; and

(c) make copies of or take extracts from any book, document or other articles found in the premises.

(2) Where, by reason of its nature, size or amount, it is not practicable to remove any **rubber**, **rubber** product, thing, book, document or other article seized under subsection (1), the authorised officer shall, by any means, seal such **rubber**, **rubber** product, thing, book, document or other article in the premises or container in which it is found.

(3) It shall be an offence for any person without lawful authority to break, tamper with or damage the seal referred to in subsection (2) or to remove any **rubber**, **rubber** product, thing, book, document or other article under seal or to attempt to do so.

(4) An authorised officer entering any premises under this section may take with him such other persons and equipment as may appear to him to be necessary.

(5) An authorised officer may in the exercise of his powers under this section, if it is necessary so to do,-

(a) break open any outer or inner door of the premises and enter thereinto;

(b) forcibly enter the premises and every part thereof;

(c) remove by force any obstruction to entry, search, seizure and removal as he is empowered to effect; and

(d) detain every person found in the premises until the place has been searched.

#### **49. List of things seized.**

(1) Except as provided in subsection (2), where any **rubber**, **rubber** product, thing, book, document or other article is seized under this Part, the seizing officer shall prepare a list of the things seized and immediately deliver a copy signed by him to the occupier of the premises which has been searched under section 48, or to his agent or servant, at those premises.

(2) Where the premises are unoccupied, the seizing officer shall whenever possible post a list of the things seized conspicuously on the premises.

## 50. Forfeiture of **rubber**, etc. seized.

(1) Any **rubber**, **rubber** product, thing, book, document or other article seized in exercise of any power conferred under this **Act** shall be liable to forfeiture.

(2) An order for the forfeiture or for the release of any **rubber**, **rubber** product, thing, book, document or other article seized in exercise of any power conferred under this **Act** shall be made by the court before which the prosecution with regard thereto has been held and an order for the forfeiture of the **rubber**, **rubber** product, thing, book, document or other article shall be made if it is proved to the satisfaction of the court that an offence under this **Act** has been committed and that the **rubber**, **rubber** product, thing, book, document or other article was the subject-matter of or was used in the commission of the offence, notwithstanding that no person may have been convicted of such offence.

(3) If there is no prosecution with regard to any **rubber**, **rubber** product, thing, book, document or other article seized in exercise of any power conferred under this **Act**, such **rubber**, **rubber** product, thing, book, document or other article shall be taken and deemed to be forfeited at the expiration of one calendar month from the date of service of a notice to the last-known address of the person from whom the **rubber**, **rubber** product, thing, book, document or other article was seized indicating that there is no prosecution in respect of such **rubber**, **rubber** product, thing, book, document or other article, unless before that date a claim thereto is made in the manner set out in subsections (4), (5) and (6).

(4) Any person asserting that he is the owner of the **rubber**, **rubber** product, thing, book, document or other article referred to in subsection (3) and that it is not liable to forfeiture may personally or by his agent authorised in writing give written notice to the authorised officer in whose possession such **rubber**, **rubber** product, thing, book, document or other article is held that he claims the same.

(5) On receipt of the notice referred to in subsection (4), the authorised officer shall refer the matter to a Magistrate for a decision.

(6) The Magistrate to whom a matter is referred under subsection (5) shall issue a summons requiring the person asserting that he is the owner of the **rubber**, **rubber** product, thing, book, document or other article and the person from whom it was seized, to appear before the Magistrate and on their appearance or default to appear, due service of the summons having been proved, the Magistrate shall proceed to the examination of the matter and on proof that an offence under this **Act** has been committed and that such **rubber**, **rubber** product, thing, book, document or other article was the subject-matter of or was used in the commission of such offence, shall order the same to be forfeited and shall, in the absence of such proof order its release.

(7) Any **rubber**, **rubber** product, thing, book, document or other article forfeited or deemed to be forfeited shall be delivered to the authorised officer and shall be disposed of in accordance with the directions of the Magistrate.

(8) Where any **rubber** or **rubber** product seized in exercise of the powers conferred under this **Act** is of a perishable nature or is subject to speedy and natural decay or where the custody of such **rubber** or **rubber** product involves unreasonable expense and inconvenience, or is believed to cause obstruction or hazard to the public, the Director-General may direct that such **rubber** or **rubber** product be sold at any time and the proceeds of the sale held to abide by the result of any prosecution under this **Act**.

(9) The **Board** shall not be liable to any person for any deterioration, however caused, in the quality of any **rubber** or **rubber** product seized under this **Act**.

#### **51. Property in forfeited **rubber**, etc.**

Any **rubber**, **rubber** product or proceeds of sale thereof, thing, book, document or other article forfeited, or taken and deemed to be forfeited, under this Part shall be the property of the **Board**.

#### **52. Cost of holding **rubber**, etc. seized.**

Where any **rubber**, **rubber** product, thing, book, document or other article seized under this **Act** is held in the custody of the Government Pending completion of any proceedings in respect of an offence under this **Act**, the cost of holding such thing in custody shall, in the event of any person being found guilty of an offence, be a debt due to the Government by such person and shall be recoverable accordingly.

#### **53. No costs or damages arising from seizure to be recoverable.**

No person shall, in any proceedings before any court in respect of the seizure of any **rubber**, **rubber** product, thing, book, document or other article seized in the exercise or the purported exercise of any power conferred under this **Act**, be entitled to the costs of such proceedings or to any damages or other relief unless such seizure was made without reasonable cause.

#### **54. Obstruction of authorised officer.**

Any person who obstructs, impedes, assaults or interferes with any authorised officer in the performance of his functions under this **Act** commits an offence.

### **PART VIII**

### **GENERAL**

#### **55. Regulation of **rubber** industry.**

The **rubber** industry of Malaysia shall be regulated in accordance with the regulations made under this **Act**.

#### **56. General penalty.**

Any person who commits an offence under this **Act** for which no penalty is expressly provided shall, on conviction, be liable to a fine not exceeding thirty thousand ringgit or to imprisonment for a term not exceeding one year or to both.

#### **57. Compounding of offences.**

(1) The Director-General may compound any offence committed by any person under this **Act**, by making a written offer to such person to compound the offence upon payment to the Director-General of such amount not exceeding fifty per centum of the amount of maximum fine for that offence within such time as may be specified in the offer.

(2) An offer under subsection (1) may be made at any time after the offence has been committed, but before any prosecution for it has been instituted, and where the amount specified in the offer is not paid within the time specified in the offer or within such extended period as the Director-

General may grant, prosecution for the offence may be instituted at any time thereafter against the person to whom the offer was made.

(3) Where an offence has been compounded under subsection (1), no prosecution shall thereafter be instituted in respect of such offence against the person to whom the offer to compound was made.

#### **58. Institution and conduct of prosecution.**

(1) No prosecution for or in relation to any offence under this **Act** shall be instituted without the written consent of the Public Prosecutor.

(2) Any officer of the **Board** not below the rank of Assistant Enforcement Officer authorised in writing by the Public Prosecutor may conduct the prosecution for any offence under this **Act**.

#### **59. Jurisdiction to try offences.**

Notwithstanding any written law to the contrary, a Court of a Magistrate of the First Class shall have jurisdiction to try any offence under this **Act** and to impose the full punishment for any such offence.

#### **60. Protection of officers.**

No action or prosecution shall be brought, instituted or maintained in any court against-

(a) the Director-General, Deputy Directors-General, or any other officer duly appointed under this **Act** for or on account of or in respect of any **act** ordered or done for the purpose of carrying into effect this **Act**; and

(b) any other person for or on account of or in respect of any **act** done or purported to be done by him under the order, direction or instruction of the Director-General, a Deputy Director-General or any other officer duly appointed under this **Act** if the **act** was done in good faith and in a reasonable belief that it was necessary for the purpose intended to be served thereby.

#### **61. Power to exempt.**

(1) The Minister may by order published in the Gazette exempt any person or class of persons or any **rubber**, **rubber** product, **rubber** planting materials or other thing or class of **rubber**, **rubber** product, **rubber** planting material or other thing, from all or any of the provisions of this **Act**.

(2) The Minister may impose any terms and conditions as he thinks fit on any exemption under subsection (1).

#### **62. Regulations.**

(1) The Minister may make regulations for all or any of the following purposes:

(a) prescribing the manner of applying for licences, certificates, permits and approvals under this **Act**, the particulars to be supplied by an applicant, the manner of licensing and certification, the fees payable therefor, the conditions or restrictions to be imposed and the form or forms of licences, certificates, permits and approvals;

- (b) prescribing the standards of processing and methods of preserving, grading or packaging **rubber** and **rubber** products, including prescribing the marks to be stamped or otherwise inscribed on **rubber** packed for export;
  - (c) prescribing the procedure to be followed by exporters in exporting **rubber** and **rubber** products;
  - (d) providing for the maintenance of proper standards of conduct in the carrying out of the **rubber** trade and the **rubber** industry and for dealing with infringements thereof;
  - (e) prescribing the procedure to be followed for the administration of the Fund;
  - (f) prescribing the forms for the purposes of this **Act**;
  - (g) prescribing the fees and charges payable under this **Act** and the manner for collecting and disbursing such fees;
  - (h) providing for the regulation of all or any of the activities of the **Board** and generally the performance of the functions, the exercise of the powers and the discharge of the duties of the **Board** under this **Act**; and
  - (i) providing for such other matters as are contemplated by, or necessary for giving full effect to, the provisions of this **Act** and for their due administration.
- (2) Regulations made under subsection (1) may prescribe any **act** in contravention of the regulations to be an offence and may prescribe penalties of a fine not exceeding one hundred thousand ringgit or imprisonment for a term not exceeding three years or both.

**63. Validation of acts done in anticipation of **Act**.**

- (1) Subject to subsection (2), all acts and things done by any person in preparation for or in anticipation of this **Act** and any expenditure incurred in relation thereto shall be deemed to have been authorised under this **Act**, provided that the acts and things done are not inconsistent with the general intention and purposes of this **Act**; and all rights and obligations acquired or incurred as a result of the doing of those acts or things including any expenditure incurred in relation thereto shall be deemed to be the rights and obligations of the **Board**.
- (2) Subsections (1) does not extend to authorising the appointment of members, officers or servants of the **Board** except in so far as to authorise the temporary appointment of such persons until the proper appointments are made under this **Act**.

**PART IX**

**REPEAL, SAVINGS AND TRANSITIONAL**

**64. Repeal and dissolution.**

The **Rubber** **Act** **Rubber** **Act** 1966, the **Malaysian Rubber** **Act** 1972, the **Act** 1949 and the **Rubber** **Act** **Board**, the **Board** **Malaysian** and the **Malaysian Rubber** Exchange and Licensing

**Board** (the "dissolved Boards") and the **Rubber** Research Institute of Malaysia (the "dissolved Institute") are dissolved. [**Act** 401, **Act** 407, **Act** 84, **Act** 526. **Act** 475]

#### **65. Transfer of powers, etc.**

The powers, rights, privileges, liabilities, obligations and duties that before the appointed day were those of the dissolved Boards and of the dissolved Institute shall devolve as from that day on the **Board**.

#### **66. Transfer of property.**

(1) All lands that before the appointed day were vested in, or reserved under any written law relating to land for the purposes of, the dissolved Boards and the dissolved Institute shall on that day vest in or be deemed to be reserved for the purposes of the **Board**.

(2) All property and assets other than land that before the appointed day were vested in the dissolved Boards and in the dissolved Institute or in any person on behalf of the dissolved Boards or dissolved Institute, as the case may be, shall on that day vest in the **Board**.

#### **67. Existing contracts.**

All deeds, bonds, agreements, instruments and working arrangements subsisting before the appointed day and affecting any of the property transferred under section 66 shall have full force and effect against or in favour of the **Board** and shall be enforceable as fully and effectually as if, instead of the dissolved Boards or the dissolved Institute or any person acting on behalf of the dissolved Boards or the dissolved Institute, the **board** had been named therein or been a party thereto.

#### **68. Transfer of monies in funds.**

All monies standing in or due to be paid to the funds of the dissolved Boards established under the repealed Acts shall on the appointed day be transferred to and be deemed to be part of the Fund established under section 34 of this **Act**.

#### **69. Membership of dissolved Boards.**

(1) Notwithstanding anything to the contrary, on the appointed day, the members of the dissolved Boards and the members of any committee appointed under the repealed Acts who held office before that day shall cease to hold office.

(2) Nothing in subsection (1) shall affect the accountability of the outgoing members of the dissolved Boards and as soon as practicable after the appointed day, the dissolved Boards shall prepare and submit to the Minister a report including the financial statements required under the respective repealed Acts, but the report shall be limited to the period from 1 January of the relevant year to the day before the appointed day.

(3) Notwithstanding section 64, the dissolved Boards shall continue in existence for the purposes of subsection (2).

#### **70. Continuance of officers and servants.**

The persons who on the appointed day are employed as officers and servants of the dissolved Boards or the dissolved Institute, as the case may be, under the repealed Acts shall continue to be officers and servants of the **act** as if those persons had been appointed

under subsection 19(1) of this **Act** on the same terms and conditions for a term expiring on the day on which their appointments under the repealed Acts would expire.

## **71. Savings for certificates, licences and registers.**

(1) Notwithstanding the repeal under section 64 or any provision of this **Act** to the contrary-

(a) every person who, before the appointed day, held a valid export registration certificate issued to him under the repealed Acts shall be deemed to be registered under this **Act** as an exporter until the expiry date of the certificate and subject to the terms and conditions attached thereto;

(b) every person who, before the appointed day, held a valid certificate for the packing or shipping of **rubber** for export issued to him under the repealed Acts shall be deemed to be registered under this **Act** as a packer or exporter, as the case may be, until the expiry date of the certificate and subject to the terms and conditions attached thereto;

(c) every person who, before the appointed day, held a valid licence to deal in, pack, grade or ship **rubber** issued to him under the repealed Acts shall be deemed to be licensed under this **Act** as a dealer, packer, grader or shipper, as the case may be, until the expiry date of the licence and subject to the terms and conditions attached thereto; and

(d) every person who, before the appointed day, was registered under the repealed Acts as a packer or shipper of **rubber** shall be deemed to be registered under this **Act** as a packer or shipper, as the case may be, until such registration is canceled under this **Act**.

(2) Every certificate or licence by virtue of which a person is deemed under subsection (1) to be registered or licensed under this **Act** shall be deemed to have been issued under this **Act**; and the **Board** may alter the terms and conditions attached to the certificate or licence for the purpose of bringing them into conformity with the policy of the **Board** regarding the imposition of conditions and restrictions on registration and licensing under this **Act**.

(3) The provisions of this **Act** relating to the cancellation of registration and licences shall apply to all persons deemed under subsection (1) to be registered or licensed under this **Act**.

(4) If a person deemed to be registered or licensed under this **Act** under subsection (1) desires to be registered or licensed under this **Act** as an exporter, packer, shipper, grader or dealer, as the case may be, after the expiration of the period for which he is deemed to be registered or licensed under this **Act**, he may apply to the **Board** for registrations or for a licence or permit in accordance with the regulation made under this **Act**, notwithstanding anything to the contrary, and his application shall be made and treated as a fresh application and not as an application for renewal of registration, licence or permit.

(5) All registers kept and maintained under the repealed Acts shall be deemed to be registers kept and maintained under this **Act** and shall be deemed to form part thereof.

## **72. Continuance of pending applications, etc.**

(1) All applications, approvals or decisions, on appeal or otherwise, pending before the dissolved Boards or the dissolved Institute under the repealed Acts shall on the appointed day be dealt with by the **Board** under this **Act**.

(2) All applications, approvals or decisions, on appeal or otherwise, pending before the Minister under the repealed Acts shall on the appointed day be dealt with by the Minister under this **Act**.

(3) All instruments, certificates or documents lodged with the dissolved Boards or the dissolved Institute under the repealed Acts before the appointed day shall on the appointed day be lodged with the **Board**.

### **73. Continuance of civil and criminal proceedings.**

(1) Neither the repeal under section 64 nor anything contained in this **Act** shall affect any person's liability to be prosecuted or punished for offences committed under the repealed Acts before the appointed day, or any proceedings brought before that day in respect of such offences.

(2) Any proceedings, whether civil or criminal, or cause of action pending or existing before the appointed day by or against the dissolved Boards or the dissolved Institute or any person acting on behalf of the dissolved Boards or the dissolved Institute may be continued or instituted by or against the **Board** as it might have been by or against the dissolved Boards, the dissolved Institute or such person if this **Act** had not been enacted.

(3) Any appeal brought or any leave to appeal applied for on or after the appointed day against a decision given before that day in any legal proceedings to which the dissolved Boards were or the dissolved Institute was a party may be brought by or against the **Board**.

### **74. Reference in law or document to dissolved Boards and dissolved Institute.**

A reference in any law or document in force before the appointed day to the dissolved Boards and the dissolved Institute shall be construed as a reference to the **Board**.

### **75. Prevention of anomalies.**

(1) The Minister may, after consultation with the **board**, whenever it appears to him necessary or expedient to do so, whether for the purpose of removing difficulties, preventing anomalies or in consequence of the enactment of this **Act**, by order published in the Gazette make such modifications to any provisions in any existing laws as he thinks fit.

(2) The Minister shall not exercise the powers conferred by subsection (1) after the expiration of two years from the appointed day.

## **FIRST SCHEDULE**

(Subsection 3(3))

### **1. Meetings.**

(1) The Board shall meet at least once in every three months at a time and place as may be appointed by the Chairman.

(2) At least fourteen days notice in writing shall be given to the members.

(3) The Chairman shall preside at a meeting of the Board.

(4) The quorum of the Board shall be seven.

(5) Every member of the Board present shall be entitled to one vote.

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

## **2. Allowance.**

Members of the Board shall be paid such allowances as the Minister may determine.

## **3. Board may invite others to meetings.**

(1) Board may invite any person to attend a meeting or deliberation of the Board for the purpose of advising it on any matter under discussion but that person shall not be entitled to vote at the meeting or deliberation.

(2) A person invited under subparagraph (1) may be paid such fee as the Board may determine.

## **4. Common seal.**

(1) The Board shall have a common seal which shall bear such device as the Board shall approve and such seal may be broken changed, altered or made anew as the Board thinks fit.

(2) Until a seal is provided by the Board, a stamp bearing the words "Malaysian Rubber Board" or "Lembaga Getah Malaysia" may be used and shall be deemed to be the common seal of the Board.

(3) The common seal shall be kept in the custody of the Director- General or such other person as may be authorised by the Board, and shall be authenticated by the Director-General or such authorised person or by any officer authorised by either of them 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 Board; and any such document or instrument may be executed on behalf of the Board by any officer or servant of the Board generally or specially authorised by the Board in that behalf.

(4) The common seal of the Board shall be officially and judicially noticed.

## **5. Disclosure of interest.**

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

## **6. Minutes.**

(1) The Board shall cause minutes of all its meetings to be maintained and kept in a proper form.

(2) Minutes made of meetings of the Board shall, if duly signed, be admissible in evidence in all legal proceedings without further proof.

(3) Every meeting of the Board 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.

## **7. Validity of acts and proceedings.**

No act done or proceeding taken under this Act shall be questioned on the ground of-

- (a) a vacancy in the membership of, or a defect in the constitution of, the Board;
- (b) the contravention by any member of the Board of the provisions of paragraph 5; or
- (c) an omission, a defect or an irregularity not affecting the merit of the case.

## **8. Procedure.**

Subject to this Act, the Board shall determine its own procedure.

## **9. Member of Board to devote time to business of Board.**

Every member of the Board shall devote such time to the business of the Board as may be necessary to discharge his duties effectively.

## **10. Appointment to be published.**

The appointment of every member and alternate member of the Board shall be published in the Gazette.

# **SECOND SCHEDULE**

(Subsection 45(2))

### **1. Power of Board to make regulations in respect of corporation.**

The Board shall, on or before the date on which any corporation is established under section 45, make regulations in respect of such corporation defining-

- (a) the purposes and objects for which the 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 Board and the Board's rights of control over such corporation.

### **2. Limitation on power to establish corporation.**

Nothing in paragraph 1 shall be deemed to authorise the Board to make regulations for any purpose or object more extensive in scope than the purposes or objects for which the Board has been 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 Board under this Act.

### **3. Effect of regulations.**

Subject to the provisions of this Act and of any regulations made under section 62, 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.

### **4. Amendment of regulations.**

The Board may at any time amend, revoke or add to any regulations made under paragraph 1 in respect of any corporation.

#### **5. Register of corporations.**

The Board shall keep a register in the prescribed form of all corporations established by it under section 45 and such register, together with copies of all regulations made under paragraphs 1 and 4, shall be open to public inspection at such place or places and at such time as it may prescribe.

#### **6. Winding up.**

(1) The Board may, with the approval of the Minister, by order published in the Gazette, direct that any corporation established by it be wound up and dissolved.

(2) Upon the dissolution of any corporation under this paragraph, the assets of the corporation after discharging all its liabilities shall be transferred to and shall vest in the Board.

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

#### **7. Corporations to be bodies corporate.**

Every corporation established under section 45 shall be a body corporate by such name as the Board shall give to it 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 project, scheme or enterprise 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 the provisions of this Act and subject to such restrictions or limitations as may be prescribed by the Board in each case.

#### **8. Common seal of corporation.**

(1) Every corporation shall have a common seal which shall bear such device as the corporation, with the approval of the Board, may approve and such seal may be broken, changed, altered or made a new one as the corporation, with the approval of the Board, thinks fit.

(2) Until a seal is provided by the corporation, a stamp bearing the name of the corporation encircling the letters "PP" may be used and shall be deemed to be the common seal of the corporation.

(3) The common seal shall be kept in the custody of such person as may be authorised by the corporation, 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 authorised by the corporation in that behalf.

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