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PART IV

PROVINCIAL ASSEMBLY OF SIND

NOTIFICATION

Karachi, the 4th August, 1988

No. PAS/Legis-B-4/88.—The Sind Industrial and Mineral Development Corporation Bill, 1988 having been passed by the Provincial Assembly of Sind on 7th March, 1988 and assented to by the Governor of Sind on 20th July, 1988 is hereby published as an Act, of the Legislature of Sind.

THE SIND INDUSTRIAL AND MINERAL DEVELOPMENT CORPORATION ACT, 1988

SIND ACT NO. VII OF 1988

(First published after having received the assent of the Governor of Sind in the Gazette of Sind (Extra-ordinary) 4th August, 1988).

AN

ACT

to establish an Industrial and Mineral Development Corporation in the Province of Sind.

WHEREAS it is expedient to provide for the establishment of an Preamble.
Industrial and Mineral Development Corporation for the purpose of

promoting the socio-economic, industrial and mineral development in the Province of Sind and for matters ancillary thereto;

It is hereby enacted as follows:—

CHAPTER—I

PRELIMINARY

Short title,
extent and
commence-
ment.

1. (1) This Act may be called the Sind Industrial and Mineral Development Corporation Act, 1988.

(2) It extends to the whole of the Province of Sind

(3) It shall come into force at once.

Definitions.

2. In this Act, unless there is anything repugnant in the subject or context—

(a) “agro-based industry” means an industry which uses the agricultural produce as raw material;

(b) “Board” means the Board of Directors of the Corporation;

(c) “Chairman” means the Chairman of the Board;

(d) “Company” means a company defined in the Companies Ordinance, 1984;

(e) “Director” means a Director of the Corporation;

(f) “Fisheries and commercial water produce” means the industries related to development of fishing and other commercial water based resources including fish and shrimp farms, cold storage, packaging and specialized fisheries transportation;

(g) “Government” means Government of Sind;

(h) “fund” means the fund of the Corporation;

(i) “Managing Director” means the Managing Director of the Corporation;

(j) “minerals” means all minerals excluding mineral oil and natural gas;

(k) “prescribed” means prescribed by rules or regulations;

(l) “regulations” means regulations made under this Act;

(m) “rules” means rules made under this Act.

CHAPTER—II

ESTABLISHMENT, POWERS AND FUNCTIONS OF THE CORPORATION

3. (1) Government may, by notification establish a Corporation to be called the Sind Industrial and Mineral Development Corporation.

Establishment of the Corporation and its offices.

(2) The Corporation shall be a body corporate by the name of the Sind Industrial and Mineral Development Corporation, having perpetual succession and a common seal with power, subject to the provisions of this Act, to acquire, hold and dispose property, both movable and immovable, and shall, by the said name, sue and be sued:

(3) The head office of the Corporation shall be at Karachi or at such other place as may, by notification, be fixed by Government.

(4) The Corporation shall establish regional offices at such places as it may consider expedient.

4. The Corporation shall—

Functions of the Corporation.

(a) accelerate the pace of industrial and mineral development, especially the agro-based industry, with special emphasis on under developed areas of the Province to boost the socio-economic conditions of the people and shall be specifically responsible for—

- (i) planning, promoting, organizing and implementing programmes for the establishment of industries including service and agro-based industries;
- (ii) exploitation of fisheries and other commercial water produce;
- (iii) planning, promoting and organizing the exploration, exploitation and development of minerals and mines;
- (iv) exploration, exploitation and development of any other material which Government may entrust to it within the frame work of this Act;

EXPLANATION:—Planning includes studies, surveys, experiments and scientific and technical evaluation whereas promotion, organizing and implementing programmes include setting up of infrastructure, overall environment including service facilities such as roads, water, electricity, gas, skilled and unskilled labour, professional personnel, land development and financial facilities and ancillary facilities directly required to implement the industrial and mineral development plans.

(b) assume full and effective control of the Sind Sugar Corporation as transferred and vested in it under this Act.

Powers of
the Cor-
poration.

5. The Corporation shall have power to—
- (a) acquire, hold control over and administer movable or immovable property;
 - (b) dispose of any property;
 - (c) formulate and enforce any scheme for the purposes of this Act;
 - (d) incur expenditure for carrying out the purposes of this Act;
 - (e) enter into and perform contracts;
 - (f) procure necessary equipment for its proper functioning;
 - (g) take such steps as may be necessary or conducive to the attainment of its objects.

Preparation
and imple-
mentation of
schemes.

6. (1) The Corporation shall in order to carry out any of the objectives under this Act prepare schemes and for the purpose of giving effect to such schemes sponsor limited companies independent of each other or subsidiary companies with such capital structure, management structure and articles and memorandum of association as may be approved by the Board.

(2) The companies sponsored under sub-section (1) may be financed wholly by the Corporation or through a combination of public share holding, institutional financing or co-financing by private enterprise.

(3) The Companies shall be designed to be disinvested on going concern basis to the private enterprise.

Administra-
tion of the
affairs of
Corporation.

7. (1) The Corporation in discharging its functions shall act on commercial considerations and shall be guided by such directions as Government may give it from time to time.

(2) If a question arises whether any matter is a matter of policy or not, the decision of Government shall be final.

(3) Subject to the other provisions of this Act and the rules and regulations, the general direction and administration of the affairs and business of the Corporation shall vest in the Board constituted under section 8 which may exercise all powers and do all acts and things which may be exercised or done by the Corporation.

CHAPTER—III.

CONSTITUTION OF THE BOARD OF DIRECTORS

Constitu-
tion of the
Board.

8. (I) Government shall constitute a Board consisting of—
- | | |
|--|----------------------|
| (i) Minister for Industries. | Chairman |
| (ii) Additional Chief Secretary
Planning and Development. | Official
Director |

- | | |
|--|---------------------------|
| (iii) Secretary Industries | Official
Director |
| (iv) Secretary Finance | Official
Director |
| (v) Managing Director | Official
Director |
| (vi) Four Non-Official Directors appointed by Government from amongst the persons having provincial standing in— | Non-Official
Directors |
| (a) Business ; | |
| (b) Finance ; | |
| (c) Mining ; and | |
| (d) Public service. | |
| (vii) One Member of the Provincial Assembly of Sind to be nominated by the Speaker of the Provincial Assembly of Sind. | |

(2) The Managing Director shall be the Secretary of the Board.

(3) The Board may coopt any person as a Director for a particular purpose but no such person shall have right of vote.

(4) An Official Director appointed by virtue of his office shall cease to be the Director on vacating such office.

(5) A non-official Director shall hold office for a term of three years from the date of his appointment, and shall be eligible for re-appointment for such duration as Government may determine.

(6) A non-official Director may at any time before the expiry of his term resign his office, or be removed from office by Government without assigning any reason.

9. No person shall be or shall continue to be a Director who—

(a) is less than twenty five or more than sixty years of age; official members are not disqualified under this Act;

(b) is not a citizen of Pakistan ;

(c) is found a lunatic or becomes of unsound mind ;

(d) is or at any time has been convicted of any offence involving moral turpitude ;

(e) is or has at any time been adjudicated insolvent;

(f) is or has at any time been disqualified for employment in or dismissed from Government service.

Disqualifi-
cations of
Directors

Removal of
Directors

10. Government may, by order in writing, remove a Director before the expiry of his term if he—

- (a) refuses or fails to discharge or becomes, in the opinion of Government, incapable of discharging his responsibilities under this Act;
- (b) has, in the opinion of Government, abused his position as Director;
- (c) has knowingly acquired or continued to hold without the permission in writing of Government directly or indirectly or through a partner, any share or interest in any project, contract or employment with, by or on behalf of the Corporation, or in any property which, in his knowledge, is likely to benefit or has benefitted as a result of the operations of the Corporation.

Remuneration and allowances to the non-official Directors.

11. The Corporation may allow such remuneration, allowances or other privileges to the non-official Directors as it may determine with the approval of Government.

CHAPTER—IV

APPOINTMENT AND POWERS AND FUNCTIONS OF THE FUNCTIONARIES OF THE CORPORATION.

Managing
Director.

12. (1) Government shall appoint a person from private sector as Managing Director possessing such qualifications and on such terms and conditions as may be determined by Government.

(2) The Managing Director shall be a full time officer of the Corporation and shall, unless exempted by Government, divest himself of any membership of any other Corporation or Company.

(3) Government may remove the Managing Director if he—

- (a) refuses or fails to discharge or becomes in the opinion of the Government incapable of discharging his responsibilities under this Act;
- (b) has abused his position as Managing Director;
- (c) has directly or indirectly acquired or attempted to acquire without permission in writing of Government any share or interest in any property, scheme, project or other concern of the Corporation.

Appoint-
ment of
officers and
Staff.

13. (1) The Corporation may, for efficient performance of its functions, appoint such officers, advisers, consultants and other staff possessing such professional, technical, ministerial or secretarial qualification and experience and on such terms and conditions as may be prescribed by rules.

(2) The officers, advisers, consultants and other staff shall be liable to such disciplinary action and in such manner as may be prescribed.

14. (1) The Corporation may, for carrying out the purposes of this Act, constitute such financial, technical, advisory, or audit committees as deemed fit.

Appoint-
ment of
financial,
technical
committees.

(2) The Committees shall tender advice on such matters and perform such functions as may be referred or assigned to them by the Board, Chairman or Managing Director.

15. (1) The Chairman shall discharge, such duties and perform such functions as are assigned to him by or under this Act.

Powers and
Functions
of the
Chairman.

(2) Where the Board is not constituted or is not in session or in emergency, the Chairman may exercise such powers of the Board as may be necessary but the powers so exercised and action taken in pursuance thereof shall be reported to the Board for ratification at its first meeting after such action.

16. Subject to provisions of this Act and rules and the general control of the Chairman, the Managing Director shall—

Powers and
Functions
of the
Managing
Director.

- (a) exercise effective control over and be responsible for smooth functioning of the day to day affairs of the Corporation;
- (b) be responsible for and have the authority necessary for over-seeing, implementing and executing in an expeditious and efficient manner the orders or schemes of the Corporation;
- (c) supervise the financial and executive administration of the Corporation and perform all duties assigned and exercise all powers conferred on or delegated to him by or under this Act;
- (d) have power to exercise administrative control over the personnel of the Corporation.

17. (1) All business shall, to the extent and in the manner prescribed by regulations, be disposed of at the meetings of the Board.

Meetings
of the
Board.

(2) The meetings of the Board shall be held in such manner and at such time and place as may be prescribed by regulations; provided that until regulations are framed the meetings shall be held as and when convened and in the manner as directed by the Chairman.

(3) The meetings shall be presided over by the Chairman and in his absence by the Managing Director.

(4) The meetings shall be held once every two months, or at least quarterly.

(5) At least three Directors shall form quorum for a meeting.

(6) Each Director, including the Chairman, shall have one vote but in the event of equality of votes, the Chairman shall have a casting vote.

(7) The minutes of the meetings shall be recorded by the Managing Director who is also Secretary of the Board alongwith the names of the Directors present at such meetings.

(8) The minutes will be signed by the person presiding at the meeting and may be made available to any Director as and when required.

CHAPTER—V

FINANCE, AUDIT AND ACCOUNTS

Fund.

18. (1) There shall be a separate fund of the Corporation known as the Sind Industrial and Mineral Development Corporation Fund which shall consist of:

- (a) contributions in investments made by Government;
- (b) loans, grants and subsidy received from the Federal Government or Provincial Government, or local or international agencies;
- (c) income from operating units;
- (d) proceeds from disinvestment and sale of assets of the Sind Sugar Corporation and operating units of the Corporation;
- (e) all other sums receivable by the Corporation;
- (f) loans raised or obtained by the Corporation in accordance with the Rules and Regulations passed by the Governments.

(2) The fund shall be utilized for carrying out the purposes of this Act including payment of remuneration or allowances to the Directors Managing Director, Officers, advisers, consultant agencies employed for any work under this Act and other employees of the Corporation.

(3) The Board shall ensure solvency of the Corporation, by ensuring that the general reserve is not negative at any time.

Investments

19. (1) All monies credited in the fund shall be deposited with a Government approved bank.

(2) The Corporation may invest its surplus funds in any one of the Government approved securities or in fixed deposit with a Government approved bank or in such other manner as may be approved by Government.

Powers to obtain loans.

20. The Corporation may negotiate and obtain loans in local and foreign currency from the local and international financial institutions; provided that loans from agencies of foreign origin shall be obtained in the manner and on such terms and conditions as are, from time to time, laid down by Government of Pakistan for such loans.

21. (1) There shall be prepared a statement of estimated receipts and expenditure for every financial year and submitted to the Board for approval. Budget.

(2) No expenditure in excess of the annual sanctioned budget shall be incurred by the Corporation except with the prior approval of the Board.

22. The Corporation shall maintain proper accounts and other relevant records, in such form and in such manner as may be prescribed by rules. Maintenance of accounts

23. (1) The accounts of the Corporation shall be audited at least once in a financial year by such firm of Chartered Accountants as approved by the Board and on payment of such remuneration as may be fixed by the Board. Audit

(2) Government, if circumstances so warrant, may make a written request to the Auditor General of Pakistan for special audit of the accounts of the Corporation or its Units of a particular financial year or years. The Report of the Auditor General of Pakistan shall be submitted by the Corporation with comments within a period of three months to Government.

(3) The Corporation shall furnish to Government as soon as possible or not later than one month after the annual accounts are audited by the firm of Chartered Accountants after the close of each financial year, an Audited Statement of balance sheet and profit and loss account of the Corporation and its Units, duly approved by the Board.

24. All sums due to the Corporation from any person, body, or organization shall be recoverable as arrears of land revenue. Recovery of dues.

CHAPTER—VI MISCELLANEOUS

25. (1) Government may at any time transfer the Sind Sugar Corporation to the Corporation in accordance with the provisions of the Companies Ordinance, 1984 and shall vest in the Corporation from the date of transfer. Transfer and vesting of Sugar Corporation.

(2) The Sind Sugar Corporation transferred to and vested in the Corporation under sub-section (1) shall include all assets, rights, powers, authorities and privileges, and all property, movable and immovable, including lands, and works, by whatever name called, all vehicles, cash balances, reserves, fund, shares and other investments and book debts, and all other rights and interests arising out of such property as were, immediately before the aforesaid date, in the ownership, possession or power of the Sind Sugar Corporation and all books of accounts and documents relating thereto, and all borrowings, liabilities and obligations, of whatever kind then subsisting against the Sind Sugar Corporation.

(3) Subject to the other provisions of this Act, all contracts and working arrangements subsisting immediately before the aforesaid date as affecting the Sind Sugar Corporation shall, cease as from that day to have effect or to be enforceable against it and shall be enforceable and of effect against

or in favour of the Corporation, as if instead of the Sind Sugar Corporation, the Corporation had been named therein.

(4) Subject to the other provisions of this Act, any proceeding or cause of action pending or existing immediately before the aforesaid date by or against the Sind Sugar Corporation may, as from the aforesaid date, be continued or enforced by or against the Corporation, as it might have been continued or enforced by or against it if this Act, had not been in operation.

(5) Subject to the other provisions of this Act, and the rules and regulations, all officials, consultants, advisers and other employees of the Sind Sugar Corporation shall, notwithstanding anything contained in any law or in any agreement, deed, document or other instrument, stand transferred to the Corporation, and until such time the terms and conditions of service under this Act, are prescribed, shall be deemed to have been appointed or engaged by the Corporation in accordance with the terms and conditions of service applicable to them immediately before the aforesaid date: and no officer, consultant, adviser or other employee whose services are so transferred shall be entitled to any compensation because of such transfer.

26. (1) Government may require the Corporation to furnish to it any document, returns, statement, statistics or any other information regarding any matter, under the control of the Corporation and the Corporation shall comply with such requisition.

(2) The Corporation shall within three months of the expiry of a financial year furnish a report to Government on the conduct of its affairs for that financial year.

27. (1) The Corporation may, by general or special order and subject to such conditions as it may impose, delegate to the Chairman, Managing Director, or its officer or employee, any of its powers, duties or functions under this Act or the rules and regulations made thereunder.

(2) The Chairman or Managing Director may delegate to any Officer or employee of the Corporation any of his powers conferred under this Act or the rules or regulations made thereunder, not being the power delegated to him under sub-section (1).

28. The Chairman, Managing Director, Directors, officers, advisers, consultants or employees of the Corporation shall, while acting or purporting to act under this Act, rules or regulations, be deemed to be public servants within the meaning of section 21 of the Pakistan Penal Code.

29. (1) Every Director, adviser, officer, consultant or other employee of the Corporation before entering upon his duties, shall make such declaration of fidelity and secrecy as may be prescribed by rules.

(2) Any person violating the above provision shall be liable to removal from the office after being given a reasonable opportunity of showing cause against the action proposed to be taken with respect to him.

Powers of Government to give directions.

Delegation of powers.

Public Servants.

Declaration of fidelity and secrecy.

30. (1) Every Director shall be indemnified by the Corporation against all losses and expenses incurred by him in the discharge of his duties, except such losses as are caused by his own wilful act or default. Indemnity of Directors against losses.

(2) A Director shall not be held responsible for the acts, omissions or inefficiency of any other Director or of any officer or other employee of the Corporation resulting in any loss or expense to the Corporation or in deficiency in the value of or title to any property or security acquired or taken on behalf of the Corporation.

31. No act or proceeding of the Corporation shall be invalid merely by reason of any vacancy in the Board or its constitution. Validation of acts and proceedings.

32. No suit, prosecution or other legal proceedings shall lie against the Corporation, Chairman, Director or Managing Director or any officer of the Corporation in respect of anything done in good faith or intended to be done in good faith under this Act, rules or regulations made thereunder. Indemnity.

33. Government may make rules for carrying out the purposes of this Act. Rules.

34. The Corporation may, make regulations for all matters not provided for in the rules and for which provision is necessary for carrying out the purposes of this Act and the rules. Regulations.

35. If any difficulty arises in giving effect to any of the provisions of this Act, Government may make such order as may appear to it to be necessary or expedient for the purpose of removal of the difficulty. Removal of difficulties.

BY ORDER OF THE SPEAKER
PROVINCIAL ASSEMBLY OF SIND

ZAKIR HUSSAIN K. MIRZA
Secretary,
Provincial Assembly of Sind.