

## INDUSTRIAL DEVELOPMENT

AN ACT TO PROVIDE FOR THE ENCOURAGEMENT, PROMOTION AND DEVELOPMENT OF INDUSTRIES IN SRI LANKA; TO ESTABLISH A PUBLIC AUTHORITY KNOWN AS THE INDUSTRIAL DEVELOPMENT BOARD OF CEYLON; TO SET UP AN INDUSTRIAL ADVISORY COUNCIL AND INDUSTRIAL PANELS; TO PROVIDE FOR THE ESTABLISHMENT OF AN INDUSTRIAL DEVELOPMENT FUND, AND TO MAKE PROVISION FOR MATTERS CONNECTED THEREWITH OR INCIDENTAL THERETO.

Act Nos,

36 of 1969

[29<sup>th</sup> January , 1970 ]

Short title. **1.** This Act may be cited as the Industrial Development Act.

Establishment of the Industrial Development Board of Ceylon. **2.** For the purposes set out in this Act, there shall be established in accordance with the succeeding provisions of this Act-

- (a) an Industrial Advisory Council.
- (b) such number of Industrial Panels as the Minister may determine,
- (c) a fund called the Industrial Development Fund, and
- (d) a board called the Industrial Development Board of Ceylon, hereinafter referred to as the " Board ".

### PART I

#### ESTABLISHMENT OF AN INDUSTRIAL ADVISORY COUNCIL AND INDUSTRIAL PANELS

Industrial Advisory Council and its functions. **3.**

- (1) There shall be a Council of persons which shall be called "The Industrial Advisory Council, hereinafter referred to as " the Council ", to advise the Minister on matters connected with the promotion and development of industries in Sri Lanka,
- (2) The Council shall consist of a Chairman and such other members not exceeding twenty in number, appointed by the Minister. Subject to the provisions of this Act, the functions and duties of the Council shall be prescribed by regulation,

Establishment of Industrial Panels and their function. **4.**

- (1) The Minister may establish Industrial Panels for any class or group industries or for any prescribed matters connected with the development of industries
- (2) Each Industrial Panel, hereinafter referred to as the "panel", shall consist of Chairman and such other members as may be appointed by the Minister. The functions and

duties of the Panel shall be prescribed by regulation.

Expenses of the administration of Industrial panels. **5.** The expenses of the administration of the Industrial Panels (including remuneration of members of the Panels) shall be borne by the Board

## PART II

### ESTABLISHMENT AND ADMINISTRATION OF THE INDUSTRIAL DEVELOPMENT FUND

The industrial Development Fund **6.** There shall be established with the General Treasury a fund called the Industrial Development Fund, hereinafter referred to as the "Fund", for the encouragement, promotion and development of industries in Sri Lanka.

Payments into the Fund. **7.** There shall be paid into the Fund-

- (a) the proceeds of the industrial development cess levied under section 12;
- (b) the proceeds of licence fees on the importation of specified goods in the manner set out in section 9(1);
- (c) the proceeds of the business turnover tax in respect of specified classes of business in the manner set out in section 9 (2) ;
- (d) all such sums of money as may from time to time be voted by Parliament for the purposes of the Fund ;
- (e) all moneys received as donations under section 8 ; and
- (f) all such sums of money as are required to be paid into the Fund under this Act or any other written law.

Donations to the Fund. **8.**

- (1) The Secretary to the Treasury may receive and credit to the Fund any donations made by any person to the Fund.
- (2) Where a person making a donation under subsection (1) specifies the purpose for which such donation is to be used, such donation shall be used only for such purpose.

Mode of the Fund, referred to in section 7. **9.**

- (1) Where the Minister, with the concurrence of the Minister in charge of the subject of Finance, specifies, for the purposes of section 7, any description of goods for the importation of which a licence fee is payable under regulations made under the Imports and Exports (Control) Act, the Controller of Imports and Exports shall credit the proceeds of the import control fees collected in respect of such goods to the Fund.
- (2) Where the Minister, with the concurrence of the Minister in charge of the subject of Finance, specifies, for the purposes of section 7, any class or description of business, the business turnover tax collected in respect of such class or description of business by the Commissioner-General of Inland Revenue shall be credited to the Fund.
- (3) In this section-

" Controller of Imports and Exports " means the Controller of Imports and Exports appointed under the Imports and Exports (Control) Act ;

" business turnover tax " has the meaning assigned to it in the Business Turnover Tax Act ;

" Commissioner-General of Inland Revenue" means the Commissioner-General of Inland Revenue within the meaning of that expression as defined in section 163 of the Inland Revenue Act (No. 28 of 1979).

(4) Regulations may be made in regard to all matters necessary for the effective collection and crediting to the Fund of the fees and taxes referred to in section 7.

Administration of **10.**  
the Fund.

(1) The Fund shall be under the control and administration of the Deputy Secretary to the Treasury.

(2) The Deputy Secretary to the Treasury shall, as soon as possible after the end of each calendar year, prepare a report on the administration of the Fund.

(3) The Deputy Secretary to the Treasury shall cause to be maintained a full and appropriate account of the Fund in respect of each calendar year.

(4) The accounts of the Fund for each calendar year shall be audited by or under the direction of the Auditor-General.

(5) A report on the administration of the Fund (together with the report of the Auditor-General on the accounts of the Fund) shall be placed by the Minister before Parliament.

Payments **11.** The Deputy Secretary to the Treasury shall pay out of the Fund-  
out of the  
Fund.

(a) to the Board such sums of money as the Minister may, in consultation with the Minister in charge of the subject of Finance, from time to time determine ; and

(b) to any other institution or body of persons (whether corporate or unincorporate), such sums of money as the Minister may, with the concurrence of the Minister in charge of the subject of Finance, from time to time determine as being necessary for the promotion and development of industries in Sri Lanka.

Industrial **12.**  
development  
cess,

(1) For the purposes of this Act there shall be imposed, levied and paid, a called the industrial development cess, in respect of any industry or industries, in such manner and of such amount as may from time to time be determined by resolution of Parliament. The proceeds of such cess shall be credited to the Fund.

(2) Any resolution passed by Parliament under subsection (1) may be rescinded or amended from time to time by Parliament.

(3) Regulations may be made in respect of all matters necessary for the effective levy and collection of the industrial

development cess, and its payment into the Fund.

### PART III

#### INDUSTRIAL DEVELOPMENT BOARD OF CEYLON ITS OBJECTS AND CONSTITUTION

Industrial Development Board of Ceylon. **13.** There shall be established a Board which shall be called the Industrial Development Board of Ceylon.

Board to be body corporate. **14** The Board shall, by the name assigned to it by section 13, be a body corporate and shall have perpetual succession and a common seal and may sue and be sued in that name.

Objects of the Board. **15.** The objects of the Board shall be :-  
the Board.

(a) to assist in the encouragement, promotion and development of industries in Sri Lanka ;

(b) to assist in the proper co-ordination and in the inter-related growth of all industrial undertakings in the private and public sectors of the economy of the country ;

(c) to foster industrial research with the object of utilizing the natural resources of Sri Lanka, improving the technical processes and methods used in industries and developing appropriate technologies and equipment for local industries, and discovering processes and methods for the better utilization of waste products ;

(d) to foster the export of local industrial products to overseas markets ;

(e) to assist in such measures in the field of international trade and regional co-operation as are necessary or conducive to industrial development ;

(f) to provide for services and facilities of every description required by or in connexion with any industrial undertaking or industrial establishment in Sri Lanka, including the provision of capital, credit, marketing, managerial, technical facilities and legal advice :

Provided that in regard to the provision of capital grants such service shall be limited to establishments or undertakings whose capital investment does not exceed two hundred thousand rupees ;

(g) to advise on matters relating to the promotion and development of industries in Sri Lanka; and

(h) to take all such measures as may be necessary for, or conducive to, the attainment of the objects specified in this section.

Board to exercise its powers to fulfill its objects. **16.** For the purpose of fulfilling the objects of the Board, the Board may exercise, discharge and perform the powers, its objects. functions and duties conferred or imposed on the Board by or under this Act or any other written law.

Constitution of the Board- **17.**

(1) The Board shall consist of nine members of whom-

(a) six members shall be appointed by the Minister ;

(b) one member shall be appointed by the Minister in consultation with the Minister in charge of the subject

of Planning ;

(c) one member, being an officer of the General Treasury, shall be appointed by the Minister in consultation with the Minister in charge of the subject of Finance ; and

(d) one member shall be appointed by the Minister in consultation with the Minister in charge of the subject of Trade.

(2) The Minister shall appoint one of the members of the Board to be the Chairman of the Board.

Disqualification. **18.** A Member of Parliament shall not be qualified to be a member of the Board.

Terms of office of members. **19.** Every member shall hold office for a period of three years, unless he vacates, or is removed from, office earlier.

Appointment of acting members. **20.** If any member is temporarily unable to discharge the duties of his office on account of ill health, absence from Sri Lanka or any other cause, the Minister may, subject to the requirements of section 17, appoint some other person to act as member in his place.

Resignation and removal of members, **21.**

(1) A member may resign office by letter addressed to the Minister.

(2) The Minister may, if he thinks it expedient to do so, remove a member from office.

Eligibility of members for reappointment. **22.** A member who vacates office by effluxion of time shall be eligible for reappointment.

Quorum for meeting of the Board. **23.** The quorum for any meeting of the Board shall be five.

Procedure at meetings of the Board. **24.** Subject to the other provisions of this Act, the Board may regulate its procedure in regard to the meetings of the Board and the transaction of business at such meetings.

Vacancy among members not to invalidate acts of the Board. **25.** Any act or proceeding of the Board shall not be deemed to be invalid by reason only of the existence of any vacancy among its members or any defect in the appointment of any of its members.

Remuneration of members of the Board. **26.** The members of the Board shall be remunerated in such manner and at such rates as the Minister may, in consultation with the Minister in charge of the subject of Finance, determine.

Seal of the Board. **27.**

(1) The common seal of the Board shall be in the custody of such person as the Board may decide from time to time.

(2) The seal of the Board may be altered in such manner as may be determined by the Board.

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

(4) The Board shall maintain a register of the instruments or

documents to which the seal of the Board is affixed.

Minister's directions the Board. **28.**

(1) In the exercise, discharge and performance of its powers, functions and duties, the Board shall be subject to, and act in accordance with, such general or special directions as the Minister may from time to time issue.

(2) The Minister shall, in issuing directions under subsection (1) with regard to any matter affecting the functions assigned to any other Minister, in consultation with that Minister.

Members of the Board deemed to be public servants **29.** All members of the Board shall be deemed to be public servants within the meaning and for the purposes of the Penal Code.

Delegation of duties, functions and powers by the Board. **30.**

(1) The Board may delegate to any member of the Board or to any employee of the Board any of its powers or duties.

(2) Every delegate appointed under subsection (1) shall exercise or perform the power or duty delegated to him subject to the general or special directions of the Board.

#### PART IV

#### DUTIES AND POWERS OF THE BOARD

Duties of the Board. **31.** It shall be the duty of the Board-

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

(i) the Government or any Department of the Government, or

(ii) any industry which is, or is to be carried on, in Sri Lanka, or

(iii) any Government-sponsored Corporation\*; or [\*These designations, as they appear in this enactment, are reproduced without any change, as the reason for the distinction is not understood]

(iv) any agency of the Government, or

(v) any local authority ;

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

(c) to submit to the Minister, together with the views of the Board, the reports and recommendations of the Industrial Panels set up under this Act ; and

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

No duty of the Board **32.** Nothing in section 31 shall be construed as imposing on the Board, to be enforceable in either directly or indirectly, any form of duty or liability enforceable by

court.

proceedings before any court or tribunal to which the Board would not otherwise be subject.

Powers of **33**,  
the  
Board.

(1) The Board shall have the power to do all such acts and take all such steps as may be necessary for or conducive to the attainment of its objects.

(2) Without prejudice to the generality of the powers conferred by subsection (1), the Board shall have the power-

(a) to establish, maintain and carry on industrial estates in Sri Lanka ;

(b) to engage in, or co-operate with, local institutions or bodies of persons or foreign institutions or governments, in the display or distribution of industrial products manufactured in Sri Lanka ;

(c) subject to the proviso of paragraph (/) of section 15, to assist financially or otherwise any local authority, State-sponsored Corporation\* or Government Department or any person or body of persons (whether corporate or unincorporate), in the purchase of industrial machinery or raw materials, or in the provision of any other facilities or in the doing of any act or thing necessary for or conducive to the attainment of the objects of the Board ; [\* These designations, as they appear in this enactment, are reproduced without any change, as the reason for the distinction is not understood]

(d) to train, or assist financially the training of, persons to do work which is wholly or mainly connected with the attainment of the objects of the Board ;

(e) to participate in the business of any industrial undertaking or activities related to industrial development in such manner as the Minister may-determine ;

(f) to levy fees or other charges for services performed, or facilities or equipment provided, by the Board ;

(g) to acquire, hold, take or give on lease, mortgage or hire, pledge or sell or otherwise dispose of, any movable or immovable property ;

(h) to employ such officers and servants as may be necessary for carrying out the objects of the Board ;

(i) to provide financial assistance, welfare and recreational facilities, houses, hostels and other like accommodation for persons employed by the Board ;

(j) to construct, manufacture, purchase, maintain and repair anything required for the purposes of the objects of the Board ;

(k) to enter into and perform or carry out, whether directly or through any officer or agent authorized in that behalf by the Board, all such contracts or agreements as may be necessary for the attainment of the objects of the Board ;

- (l) subject to the provisions of this Act, to make rules in relation to its officers and servants, including their appointments, promotions, remuneration, disciplinary control, conduct and grant of leave to them;
- (m) subject to the provisions of this Act, to make rules in respect of the administration of the affairs of the Board ; and
- (n) to do all other acts which, in the opinion of the Board, are necessary to facilitate the proper carrying out of its objects or the performance of its duties.

## PART V

### FINANCE AND ACCOUNTS OF THE BOARD

Board to utilize its moneys **34.** The moneys of the Board may be utilized by the Board for the purpose of carrying out its objects or in the exercise, discharge or performance of its powers, functions and duties under this Act or any other written law.

Accounts of the Board. **35.** The Board shall, in respect of each financial year, cause proper accounts of its income and expenditure and of all its other transactions to be kept and shall prepare an annual statement of accounts and statistics relating to its business, in such form and containing such particulars as the Minister may determine.

Financial year of the Board. **36.** The financial year of the Board shall be as determined by the Board.

Audit of account of the Board. **37.**

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

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

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

(4) For the purposes of this section, the expression " qualified auditor " means-

- (a) an individual who, being a member of the Institute of



Chartered Accountants of Sri Lanka, or of any other Institute established by law, possesses a certificate to practice as an Accountant issued by the Council of such Institute ; or

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

The Auditor-  
General's  
report. **38.**

(1) The Auditor-General shall examine the accounts of the Board and furnish a report-

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

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

(c) drawing attention to any item in the accounts which in his opinion may be of interest to Parliament and any examination of the activities and accounts of the Board.

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

The Auditor-General's  
report and the report of the  
annual meeting of the Board  
to be transmitted to the  
Minister.

**39.** The Board shall, on the receipt of the audited accounts and the Auditor- General report each year, transmit such report and such accounts together with the statement by the Board of its activities during the financial year to which such report relates, to the Minister who shall cause copies thereof to be laid before Parliament within twelve months of the close of the financial year of the Board to which the accounts relate.

Exemption from  
customs duty. **40.** Notwithstanding anything in any other written law, the Principal Collector of Customs may, with the sanction of the Secretary to the Treasury, waive the customs duty on articles imported by the Board for any of its purposes.

Power to  
borrow. **41.**

(1) It shall be lawful for the Board, subject to the approval of the Minister, to borrow from the Government or any person or persons such sum or sums of money as may be necessary for any of the purposes of the Board.

(2) Every loan raised by the Board shall be subject to such rate or rates of interest and to such conditions for the repayment thereof as may be approved by the Minister.

(3) For the purposes of securing the repayment of any sums borrowed by the Board and interest accruing thereon, the Board may mortgage or assign to the lender by or on whose behalf such sum or any part thereof may be lent, any property belonging to the Board or assign to

such lender any right to any sums of money accruing to the Board.

## PART VI

### STAFF AND DEPARTMENTS OF THE BOARD

Staff of the Board. **42.** Subject to the other provisions of this Act, the Board may

- (a) appoint, dismiss and exercise disciplinary control over the staff of the Board
- (b) fix the wages or salary or other remuneration of such staff ;
- (c) determine the terms and conditions of service of such staff
- (d) establish and regulate a provident fund or scheme for the benefit of such staff and may make contributions towards such fund or scheme.

Agencies, departments and divisions of the Board. **43.**

- (1) The Board may establish and maintain such number of departments, divisions or agencies of the Board as it may deem necessary for the proper and effective conduct of its business.
- (2) Each department, division or agency of the Board shall be responsible for the administration and conduct of such part of the business of the Board as may be assigned to it by the Board.
- (3) The head of each such department, division or agency and other members of the staff of the Board attached to such department, division or agency shall exercise, discharge and perform such powers, functions and duties as may be determined by the Board.
- (4) Regulations may be made under this Act in respect of all or any of the matters referred to in the preceding provisions of this section.

Appointment of public officers to the staff of the Board. **44.**

- (1) At the request of the Board any officer in the public service may, with the consent of that officer and of the Secretary to the Ministry charged with the subject of Public Administration, be temporarily appointed to the staff of the Board for such period as may be determined by the Board with like consent or be permanently appointed to such staff.
- (2) Where an officer in the public service is temporarily appointed to the staff of the Board-
  - (a) he Shall be subject to the same disciplinary control as any other member of such staff ;
  - (b) if at the time of his temporary appointment to the staff of the Board, his substantive post in the public service was a post declared to be pensionable under the Minutes on Pensions-

(i) he shall, while in the employ of the Board, be deemed to have been absent from duty in the public service on leave granted without salary on grounds of public policy and accordingly, section 10 (i) of those Minutes shall apply to him, and (ii) in respect of him, the Board shall pay out of the funds of the Board to the Deputy Secretary to the Treasury to be credited to the Consolidated Fund for every complete month during which he is in the employ of the Board, such sum not exceeding twenty-five per centum of the salary payable to him in his substantive post in the public service as may be determined by the Minister in charge of the subject of Finance; and

(c) if, at the time of his temporary appointment to the staff of the Board, he was a contributor to the Public Service Provident Fund established under the Public Service Provident Fund Ordinance, his service to the Board shall, for the purposes of that Ordinance, be deemed to be service to the Government, and accordingly he shall, while he is in the employ of the Board, continue to pay to the Public Service Provident Fund such contribution as he was liable under that Ordinance to pay, and in respect of him the Board shall pay at the close of each financial year out of the funds of the Board to the Deputy Secretary to the Treasury to be credited to the officer's account in the Public Service Provident Fund a sum equivalent to such contribution as the Government is liable to pay to the Public Service Provident Fund in respect of him.

(3) Where an officer in the public service is permanently appointed to the staff of the Board-

(a) he shall be deemed to have left the public service ;

(b) if, at the time of his permanent appointment to the staff of the Board, his substantive post in the public service was a post declared to be pensionable under the Minutes on Pensions-

(i) he shall be eligible for such an award under those Minutes as might have been made to him if he had been retired from the public service on the ground of ill health on the date of his permanent

appointment to the staff of the Board,  
(ii) the amount of any such award made under those Minutes shall not be paid to him unless his employment in the Board is terminated by retirement on account of age or health or by the abolition of the post held by him in the Board or on any other ground approved by the Minister in charge of the subject of Finance, and

(iii) in the event of his death while in the employ of the Board, such an award as might have been made in respect of him under those Minutes if he had died immediately before his permanent appointment to the staff of the Board may be made in respect of him ; and

(c) if, at the time of his permanent appointment to the staff of the Board, he was a contributor to the Public Service Provident Fund established under the Public Service Provident Fund Ordinance, he shall, for the purposes of that Ordinance, be deemed to have left the service of the Government upon the determination of contract with the consent of the Government otherwise than by dismissal.

(4) Where the Board employs any person who has entered into a contract with the Government by which he has agreed to serve the Government for a specified period, any period of service to the Board by that person shall be regarded as service to the Government for the purpose of discharging the obligations of such contract.

## PART VII GENERAL

### Regulations.45.

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

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

(3) Every regulation made by the Minister shall, as soon as convenient after its publication in the Gazette, be brought before Parliament for approval.

Any such regulation which is not ,so approved shall be deemed to be rescinded as from the date of disapproval but without prejudice to anything previously done thereunder. Notification of the date on which any regulation made by the Minister is so deemed to be

rescinded shall be published in the Gazette.

Power of Board to compound claims. **46.** The Board may compound any claim or demand made against the Board by any person for such sum or - other compensation as the Board may deem sufficient.

Board deemed to be a scheduled institution within the meaning of the Bribery Act. **47.** The Board shall be deemed to be a scheduled institution within the meaning of the Bribery Act and the provisions of that Act shall be construed accordingly.

Returns and the information. **48.** The Board or any officer of the Board authorized in that behalf by Board, may by notice require any person to furnish to the Board or to such officer, within such period of time as shall be specified in the notice, all such returns and information as are within the knowledge of that person relating to any matter as may be necessary to enable the Board to perform its duties and functions under this Act.

Power of companies & c. to enter into contracts with the Board. **49.** Any public authority or other body of persons (whether corporate or unincorporate) may, notwithstanding anything to the contrary in any written law or instrument relating to its functions, enter into and perform all such contracts with the Board as may be necessary for the exercise, discharge or performance of the powers, functions or duties of the Board.

Transfer of State property and certain contracts and liabilities to the Board. **50.**

(1) The Minister may, subject to the provisions of subsection (2) and subsection (3), by Order published in the Gazette, transfer to the Board- (a) any movable or immovable property of the State required for the purposes of the Board, and (b) any contracts and liabilities of the State connected with such purposes.

(2) No movable property, and no contract or liability, of the State shall be transferred to the Board, under subsection (1) without the concurrence of the Minister in charge of the subject of Finance.

(3) No immovable property of the State shall be transferred to the Board under subsection (1) without the concurrence of the Minister in charge of the subject of Finance and the Minister to whom the subject of State lands is for the time being assigned.

(4) Upon the publication of an Order under subsection (1) in the Gazette

(a) the properties specified in that Order shall vest in and be the properties of the Board ;

(b) the contracts specified in that Order shall be deemed to be the contracts of the Board and all subsisting rights and obligations of the State under such contracts shall be deemed to be the rights and obligations of the Board ; and

(c) the liabilities specified in that Order shall be deemed to be the liabilities of the Board.

Power to acquire land **51.** The Minister may by Order published in the Gazette approve of the proposed acquisition of any land, or any interest in any land, other than State

temporarily. land, for any purpose of the Board, and where such an Order is so published, the land or the interest in any land specified in the Order shall be deemed to be required for a public purpose and may be acquired under the Land Acquisition Act, and, when so acquired, shall be transferred to the Board under that Act.

Exemption from provisions of certain Ordinances. **52.**

- (1) The Minister who for the time being is in charge of the subject of State lands may, by Order published in the Gazette, exempt the Board from any such provision of any of the following Ordinances as may be specified in the Order ;  
State Lands Encroachments Ordinance ;  
State Lands Ordinance ;  
Definition of Boundaries Ordinance ;  
Fauna and Flora Protection Ordinance ;  
Forest Ordinance ;  
Land Development Ordinance.
- (2) An Order made and published under subsection (1) shall have the force of law.

Expenses incurred for action taken under this Act on the direction of the Board. **53.**

- (1) Any expense incurred by the Board in any suit or prosecution brought by or against the Board before any court shall be paid out of the funds of the Board, and any costs paid to, or recovered by, the Board in any such suit or prosecution shall be credited to the funds of the Board.
- (2) Any expense incurred by any member, officer, servant or agent of the Board in any suit or prosecution brought against him before any court in respect of any act which is done or purported to be done by him under this Act, or on the direction of the Board shall, if the court holds that such act was done in good faith, be paid out of the funds of the Board, unless such expense is recovered by him in such suit or prosecution.

Board to take over the business of certain Corporations. **54.**

- (1) On such date as the Minister may fix by notification published in the Gazette, the Board shall take over and carry on the business of-

(a) " The Industrial Development Board "; and  
Estates

(b) "The Industrial Corporation ",

set up under the State Industrial Corporations Act.

- (2) Upon the taking over by the Board of the business of the Corporations set up under the State Industrial Corporations Act, and referred to in subsection (1), the Board shall offer employment to every employee of each of the said Corporations upon terms and conditions not less favourable

than those enjoyed by such employee before the taking over.

(3) Regulations may be made in respect of all matters directly or indirectly arising out of the carrying out by the Board of its duties referred to in subsection (I) and subsection (2).

This Act to have precedence over other written law.

**55.** The provisions of this Act shall have effect notwithstanding anything contained in any other written law and accordingly, in the event of any conflict or inconsistency between the provisions of this Act and such other written law, the provisions of this Act shall prevail.

Interpretation,**56.** In this Act, unless the context otherwise requires ;

" agency of the Government " means any body or institution acting on behalf of the Government, whether established by any written law or otherwise ;

" Government-sponsored Corporation " has the same meaning as in the Government-sponsored Corporations Act ;

" local authority " includes any Municipal Council, Urban Council, Town Council or Village Council ;

" public offer" has the same meaning as in the Constitution of the Democratic Socialist Republic of Sri Lanka.