



The Sindh Government Gazette

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PART IV

PROVINCIAL ASSEMBLY OF SIND

NOTIFICATION

Karachi, the 23rd November, 1974

No. PAS/Legis/Bill-28/74.—The Sind Loans for Agricultural Purposes Bill, 1974 having been passed by the Provincial Assembly of Sind on 12th November, 1974 and assented to by the Governor on 18th November, 1974 is hereby published as an Act of the Legislature of Sind:—

THE SIND LOANS FOR AGRICULTURAL PURPOSES ACT, 1974

SIND ACT No. XXII OF 1974.

(First published after having received the assent of the Governor of Sind in the Gazette of Sind (Extra Ordinary), dated 23rd November, 1974).

AN

ACT

to provide for credit facilities to members of the co-operative societies and co-operative banks in Sind for agriculture purposes.

WHEREAS it is expedient to provide for credit facilities to members of the co-operative societies and co-operative banks in Sind for agricultural purposes; Preamble

It is hereby enacted as follows:—

1. (1) This Act may be called the Sind Loans for Agricultural Purposes Act, 1974. Short title and commencement.

(2) It shall come into force at once.

Definitions.

2. (1) In this Act, unless the context otherwise requires, the following expressions shall have the meaning hereby respectively assigned to them, that is to say—

- (a) "advance" means an advance made under this Act for agricultural purposes;
- (b) "bank" means a co-operative bank;
- (c) "borrower" means a *bonafide* member of a bank or society whose total land holding does not exceed an economic holding;
- (d) "Government" means the Government of Sind;
- (e) "land" means land used for agricultural purposes or for purposes subservient to agriculture;
- (f) "loan" means a loan granted under this Act for agricultural purposes;
- (g) "pass-book" means a pass-book prepared and maintained under the Loans for Agricultural Purposes Act, 1973 (Act XLII of 1973);
- (h) "prescribed" means prescribed by rules made under this Act;
- (i) "Society" means a co-operative society.

(2) Any expression used but not defined in this Act shall have the meaning assigned to it in the Co-operative Societies Act, 1925 (Sind Act VII of 1925) and the West Pakistan Co-operative Societies and Co-operative Banks (Re-payment of Loans) Ordinance, 1966 (West Pakistan Ordinance XIV of 1966).

Act
to override
laws.

3. The provisions of this Act shall have effect notwithstanding anything contained in any other law for the time being in force.

Pass-book.

4. (1) A borrower applying to any bank or society for a loan or advance on the security of land, may produce before such bank or society a pass-book in proof of his title to the land mentioned therein.

(2) The pass-book produced under sub-section (1) shall, for purpose of granting loan or advance on the security of land be deemed to be and accepted by the bank or the society as title deed of the land mentioned therein.

(3) If the bank or the society grants a loan or advance on the production of the pass-book it shall make an endorsement in the pass-book against the entry of the land or any parcel thereof on the security of which the loan or advance is granted.

(4) The endorsement made in the pass-book under sub-section (3) shall create a charge, in favour of the bank or the society, as the case may be, on the land or the parcel thereof against the entry of which the endorse-

ment has been made and the borrower shall be debarred from alienating such land or such parcel of the land until the outstanding amount of the loan or advance has been repaid.

(5) Any alienation of land in contravention of sub-section (4) shall be void.

5. (1) The borrower may deliver agricultural produce of the land to the bank or the society, as the case may be, or to its authorised agent, towards repayment of loan or advance or any instalment thereof.

Delivery of
agricultural
Produce.

(2) The agricultural produce delivered under sub-section (1) shall be sold in open market and the sale proceeds shall be adjusted against any instalment or other amount of the loan or advance, due for payment in accordance with loan agreement.

6. All payments made in cash or by delivery or agricultural produce towards repayment of the instalments or other amounts of the loan or advance shall in prescribed manner be entered in the pass-book of the borrower and on payment of the whole amount of the loan or advance the borrower shall stand absolved of his obligation under this Act.

Repayment
of loan.

7. If the borrower fails to re-pay the amount of the loan or advance in accordance with the terms of his agreement with the bank or society, such bank or society may, without prejudice to any other legal remedy available to it, apply to the Collector or an officer of the Co-operation Department invested with the powers of Collector under the Co-operative Societies Act, 1925 (Sind Act VII of 1925) for the recovery of the amount in default as arrears of land revenue.

Recovery.

8. (1) Government may by notification in the official Gazette make rules for carrying out the purposes of this Act.

Rules.

(2) A borrower shall be entitled to apply and take loan or advance from only one bank or society at one time on the same property.

Explanation.—In this Act, “economic holding” has the same meaning as in the Land Reforms Regulation, 1972.

(3) The ratio specified in the rules shall not be varied—

(i) to the dis-advantage of borrowers having land not exceeding a subsistence holding and to the advantage of borrowers having land exceeding a subsistence holding; and

(ii) to the dis-advantage of borrowers having land less than an economic holding and to the advantage of borrowers having land exceeding economic holding.

9. No suit, prosecution or other legal proceedings shall lie in respect of anything done in good faith, under this Act or any rule made thereunder.

Indemnity.

10. The Sind Loans for Agricultural Purposes Ordinance, 1974, is hereby repealed.

Repeal of
Sind Ordinance XVI
of 1974.

By order of the Speaker,
Provincial Assembly of Sind.

JAMALUDDIN ABRO,
Secretary,
Provincial Assembly of Sind.