

**SIND ACT NO.XXII OF 1974**  
**THE SIND LOANS FOR AGRICULTURAL PURPOSES ACT, 1974**

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**SIND ACT NO.XXII OF 1974**  
**THE SIND LOANS FOR AGRICULTURAL PURPOSES ACT, 1974**

[23<sup>rd</sup> 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.

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—

**Definitions.**

(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);

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- (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).

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

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 installment thereof. **Delivery of agricultural Produce.**

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

6. All payment made in cash or by delivery or agricultural produce towards repayment of the installments 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-operative 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.**

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8 (1) Government may by notification in the official Gazette 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 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 or 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.**