

THE AGRICULTURAL DEVELOPMENT BANK OF PAKISTAN
(REORGANIZATION AND CONVERSION) ORDINANCE, 2002

CONTENTS

Short title, extent and commencement.

Definitions.

Registration of the company.

Transfer and vesting of assets, contracts, liabilities, proceedings and undertakings.

Continuation of receiving deposits and other business.

Continuation in service of the company.

Contracts and proceedings.

Bar of jurisdiction and indemnity.

Power to make rules.

Overriding effect.

Removal of difficulties.

Repeal.

THE AGRICULTURAL DEVELOPMENT BANK OF PAKISTAN (RE-ORGANIZATION AND CONVERSION) ORDINANCE, 2002

ORDINANCE No. LX OF 2002

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ORDINANCE

to provide for reorganization and conversion of the Agricultural Development Bank of Pakistan into a public limited company incorporated under the Companies Ordinance, 1984

WHEREAS it is expedient to provide for reorganization and the conversion of Agricultural Development Bank of Pakistan into a public limited company for ensuring good governance, autonomy, delivering high quality and viable financial services to a greater number of rural clientele and adequate returns to the stake-holders and also for taking over the entire undertakings of the said Bank and for matters connected therewith or incidental thereto;

AND WHEREAS, the President is satisfied that circumstances exist which render it necessary to take immediate action;

NOW, THEREFORE, in pursuance of the Proclamation of Emergency of the Fourteenth day of October, 1999, and the Provisional Constitutional Order No. 1 of 1999, read with the Provisional Constitution (Amendment) Order No. 9 of 1999, and in the exercise of all powers enabling him in that behalf, the President of the Islamic Republic of Pakistan is pleased to make and promulgate the following Ordinance:

1. Short title, extent and commencement.— (1) This Ordinance may be called the Agricultural Development Bank of Pakistan (Reorganization and Conversion) Ordinance, 2002.
(2) It extends to the whole of Pakistan.
(3) It shall come into force at once.

2. Definitions.— (1) In this Ordinance, unless there is anything repugnant in the subject or context,

(a) "ADBP" means the Agricultural Development Bank of Pakistan established under the Agricultural Development Bank Ordinance, 1961 (IV of 1961);

(b) "assets" means rights, powers of every description and includes all properties, movable or immovable, tangible or intangible, mortgages, charges and claims, cash and bank balances, advances, reserve funds, investments and all other interest or rights in the name of ADBP, as the case may be;

(c) "Company" means the Company formed and registered pursuant to section 3;

(d) "contracts" mean all contracts, agreements, bonds, guarantees, indemnities, representations, obligations, undertakings and other legal documents and instruments of every description executed by or on behalf of ADBP, including employment, investment, sales, and financial contracts with whomsoever;

(e) "deposits" mean the deposits received by ADBP during the course of its business;

(f) "effective date" means the date specified in the order issued under sub-section (1) of section 4;

(g) "liabilities" mean all liabilities lawfully incurred by ADBP and includes all debts, liabilities, obligations and duties of every kind imposed thereon;

(h) "Order" means an order made by the Federal Government under sub-section (1) of section 4;

(i) "proceedings" include applications, appeals, awards, petitions reviews and revisions filed or pending in any suit, arbitration or other legal or administrative proceedings;

Gj) "transfer" means the transfer of assets, contracts, deposits, liabilities, proceedings and undertakings of ADBP, as the case may be; and

(k) "undertaking" includes all projects, ventures and any other operations, undertaken by ADBP in collaboration with some other person.

(2) All expressions and words used but not defined in this Ordinance shall have the same meanings as in the Companies Ordinance, 1984 (XLVII of 1984).

3. Registration of the company.—As soon as may be, after the commencement of this Ordinance, the Federal Government shall, in accordance with the provisions of this Ordinance and in consultation with the share-holders of ADBP, take steps for the conversion of the ADBP, existing immediately before such commencement into a public limited company under the Companies Ordinance, 1984 (XLVII of 1984).

4. Transfer and vesting of assets, contracts, liabilities, proceedings and undertakings.—

(1) After the registration of the Company, the Federal Government shall by an order, published in the Official Gazette, direct that all the assets, contracts, liabilities, proceedings and undertakings of ADBP stand transferred to, vest in the Company from the date specified therein, upon such terms and conditions as may be determined by the Federal Government in this behalf.

(2) The Order issued under sub-section (1) shall, inter alia, provide for—

(a) the transfer of all the assets, contracts, liabilities, proceedings and undertakings of ADBP to the Company;

(b) the allotment of shares or debentures of the Company to the shareholders and debenture-holders of ADBP, as the case may be, after determining the net asset value of their shareholding in ADBP on the effective date;

(c) such incidental, consequential and supplemental matters as are necessary to the transfer of assets, contracts, liabilities, proceedings and undertakings under this Ordinance; and

(d) the dissolution of ADBP from the effective date.

(3) The value ascribed to the assets and liabilities transferred to, and vested in, the Company shall represent the net value of assets for taxation, depreciation or any other purposes.

(4) Notwithstanding anything in the Stamp Act, 1899 (II of 1899), no stamp duty or any other charges shall be payable by the Company under any law for the time being in force for the transfer and vesting of the assets, contracts, liabilities, proceedings or undertakings of ADBP to the Company or any share or securities issued by the company in favour of the shareholders or debenture-holders of ADBP.

(5) Notwithstanding the provisions of section 146 of the Companies Ordinance, 1984 (XLVII of 1984), the Company shall, upon transfer, continue, all undertakings of ADBP as were being carried on immediately prior to the effective date.

5. Continuation of receiving deposits and other business.— (1) Notwithstanding anything contained in any other law for the time being in force, the Company shall take and maintain existing deposits, continue lending and to do any other business, which were being undertaken by ADBP without prejudice to its application to the State Bank of Pakistan for a licence to transact banking business.

(2) The Company shall be authorised to use the word “bank” or any of its derivatives as a part of its name.

Explanation—For the purpose of this section the expression “existing deposits” means deposits received by the company as a part of the transfer.

6. Continuation in service of the company.— (1) The employees of ADBP who were in the service of ADBP before the effective date shall stand transferred to and become the employees of the Company as of the effective date on the same terms and conditions and shall be subject to the same rules and regulations as were applicable to them before the effective date.

(2) Notwithstanding anything contained in law, contract, agreement or the conditions of service no person transferred to the Company in pursuant to sub-section (1) shall be entitled to any compensation by reason of such transfer.

7. Contracts and proceedings.— (1) All agreements and contracts to which ADBP may have been a party or beneficiary, subsisting immediately before the effective date, shall be deemed to have been made by the Company.

(2) All proceedings by or against or relating to ADBP, pending on the effective date, before any court, tribunal, arbitrator or other forum shall be recovered, continued, prosecuted, defended, enforced and executed by the Company in the same manner as would have been recovered, continued, prosecuted, defended, enforced and executed by ADBP under the Agricultural Development Bank Ordinance, 1961 (IV of 1961) and relevant provisions of the said Ordinance, mutatis mutandis, shall continue to apply to these proceedings notwithstanding the repeal of the said Ordinance.

'1(3) Notwithstanding anything contained in any other law for the time being in force, for the period of three years from the effective date, all sums due to the Company shall, in addition to any other mode of recovery, be recoverable as arrears of land revenue.]

8. Bar of jurisdiction and indemnity.— (1) No court, tribunal or any authority shall question anything done, order made, step or action taken or purported to be made, done or taken which is in good faith, done, made or taken under this Ordinance.

(2) No suit, prosecution or other legal proceedings or action shall lie against the Federal Government, ADBP, the Company or any other person for anything which is in good faith done or intended to be done under this Ordinance or any rule or order trade thereunder.

9. Power to make rules.— The Federal Government may, by notification in the official Gazette, make rules for conveying out the purposes of this Ordinance.

10. Overriding effect The provisions of this Ordinance and any rules or order made thereunder shall have effect notwithstanding anything contained in any other law for the time being in force, or in any agreement, contract, decree, order or any other instrument whatsoever.

11. Removal of difficulties.— If any difficulty arises in giving effect to any provisions of this Ordinance, the Federal Government may make such orders, not inconsistent with the provisions of this Ordinance, as may appear to it, to be necessary for the purpose of removing the difficulty.

12. Repeal.— Immediately after the dissolution. of the ABDP in pursuance of clause (d) of sub-section (2) of section 4 the Agricultural Development Bank Ordinance, 1961 (IV of 1961), shall stand repealed from the effective date.

'Added by Agricultural Development Bank of Pakistan (Reorganization and Conversion) (amendment) Order
Page 5 of 5