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THE SBP BANKING SERVICES CORPORATION ORDINANCE, 2001

ORDINANCE NO. LXVII OF 2001

[31st December, 2001]

An Ordinance to provide for the establishment of SBP Banking Services Corporation as a subsidiary of the State Bank of Pakistan, and for the management and control thereof

WHEREAS it is expedient to provide for the establishment, management and control of SBP Banking Services Corporation as a subsidiary of the State Bank of Pakistan, and for the transfer thereto of a part of the undertaking and certain employees of the State Bank of Pakistan, and for matters connected therewith or ancillary 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 Constitution Order No. 1 of 1999, read with the Provisional Constitution (Amendment) Order No. 9 of 1999, and in 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: —

PART I
PRELIMINARY

1. Short title, extent and commencement.—(1) This Ordinance may be called the SBP Banking Services Corporation Ordinance, 2001.

(2) It extends to the whole of Pakistan.
(3) It shall come into force at once.

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

- (a) "Act" means the State Bank of Pakistan Act, 1956 (XXXIII of 1956);
- (b) "Bank" means the SBP Banking Services Corporation established under section 3;
- (c) "Board" means the Board of Directors of the Bank;
- (d) "Chairman" means the Chairman of the Board;
- (e) "Committee of Directors" means a Committee of Directors, constituted under section 11;

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“Director” means a member of the Board;

“Governor” means the Governor and includes an Acting Governor of the State Bank appointed under the Act;

“Managing Director” means the Managing Director appointed under section 9;

“regulations” means regulations made under this Ordinance;

“rules” means rules made under this Ordinance;

“seal” means the common seal of the Bank;

“State Bank” means the State Bank of Pakistan established under the Act;

“Transfer Date” means the date specified in the Transfer Order;

“Transfer Order” means Transfer Order made under sub-section (1) of section 15;

“Transferred Employees” means the employees of the State Bank who shall, as from the Transfer Date, stand transferred to and become the

employees of the Bank, by virtue of the Transfer Order; and

“Transferred Undertaking” means a part of the undertaking of the State Bank specified in sub-section (1) of section 15.

PART II ESTABLISHMENT AND OPERATION OF THE BANK

3. Establishment and incorporation of the Bank.—(1) As from the date of promulgation of this Ordinance, there shall be established, a bank to be called SBP Banking Services Corporation.

(2) The Bank shall be a body corporate having perpetual succession and a seal and shall, by the name assigned to it by sub-section (1), sue and be sued.

(3) The head office of the Bank shall be situated in Karachi and it may establish branches, offices and agencies in Pakistan and anywhere outside Pakistan with the prior approval, in writing, of the State Bank.

4. Bank to be a subsidiary of the State Bank.—The Bank shall be a subsidiary of the State Bank, and the State Bank shall exercise control over the Bank in accordance with the provisions of this Ordinance.

5. Business and functions of the Bank.—(1) Subject to sub-section (2), the Bank, under the overall supervision and control of the State Bank, may transact and carry on all or any of the following functions, namely:—

(a) the carrying on of the Transferred Undertaking, statutory and administrative functions and activities of the State Bank transferred or delegated by the State Bank to the Bank under this Ordinance;

(b) the handling of receipt, supply and exchange of bank notes and coins which are legal tender;

(c) the issue, supply, sale, encashment and handling of prize bonds, holding draws thereof and other savings instruments of the Federal Government or of a Provincial Government;

(d) the performance of any other activity or business which the State Bank may, by order in writing, specify; ![*]

(e) the carrying on of any business and discharging of any functions and powers as are incidental to, or in connection with, the affairs of the Bank, including, without limiting the generality of the foregoing and, the power to enter into any contracts or other instruments or any financial or other transactions, issue guarantees and indemnities, borrow and lend moneys, accept deposits of money, make investments, purchase and hold any property and assets, and to provide any services to the State Bank and to

'Omitted by Act No. XXVI of 2021, s. 2.

others and receive any fee, commission or other compensation for such services '[; and]

To carry out its function effectively, the Bank if deemed necessary may, with the prior approval of the Board and State Bank, establish one or more subsidiaries for the purpose of conducting its business.]

1[(2) The State Bank shall not transfer or delegate any of the functions specified in section 9A of the State Bank of Pakistan Act, 1956 (XXXIII of 1956), including—

- (a) formulation and monitoring of monetary and credit policies;
- (b) regulation and supervision of the financial sector;
- (c) foreign exchange regime and exchange rate policy; and
- (d) payment and settlement system.]

6. Share capital and limited liability.—(1) The authorized share capital of the Bank shall be one billion rupees or such other amount the State Bank may, from time to time, determine by order in writing and shall be divided into shares of one million rupees each.

(2) The paid-up capital of the Bank shall be such amount as may, from time to time, by order in writing be determined by the State Bank and held, *inter alia*, by it, including the fully paid-up shares issued to it under sub-section (7) of section 15.

(3) The share capital may be divided into different kinds and classes therein as may be prescribed by regulations.

(4) The liability of shareholders of the Bank shall be limited to the amount, if any, not fully paid-up on the shares held by them in the capital of the Bank.

7. Board of Directors.—(1) The general superintendence, direction and management of the affairs and business of the Bank and overall policy making in respect of its operations shall vest in the Board of Directors which may exercise all such powers and do all such acts, deeds and things that may be exercised or done by the Bank.

(2) In discharging its functions, the Board shall ensure compliance with the orders and directions that may be issued by the State Bank from time to time.

(3) The Board shall consist of—

- (a) members of the Central Board of the State Bank; and
- (b) the Managing Director.

¹Subs. and added by Act No. XXVI of 2021, s. 2.

(4) The meetings of the Board shall be held at such times and places as may be prescribed by regulations or, until so prescribed by regulations, as and when convened by the Chairman.

(5) No act or proceedings of the Board shall be invalid merely on the ground of the existence of any vacancy in, or defect in the constitution of, the Board.

(6) The quorum of meetings of the Board, shall be as may be prescribed by regulations or, until so prescribed by regulation, shall be five Directors.

(7) All decisions of the Board shall be taken by majority of the Directors present and voting at a meeting duly convened and held, and in the event of an equality of votes, the Chairman may exercise a casting vote.

(8) A resolution in writing signed by all Directors shall be as effective as if such resolution had been passed at a meeting of the Board.

8. Chairman.—(1) The Governor shall be the Chairman of the Bank.

(2) The Chairman shall, whenever present, preside over meetings of the Board, but if at any meeting the Governor is not present, a Deputy Governor of the State Bank, designated for this purpose by the Governor, shall attend the meeting on behalf of the Governor and preside over such meeting provided that if the Deputy Governor being present, is not willing to act, or is also absent, the Directors present shall choose one of their member to be the Chairman of such meeting.

9, Managing Director.—(1) The Managing Director shall be appointed by the State Bank.

(2) The Managing Director shall hold office during the pleasure of the State Bank.

(3) The Managing Director shall be the chief executive officer of the Bank and shall, subject to the control and direction of the Board, administer the affairs of the Bank, and shall have such powers for this purpose as are from time to time delegated to him by the Board.

(4) The salary and other terms and conditions of service of the Managing Director shall be such as the Board may determine.

(5) The Managing Director shall devote his whole time and attention to the affairs of the Bank, provided that the Managing Director may, in addition to his duties as the Managing Director, be entrusted with such other duties for such period as the State Bank may, by order in writing, determine.

11(6) At any time when the office of the Managing Director is vacant, the Governor may within a period of sixty days from the date of vacancy appoint any officer of the State Bank or from the Bank as acting Managing Director:

Provided that the Managing Director shall be appointed under sub-section (1) within a period of three months of the occurrence of vacancy.]

'Added by Act No. XXVI of 2021, s. 3.

10. Disqualification's of the Managing Director.—No person shall be appointed or hold office as Managing Director—

- (a)
- (b)
- (c)
- (d)
- (e)
- (f)

who is a member of the Senate, National Assembly, any Provincial Assembly, or an elected member of a local council or local body constituted under any law relating to local councils or local bodies;

who is employed in any capacity in the service of the Federal Government or of a Provincial Government or holds any office or position for which any salary or other remuneration is payable out of public funds;

who is a director, officer or employee of any other bank or of a financial institution or has an interest as a shareholder in any other bank or financial institution:

Provided that nothing in this clause shall apply where the Managing Director is in the employment of the State Bank or where the Managing Director is, in addition to holding the office of Managing Director of the Bank, entrusted with additional duties under sub-section (5) of section 9;

who has been convicted of tax evasion under any law, or has been convicted or proceedings are pending against him under section 412 of the Companies Ordinance, 1984 (XLVII of 1984), or section 83 of the Banking Companies Ordinance, 1962 (LVII of 1962), or has been convicted by a court of law for an offence involving moral turpitude;

who is in default of payments due from him to any bank, financial institution, cooperative society, Government department, Government controlled or managed company or corporation and for the purpose of this clause, default in payment by the spouse, dependent children, and companies, firms and other business concerns under the control or management of a person shall be considered as the default of such person; or

who holds an office in a political party.

11. Committees of Directors.—(1) The Board may constitute one or more Committees consisting of such number of Directors as it may determine.

(2) The powers, functions, duties and other terms of appointment of a Committee of Directors shall be such as the Board may determine.

(3) The members of a Committee of Directors shall hold office for such period as the Board may determine.

(4) The minutes of every meeting of a Committee of Directors shall be laid before the Board at its next meeting following the meeting of the Committee.

(5) Subject to the general and any special directions of the Board, a Committee of Directors shall deal with any matter entrusted to it by the Board.

12. Delegation of powers and appointment of attorneys.—(1) The Board may, for the purpose of ensuring smooth and efficient functioning of the Bank and facilitating transactions of its daily business, by resolution, delegate to the Managing Director or any other executive of the Bank, subject to such conditions and limitations, if any, as may be specified therein, such of its powers and duties under this Ordinance as it may deem necessary.

(2) The Board may, from time to time, by resolution appoint any company, firm or person to be the attorney of the Bank for such purposes and with such powers, authorities and discretions, not exceeding those vested in or exercisable by the Board under this Ordinance and for such period and subject to such conditions as the Board may think fit, and any such resolution may contain such provisions for the protection and convenience of persons dealing with any such attorney as the Board may think fit.

13. Accounts and audit.—(1) The accounting year of the Bank shall commence on the first day of July and end on the thirtieth day of June.

(2) The Bank shall maintain proper accounts and other records to reflect true and fair view of its state of affairs and prepare annual statement of accounts, including the profit and loss accounts and balance sheet.

(3) The accounts of the Bank shall be audited by one or more auditors who shall be chartered accountants within the meaning of the Chartered Accountants Ordinance, 1961 (X of 1961), to be appointed by the '[Board].

(4) Every auditor shall be supplied with a copy of the annual statement of accounts and it shall be the duty of the auditor to examine the same together with the accounts and vouchers relating thereto, and every auditor shall have a list delivered to him of all books kept by the Bank and shall, at all reasonable times, have access to books, accounts and other documents of the Bank and may employ accountants or other persons to assist him in auditing such accounts and may, in relation to such accounts, examine the Managing Director, any Director and executive of the Bank.

(5) The auditors shall submit a report to the Board and to the State Bank regarding the annual statement of accounts, and in any such report they shall state whether in their opinion the statement of accounts is a full and fair statement of accounts containing all necessary particulars and is properly drawn up so as to exhibit a true and correct view of the state of affairs of the Bank and, in case they have called for any explanation or information from the Managing Director or the Board, whether it has been given and whether it is satisfactory.

(6) The Board may, in addition to the audit under sub-sections (3) and (4), cause to be carried out internal audit of the Bank's accounts and the internal auditors' reports shall be submitted to the Board.

14. Liquidation of the Bank.—The Bank shall not be placed in liquidation save by

'Subs. by Act No. XXVI of 2021, s. 4

order of the State Bank and in such manner and on such terms and conditions as the State Bank may direct.

PART III

TRANSFER OF THE UNDERTAKING BY THE STATE BANK.

15. Transfer of undertaking to the Bank.—(1) Subject to the powers under section 5, the State Bank may direct, by Transfer Order and as particularly described in such Order, that (i) the operational functions and activities of the State Bank; (ii) all related offices and departments; (iii) all related assets and liabilities; and (iv) certain employees of the State Bank shall transfer to and vest in the Bank as of the Transfer Date.

(2) On the making of the Transfer Order by the State Bank under sub-section (1), the Transferred Undertaking and the Transferred Employees shall stand transferred to and vest in the Bank as on the Transfer Date and shall be operated, managed and regulated by the Bank as the undertaking and employees of the Bank, provided that the rules and regulations of the State Bank applicable to the operation of the Transferred Undertaking and to the employment of the Transferred Employees as of immediately before the Transfer Date shall continue to be applied by the Bank unless altered by the Board with the approval of the State Bank.

(3) For the purposes of sub-section (1),—

(a) “assets” include properties whether tangible or intangible, rights, benefits and entitlements of every description and nature (other than immovable property) of the State Bank and relating to, as of the Transfer Date, the operational functions and activities of the State Bank and to the related offices and departments;

(b) “employees” means the employees of the State Bank as are specified in the Transfer Order;

(c) “liabilities” include debts, obligations, commitments, loans, encumbrances, claims and charges of every description and nature, actual or contingent of the State Bank and related to, as on the Transfer Date, the operational functions and activities of the State Bank and to the related offices and departments;

(d) “related offices and departments” include all field offices of the State Bank and certain other offices and departments, in full or in part, as are specified in the Transfer Order; and

(e) “operational functions and activities” shall consist of the following, namely:—

(i) revenue collection and payments for and on behalf of

the Federal Government, a Provincial Government, local governments, local bodies or any other

governmental body, authority, institution, company or corporation;

(ii) maintenance of the accounts of the Federal Government, a Provincial Government, local governments, local bodies, other governmental bodies, authorities, institutions, companies, corporations and of other banks and financial institutions;

(iii) operational work relating to management of debt;

(iv) operational work relating to foreign exchange;
(v) prize bonds and Government savings schemes;

(vi) cash and other business as provided for in agreements between the State Bank and the Federal Government and between the State Bank and the Provincial Governments or in the Act, the Foreign Exchange Regulation Act, 1947 (VII of 1947), the Banking Companies Ordinance, 1962 (L VII of 1962), the Public Debt Act, 1944 (XVIII of 1944), the Securities Act, 1920 (X of 1920), or in any other applicable laws, rules, regulations, orders and notifications made or issued thereunder; and

(vii) any other business, offices or departments, and functions, in full or in part, as may be set out in or authorised or delegated by the Transfer Order.

(4) As and after the Transfer Date, the Bank shall undertake, pay, satisfy, discharge, perform and fulfil all debts, liabilities, contracts, engagements, commitments and obligations whatsoever of the State Bank existing immediately before the Transfer Date and comprised in or exclusively relating to the Transferred Undertaking, and as on the Transfer Date, the State Bank shall stand released and discharged from all such debts, liabilities, contracts, engagements, commitments and obligations.

(5) All agreements, contracts, deeds, bonds, securities, powers of attorney, grants of legal representations, guarantees, letters of credit, negotiable instruments and other instruments of whatever kind subsisting or having effect as at immediately before the Transfer Date to which the State Bank may be a party or which shall be in favour of the State Bank and which are comprised in the Transferred Undertaking or exclusively relate thereto shall be of full force and effect, on the Transfer Date, against or in favour of the Bank and be enforced or acted upon by or against the Bank, as if instead of the State Bank, the Bank had been a party thereto or as if the same had been issued by or in favour of the Bank.

(6) All suits, appeals or other legal proceedings, including arbitration proceedings, of whatsoever nature by, or against, the State Bank which exclusively relate to the Transferred Undertaking and which shall be pending immediately before the Transfer Date in any court, tribunal, other competent authority or before any arbitrator shall be continued exclusively by, or against, the Bank and the State Bank shall cease to be a party to such suits, appeals or other legal proceedings.

(7) In consideration of the transfer to the Bank of the Transferred undertaking under sub-section (1), the Bank shall issue such number of fully paid-up shares in its share capital

to the State Bank as shall be specified in the Transfer Order.

(8) Notwithstanding anything in the Stamp Act, 1899 (II of 1899), or any other law for the time being in force no stamp duty, registration or any other similar tax or levy shall be payable under any law for the time being in force on or in relation to the vesting and transfer made by the Transfer Order.

(9) The State Bank may take all such further, supplemental, incidental and consequential actions, and steps as may be necessary to give full effect to the provisions of this section.

16. Employees transferred to the Bank.—(1) The Transfer Order shall specify by category or by name the employees of the State Bank who shall, as from the Transfer Date, stand transferred to, and become the employees of, the Bank by virtue of the Transfer Order.

(2) The Transferred Employee shall not be entitled to any compensation or any other payments whatsoever as a consequence of transfer to the Bank.

(3) The existing terms and conditions of service and the benefits to which the Transferred Employees are entitled to in the State Bank, including pension, gratuity, provident and benevolent funds benefits and benefits of the existing staff regulations shall be assured to the Transferred Employees upon their transfer to the Bank except where altered with the consent of the Transferred Employees.

(4) As from the Transfer Date, the benefits accrued to the Transferred Employees under the State Bank's pension, gratuity, provident fund, benevolent fund and any other employees benefit schemes of the State Bank shall be transferred to similar funds and schemes established by the Bank and the Transferred Employees shall be deemed to have become members of, and become entitled to the benefits of, such funds and schemes of the Bank.

(5) For the purpose of payment of benefits to the Transferred Employees under the pension, gratuity, provident and benevolent funds and other employees benefits schemes of the Bank, the period of employment of the Transferred Employees under the State Bank shall count towards their employment under the Bank notwithstanding the date of transfer of the Transferred Employees to the Bank

PART IV DIRECTIONS TO THE BANK

17. Power of the State Bank to give direction.—(1) Where the State Bank is satisfied that—

(a) in the public interest; or

(b) to prevent the affairs of the Bank being conducted in a manner detrimental to the interests of its customers or in a manner prejudicial to the interests of the Bank or of the State Bank; or

(c) to secure the proper management of the Bank generally,

it is necessary to issue directions to the Bank, the State Bank may, from time to time, issue such directions as it may deem fit and the Bank shall be bound to comply with such directions.

(2) The State Bank may, on representation made to it, or on its own motion, modify or cancel any direction issued under sub-section (1) and in so modifying or cancelling any such direction may impose such conditions as it thinks fit, subject to which the modifications or cancellation shall have effect.

PART V

DELEGATION BY THE STATE BANK

18. Delegation of the powers of the State Bank.—(1) The State Bank may, by order in writing, direct that all or any of the State Bank's powers and functions under this Ordinance, the Act, the Banking Companies Ordinance, 1962(LVII of 1962), the Foreign Exchange Regulation Act, 1947(VII of 1947), or under any other law, rules, regulations, orders, notifications or bye-laws for the time being in force shall, subject to the provision of section 5 of this Ordinance, be exercised by the Bank, as the State Bank may, from time to time, specify by order in writing.

(2) Where the Governor or any other executive of the State Bank authorised by the Governor in this behalf has, under sub-section (1), directed that any of the State Bank's powers or functions under any law, rules, regulations, orders, notifications or bye-laws for the time being in force shall be exercised, or performed, by the Bank the Board may, by resolution, direct that any of such powers and functions shall be exercised, or performed, subject to such limitations, restrictions or conditions, if any, as the Board may, from time to time, impose by the Managing Director or any other Director, executive or other employee of the Bank specified by the Board.

19. Appointments under section 23B of the Foreign Exchange Regulation Act, 1947.—(1) Notwithstanding the provisions of section 23B of the Foreign Exchange Regulation Act, 1947(VII of 1947), the State Bank may, by order in writing, authorize in relation to any area specified in such order any executive of the Bank to act as the Director of Adjudication, an Additional Director of Adjudication, a Joint Director of Adjudication, a Deputy Director of Adjudication or an Assistant Director of Adjudication for the purposes of section 23B thereof.

(2) The executives of the State Bank currently acting as the Director of Adjudication, the Additional Director of Adjudication, the Joint Director of Adjudication, the Deputy Director of Adjudication, and the Assistant Director of Adjudication in respect of any area and transferred to the Bank pursuant to the Transfer Order shall continue to hold such appointments until removed by the State Bank and shall be deemed to have been appointed by the Federal Government for the purposes of section 23B of the Foreign Exchange Regulation Act, 1947 (VII of 1947).

PART VI
MISCELLANEOUS

20. Duty of officers and servants to maintain secrecy.—(1) Except in the performance of his duties under this Ordinance, every executive or other employee of the Bank shall preserve and aid in preserving secrecy with regard to all matters relating to the affairs of the Bank and of the State Bank coming to his knowledge and not published by the Bank or by the State Bank and with regard to all matters relating to the financial or monetary affairs of any bank, institution, person, body of persons, any Government or authority whether in Pakistan or outside Pakistan that may come to his knowledge in the performance of his duties.

(2) Every such executive or other employee who communicates any such matter, except when required by law so to do, or in the discharge of his duties as such, shall be guilty of an offence punishable with imprisonment of either description for a term which may extend to three years, or with fine which may extend to one hundred thousand rupees, or with both.

(3) No court shall take cognizance of any offence punishable under this section except upon a complaint in writing by a person authorized in this behalf by the Board.

21. Bank and its officers to be public officers.—(1) For the purposes of Article 7 of the Qanun-e-Shahadat Order, 1984 (P.O. No. 10 of 1984), the provisions of Part IV of the Code of Civil Procedure, 1908 (Act V of 1908), and the provisions of rule 27 of Order V, and rule 52 of Order XXI of the said Code, the Bank and any person in the service of the Bank acting in his capacity as such shall be deemed to be a public officer.

(2) The provisions of Article 6 of the Qanun-e-Shahadat Order, 1984 (P.O. No. 10 of 1984), shall apply to the unpublished records of the Bank and the Managing Director shall be deemed to be the officer or head of the department concerned.

22. Persons in the service of the Bank to be public servants.—Every person in the service of the Bank shall be deemed to be a public servant within the meaning of section 21 of the Pakistan Penal Code (Act XLV of 1860).

23. Production of unpublished records of the Bank etc.—(1) No court, tribunal or other authority shall be entitled to compel the Bank or any person in the service of the Bank to produce or, as the case may be, give any evidence derived from, any unpublished records, of the Bank.

(2) No court, tribunal or other authority shall permit any one to produce or give evidence derived from, any unpublished records of the Bank, except with the prior permission

in writing of the Managing Director who may give or withhold such permission as he thinks fit.

(3) Notwithstanding anything contained in this Ordinance or any other law for the time being in force, a report prepared by the Bank on a banking company under any law for the time being in force shall be deemed to be unpublished for the purposes of sub-sections (1) and (2) even if a copy of such report has been supplied to the banking company to which the report pertains, the State Bank or the Federal Government.

[24. Pension, gratuity and provident fund of Bank employees to be exempt from attachments, etc.—Notwithstanding anything contained in any law for the time being in force, pensions, gratuity and provident fund of the executives and other employees or pensioners shall not be liable to seizure, attachment or sequestration by process of any court order at the instance of creditor, decree holder etc., for any demand against the executives, employees or pensioners or in satisfaction of a decree or order of any court.]

[24A. Act or proceeding of the Board not to be questioned.—No act or proceeding of the Board or the committees of the Board shall be questioned on the ground only on the existence of any vacancy in or any defect in the constitution of such Board or committee thereof.]

25. Exemption from taxes.—Notwithstanding anything contained in the Wealth Tax Act, 1963 (XV of 1963), and the Income Tax Ordinance, 1979 (XXXI of 1979), or any other law for the time being in force relating to wealth tax, income tax or super tax, the Bank shall not be liable to pay any wealth tax, income tax or super tax on its income or wealth.

26. Power to make rules.—The State Bank may, by notification in the official Gazette, make rules, consistent with the provision of this Ordinance, for carrying out the purposes of this Ordinance.

27. Power to make regulations.—(1) The Bank may, subject to the prior approval of the State Bank, make regulations, not inconsistent with the provisions of this Ordinance and the rules made thereunder, to provide for all matters for which provision is necessary or convenient for the purpose of giving effect to the provisions of this Ordinance.

(2) Where any provision of the regulations is inconsistent with any provision of the rules, the provision of the rules shall prevail.

(3) Where the State Bank considers it expedient so to do, it may by order in writing, direct the Bank to make any regulations or to amend or rescind any regulations already made, within such period as it may specify in this behalf.

(4) If the Bank fails or neglects to comply with any direction of the State Bank under sub-section (3) within the specified period, the State Bank may make, amend or rescind any regulation directed by the State Bank to be made, amended or rescinded, and a regulation so made, amended or rescinded by the State Bank shall be deemed to have been made, amended or rescinded by the Bank in accordance with the provisions of this section and shall have effect accordingly.

[28. Protection of action taken in good faith.—No suit or other legal proceedings shall lie against the State Bank and the Bank or any director or officer of the State Bank and the Bank for anything which is in good faith done or intended to be done in pursuance of this Ordinance or of any rules, regulations or orders made thereunder.]

'Subs. and ins. by Act No. XXVI of 2021, ss. 5-7.

29. Ordinance to override, etc.—(1) Except the application of any provision of the Act to the Bank as a subsidiary of the State Bank, this Ordinance shall have effect notwithstanding anything contained in any law for the time being in force or in any agreement, contract, or other applicable document or instrument.

(2) The Banking Companies Ordinance, 1962 (LVII of 1962), shall not apply to the Bank.

30. Removal of difficulties —If any difficulty arises in giving effect to any of the provisions of this Ordinance, the State Bank may make such order not inconsistent with the provisions of this Ordinance, as may appear to it to be necessary for the purposes of removing the difficulty:

Provided that no such power shall be exercised after the expiry of two years from the commencement of this Ordinance.